

**Firm Overview**

**Parvin Asset Management**

offers traditional and alternative investment management to address the specific needs and preferences of the individuals, families and institutions we serve. Our objective is to preserve capital and to provide higher risk-adjusted returns than the market. To accomplish this goal for equities, we concentrate on the fundamental importance of profitability and value. Equity portfolios are constructed with focused positions since we view too much diversification as lowering the opportunity for higher returns without reducing risk. As a result, we build portfolios with stocks that are typically spread among 20 equal-weighted positions. In general, we look for stock holdings that are usually characterized by high returns on capital; steady earnings growth; reasonable valuation; substantial income, as appropriate; and diversification across six, or more, economic sectors.

**Investment Strategy**

**Parvin Hedged Equity Commodity Income** is a strategy designed for investors to realize commodity-related returns and diversification without owning a commodity index or the underlying futures contracts. Equity securities will usually reflect most components of broad commodity indices but not necessarily the same weighting since different sectors may be emphasized. Our selection process targets well capitalized, commodity-dependent businesses generating cash from profitable operations in markets around the world. In an attempt to limit downside risk and to reduce return variability, we hedge using SPDR S&P 500 ETF (SPY) along with iShares MSCI EAFE ETF (EFA) and Emerging Markets ETF (EEM) put options. Margin, or leverage in the form of borrowed funds, is never used.

**Portfolio Highlights**

Downside protection, current income, and upside participation are primary objectives of this strategy

Focused portfolio; globally diversified; up to 20 U.S., international and emerging market stock positions; plus, protective put options

Selection process is driven by economically profitable commodity-related businesses trading at prices below intrinsic value

Offsetting returns of stocks and protective put options are inherently tax-efficient; foreign dividends will be subject to withholding taxes but often represent qualified income in the U.S.

**Portfolio Manager**
**J. Steven Smith, CFA<sup>®</sup>**

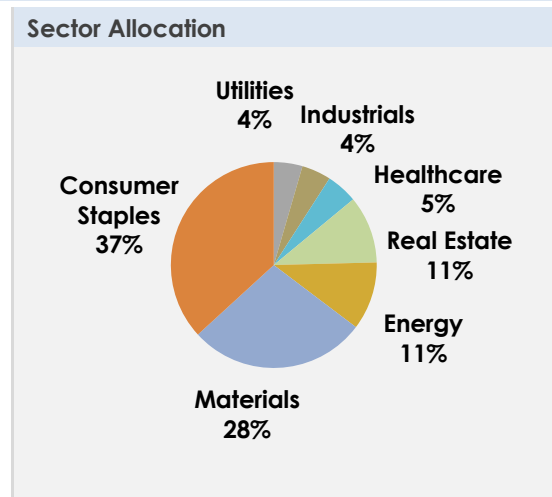
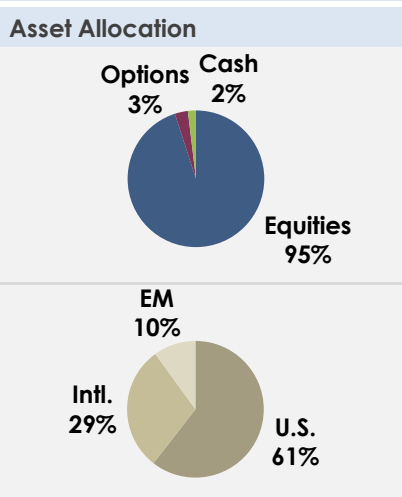
- Managing Director, Parvin Asset Management
- Investment Committee Member and Portfolio Manager, Nuveen (Radnor, PA)
- Treasurer, Harman International
- Vice President, Lehman Brothers
- Analyst, Morgan Stanley
- Williams College (BA)
- Tuck School at Dartmouth (MBA)

**Representative Account <sup>2</sup>**

(as of 12/31/2021)

Significant Holdings <sup>3</sup>	%
Chevron	5.6
JBS SA	5.4
Farmland Partners	5.4
Rio Tinto	5.3
Yara International	5.1
SPY 01/20/23 370 Puts	1.7
Financial Overview <sup>4</sup>	Data*
Return on Equity	19.9%
Projected Growth	3.5%
Indicated Yield	3.6%
Forward P/E	11.3x
Price/Cash Flow	11.3x
Price/Book	1.8x

\*Source: Morningstar.


<sup>1</sup> Information presented is supplemental to and not required for GIPS Reports.

<sup>2</sup> Based on a single, representative fully-discretionary account currently managed under Parvin's Hedged Equity Commodity Income strategy and included in Parvin's Composite of Hedged Equity Commodity Income Accounts.

<sup>3</sup> The Significant Holdings are intended only as a sample of the types of securities that Parvin may purchase and hold and may differ from other accounts and change any time without notice. The securities listed are not recommendations to buy, sell or hold.

<sup>4</sup> The Financial Overview is only intended as the current weighted-average profile of equity securities in a representative account that Parvin may purchase and hold, and may differ from other accounts and change any time without notice. These profile characteristics are not comprehensive and are not guaranteed to either generate returns or control risk. Source of data is Morningstar, which Parvin has deemed reliable but does not guarantee.

**For use by the individual recipient only. Past performance is not a guarantee of future results. Additional information on Parvin's performance results is available upon request.**