EquityCompass Core Retirement Portfolio

Four Integrated Strategies,
One Comprehensive Retirement Program

Retirees want to enjoy their retirement years without being consumed by worry that they will outlive their income. In this decumulation phase, retirement assets may need to fund withdrawals for 10, 20, and 30 years or more, while also absorbing asset erosion from downside volatility and increasing inflation-adjusted income.

Traditional retirement approaches, generally including a significant fixed income portion, may be ill-equipped to generate the growth and income needed throughout a retiree's lifetime. This reliance on fixed income, when bond yields are at generational lows with scenarios of prolonged low or rising interest rates, poses a clear and present threat to income longevity. The income needed over a retiree's lifetime may not be reliably generated with this traditional view of fixed income, particularly in a low interest rate environment.

Traditional retirement approaches may be ill-equipped to generate the growth and income needed throughout a retiree's lifetime.

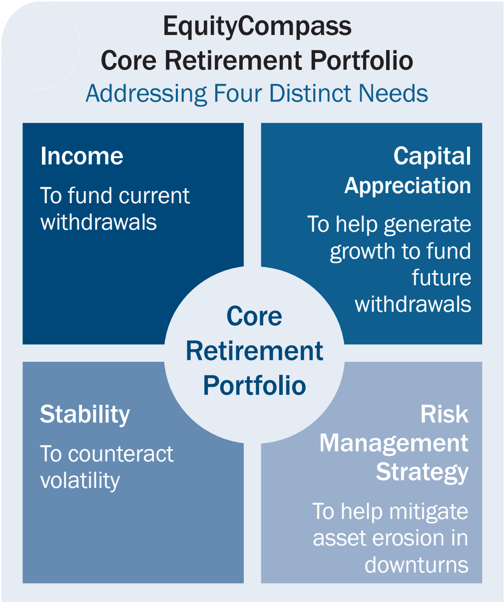
In addition, retirees often may choose to segment their investment assets according to their expected withdrawal dates with specific allocations to short-, intermediate-, and longer-term time frames. However, this common approach does not factor in the reality of potentially lackluster fixed income yields over extended periods coupled with heightened equity volatility that can quickly erode assets.

A Different Approach is Needed

At EquityCompass Strategies, we believe a more comprehensive and coordinated approach should be considered that focuses on retirees' needs to combine an investment strategy with an efficient withdrawal strategy.

A Comprehensive Needs-Based Approach

The EquityCompass Core Retirement Strategy seeks to address the essential retirement needs in the following ways:



INCOME – *To fund current withdrawals*

The need for current income can be addressed by an income strategy that focuses on **high-dividend-yielding stocks rather than low-yielding bonds.**

CAPITAL APPRECIATION – *To generate growth to fund future withdrawals*

Invests in globally operating, developed-market companies trading at a discount to their long-term intrinsic value and characterized by high and sustainable returns on invested capital, intangible assets, and influential insider ownership.

STABILITY – *To counteract volatility*

While the current environment of extremely low interest rates has undermined the income objective for bonds, **fixed income still has an important role in a retirement portfolio** to help preserve purchasing power and provide stability.

RISK MANAGEMENT STRATEGY – *To help mitigate asset erosion in downturns*

We believe a preset strategy to shift to a defensive cash position is the most effective way to help **protect assets from downside exposure**.

Income To Fund Current Withdrawals

"High-quality stocks that pay dividends tend to be less volatile and can provide a stable and growing income stream to help fund living expenses. Allocating a portion of retirement assets to dividend-payers that are able to raise dividends can strike a balance between providing necessary current income and allowing for growth over time without taking too much risk."

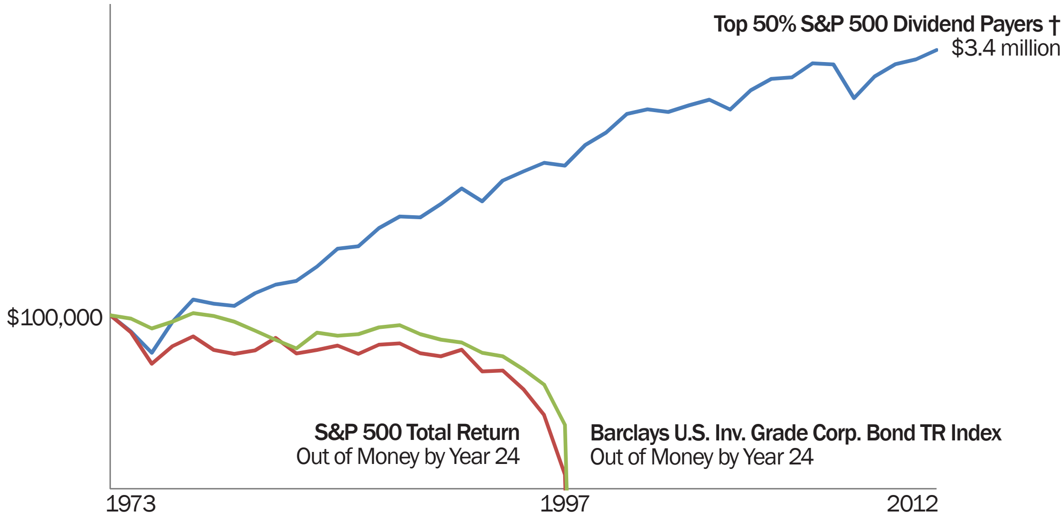
Larry Baker, CFA, *Portfolio Manager,* Quality Dividend Portfolio

The Quality Dividend Strategy seeks to provide the highest possible dividend yield within the constraints of quality, capital preservation, and diversification in an effort to provide income-seeking investors a superior alternative to investing in bonds.

The strategy has three goals: (1) provide asset preservation, (2) generate attractive current income, and (3) develop growth in current income.

Performance of High-Yield Stocks in Decumulation

For Illustrative Purposes Only | 12/31/1972 – 12/31/2012 | Source: Ned Davis Research | Annual withdrawals starting at 4.5% and increasing with inflation | Includes Dividends | Monthly Data | Net of 1% Fees



† Represents the top 50% of dividend paying stocks in the S&P 500 by yield. The list is reconstituted annually and is equally weighted.

Top dividend payers were identified with the benefit of hindsight; the identification of future top dividend payers may be inaccurate. Past performance does not guarantee future results. Bonds offer fixed payment of interest and repayment of principal upon maturity, while stock dividends fluctuate and are not guaranteed.

Capital Appreciation To Fund Future Withdrawals

"The advantage of owning great multinational companies is they can capture the power of economic compounding which becomes the source of long-term capital appreciation, the backbone to a healthy retirement account."

Robert G. Hagstrom, *Portfolio Manager,* Global Leaders Portfolio

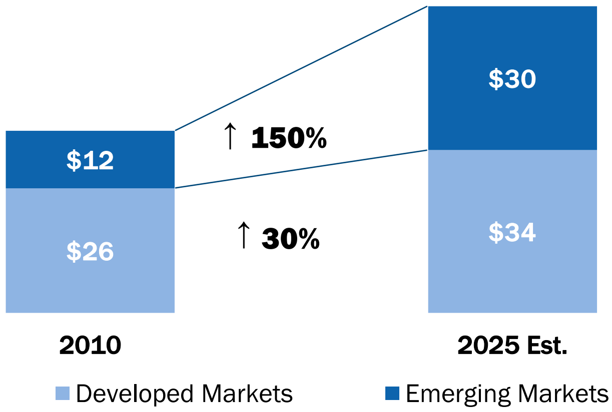
The Global Leaders Portfolio seeks to address risks associated with investing directly in foreign markets, especially emerging markets, by investing in globally operating, developed market companies. The strategy invests globally to benefit from the economic expansion of developing countries and the potentially unprecedented growth in worldwide consumer demand. By 2025, global consumers are estimated to reach 4.2 billion people with purchasing power of $64 trillion — termed the “biggest growth opportunity in the history of capitalism” by McKinsey & Company.*

The strategy invests in “great” companies which we define as: (1) high and sustainable returns on invested capital, intangible assets, and influential insider ownership, (2) stable and consistent returns, and (3) potentially compounding shareholder returns over the long term. The portfolio maintains a long-term investment horizon to capture the power of economic compounding that great companies provide.

Global Consumption Demand

$ Trillions | Source: McKinsey & Company | August 2012

Emerging market consumer purchasing power is expected to increase 150% over the next 10 years and account for nearly half of global spending.



* Atsmon, Child, Dobbs and Narasimhan, Winning The $30 Trillion Decathalon: Going For Gold in Emerging Markets, McKinsey & Company, August 2012.

Stability To Counteract Volatility

"A key to a successful fixed income retirement portfolio is a focus on yield and preservation of purchasing power. We seek to accomplish the investment goals with dynamic sector selection and controlled duration management."

Paula Horn, *Portfolio Manager,* Fixed Income Stability Portfolio

The role of long-term bonds as a haven for income and perceived safety has been eroded with a 40-year bull market. With current interest rate levels at generational lows, the traditional role of fixed income in a retirement portfolio needs to be rethought. In particular, we feel current levels of long-term rates have too much risk for them to be included in a retiree's fixed income allocation. However, fixed income does have an important role in providing stability to counteract volatile financial markets.

Our approach centers on using only intermediate maturity securities to allow for continual reinvestment at higher yields over time and incorporates an allocation to securities that helps protect against the eroding effects of inflation. With a focus on income, we constantly analyze opportunities available in the mortgage and corporate bond markets and will tactically adjust our allocation across these asset categories as they arise.

30-Year Treasury Yield

February 1977 – September 2017 | Source: Federal Reserve

Yields on long-term Treasury bonds have declined from 15% in the early 1980s to less than 3% today, eroding the income and perceived safety that bonds have historically provided.

Risk Management Strategies To Mitigate Asset Erosion

"A risk management strategy is the part of an investment process that seeks to mitigate a large market decline. Our formalized approach seeks to decorrelate, or shift, portfolio assets to cash when market conditions are unfavorable and restore exposure when conditions are favorable."

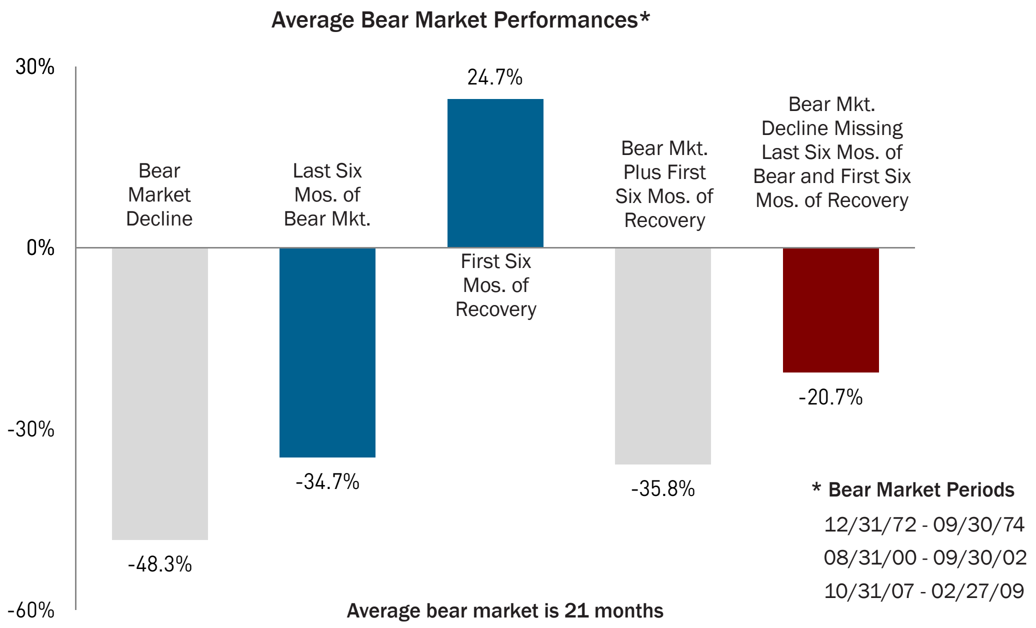
Timothy M. McCann, *Portfolio Manager,* Risk Management Strategy

Investors' emotional response to market volatility can lead to ill-timed investment decisions. Tactical equity seeks to reduce equity exposure only during periods of unfavorable market conditions. When conditions return to being favorable, the strategy reverts to being fully invested in equities, enabling investors to stay invested during periods of market turbulence.

Our tactical strategy for risk management addresses the shortfalls of traditional risk management techniques by seeking risk control during periods of market stress when the performance of various asset classes becomes highly synchronized and the traditional risk management approach of asset class diversification alone is less effective.

The Cost / Benefit of Avoiding Bear Market Bottoms

Cumulative Performances | Dividends excluded | Source: EquityCompass Strategies



Past performance is not indicative of future results.

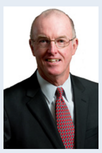
EquityCompass Core Retirement Portfolio

Addressing Four Distinct Needs

INCOME

TO FUND CURRENT WITHDRAWALS

The Quality Dividend Portfolio seeks to provide attractive current income, income growth, and lower volatility through investment in dividend-paying stocks.



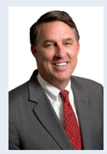
Larry Baker, CFA
Senior Portfolio Manager
EquityCompass Strategies

Larry Baker joined EquityCompass in 2010 and is currently the Senior Portfolio Manager of the EquityCompass Quality Dividend portfolio. He has more than 30 years of investment experience, including 15 years at Legg Mason, where he was a Managing Director and award-winning securities analyst in the Industrials sector. Prior to joining Legg Mason, he was a Vice President and securities analyst at Dillon, Read & Co. Mr. Baker began his career as a securities analyst with E. F. Hutton, where he spent 10 years. He received a B.S. from the United States Military Academy and a Masters in Finance from the Sloan School of Management at the Massachusetts Institute of Technology.

CAPITAL APPRECIATION

TO GENERATE GROWTH TO FUND FUTURE WITHDRAWALS

The Global Leaders Portfolio invests in globally operating, developed market companies and is used to seek capital appreciation through exposure to unprecedented growth in worldwide consumer demand.



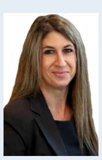
Robert G. Hagstrom, CFA
Senior Portfolio Manager
EquityCompass Strategies

Mr. Hagstrom joined EquityCompass in April 2014. Prior to that, he was the Chief Investment Strategist of Legg Mason Investment Counsel, and before that, the Portfolio Manager of the Growth Equity Strategy at Legg Mason Capital Management for 14 years. He has also served as President and Chief Investment Officer of Legg Mason Focus Capital, General Partner of Focus Capital Advisory, and Principal at Lloyd, Leith & Sawin. Robert is the author of nine investment books, including The New York Times Best Seller, *The Warren Buffett Way*. He earned his Bachelor and Masters of Arts degrees from Villanova University and is a member of the CFA Institute and the CFA Society of Philadelphia.

STABILITY

TO COUNTERACT VOLATILITY

The Fixed Income Stability Portfolio is used to help provide stability and a modest degree of income by investing in high-quality, intermediate-term securities, including ETFs.



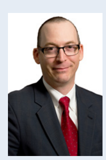
Paula Horn
Portfolio Manager and
Chief Investment Officer
Ziegler Capital Management, LLC

Prior to joining Ziegler Capital in February 2009, Ms. Horn was Managing Director of Investment Grade Credit at Deerfield Capital for more than 7 years. Before joining Deerfield Capital, Ms. Horn was a Vice President, Portfolio Manager, and Corporate Bond Trader at Scudder Kemper Investments. Ms. Horn previously was a Corporate Bond Portfolio Manager and Trader for several Zurich Insurance Company subsidiaries, including Zurich Investment Management and Centre Investment Services. Prior to Centre Investments, Ms. Horn was a software consultant with the PORTIA division of Thomson Financial Services. Ms. Horn received a B.A. from Tufts University and an M.M. Degree from the J.L. Kellogg Graduate School of Management at Northwestern University.

RISK MANAGEMENT STRATEGY

TO HELP MITIGATE ASSET EROSION IN DOWNTURNS

Tactically allocated equity portion uses ETFs to help reduce equity exposure when there are signs of market deterioration and restores it as signs of improvement emerge.



Timothy M. McCann
Senior Portfolio Manager
EquityCompass Strategies

Mr. McCann joined EquityCompass in 2002 as a quantitative analyst. He led the efforts to develop, refine, and implement the EquityCompass proprietary quantitative models and rules-based investment strategies. He was appointed Portfolio Manager in 2006 and promoted to Senior Portfolio Manager in 2008. Mr. McCann is responsible for managing quantitative equity portfolios, investment research, and new product development at EquityCompass. Previously, Mr. McCann worked for a Boston-based financial advisory firm, Morgan Stanley, and UBS Securities (via PaineWebber) in various positions. He has a B.S. in business from The College of Notre Dame of Maryland.

Core Retirement Portfolio — Overview

Three Key Highlights

1) **A growth-oriented asset allocation**
   - Targets a 75/25 stock/bond allocation for higher growth prospects than available through generationally low bond yields
2) **Equity allocation that focuses on high-quality large-cap stocks to seek income and growth with lower volatility**
   - Seeks to generate income through high-dividend-paying stocks
   - Provides diversification and opportunity through global equity exposure
3) **Tactical equity allocation helps mitigate the impact of large stock market declines by reducing equity exposure**
   - Helps to be responsive to market conditions and longer-term trends

Details

- Account minimum: $300,000
- Available as a separately managed account (SMA) on Stifel's Opportunity platform

To Learn More

Contact your Stifel Financial Advisor

ABOUT EQUITYCOMPASS

EquityCompass Strategies is a Baltimore-based equity investment management team. We offer a broad range of portfolio strategies based on our systematic, research-driven investment process to institutional investors, financial advisors, and individual investors. As of November 30, 2017, EquityCompass provided portfolio strategies with respect to assets of over $3.5 billion.

IMPORTANT DISCLOSURES

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed and is not a complete summary or statement of all available data nor is it considered an offer to buy or sell any securities referred to herein. EquityCompass Strategies is a research and investment advisory unit of Choice Financial Partners, Inc., a wholly owned subsidiary and affiliated SEC registered investment advisor of Stifel Financial Corp. Portfolios based on EquityCompass Strategies are available primarily through Stifel, Nicolaus & Company, Incorporated. Affiliates of EquityCompass Strategies may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. The Fixed Income Stability Portfolio will be managed by Ziegler Capital Management, LLC. EquityCompass and Ziegler Capital Management, LLC ("ZCM") are wholly owned subsidiaries and affiliated SEC Registered Investment Advisers of Stifel Financial Corp. ("Stifel"). EquityCompass will hire its affiliate, ZCM, to manage this strategy in the portfolio. This will not increase the overall fee for any client.

Any investment involves risks, including a possible loss of principal. Rebalancing may have tax consequences, which should be discussed with your tax advisor.

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards.

There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries.

Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. Changes in market conditions or a company's financial condition may impact the company's ability to continue to pay dividends. Companies may also choose to discontinue dividend payments. High-dividend paying stocks may carry elevated risks and companies may lower or discontinue dividends at any time. Diversification and/or asset allocation does not ensure a profit or protect against loss.

All performance results presented are done solely for educational and illustrative purposes and are not intended for trading, or to be considered investment advice. No representation is made that any Strategy, model, or model mix will achieve results similar to those shown in these materials. Choice Financial Partners does not manage actual client portfolios; rather, portfolios based on EquityCompass Strategies are available primarily through Stifel, Nicolaus & Company, Incorporated. Please refer to the Stifel, Nicolaus & Company Incorporated's Wrap Program Disclosure Brochure for a more detailed discussion of the program requirement, including the fee schedules applicable to accounts managed using these Strategies.

Index Description(s):

The S&P 500 Index is a broad market index that tracks the performance of 500 leading stocks from major industries of the U.S. economy. The index is generally considered representative of the U.S. large capitalization market. Barclays Capital U.S. Investment Grade Corporate Bond Total Return Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. corporate investment grade fixed income bond market. Indices are unmanaged, and it is not possible to invest directly in the indices.

Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal, and may trade for less than their net asset value. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. Investors should consider an ETF's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing.

The Stifel Opportunity Program is a fee based program that requires a $300,000 minimum investment. There may be other costs associated with the Stifel Opportunity Program, including but not limited to: exchange fees, transfer taxes, interest expense, trade surcharges, and closing costs. You should consider all terms and conditions before deciding whether the Stifel Opportunity Program is appropriate for you.

It should not be assumed that any holdings included in these materials were or will prove to be profitable, or that recommendations or decisions that the firm makes in the future will be profitable or will equal the investment performance of the securities discussed herein.

PAST PERFORMANCE CANNOT AND SHOULD NOT BE VIEWED AS AN INDICATOR OF FUTURE PERFORMANCE.

Additional Information Available Upon Request. Please contact your Stifel Financial Advisor.

EquityCompass Strategies
One South Street, 16th Floor
Baltimore, Maryland 21202
www.equitycompass.com
(443) 224-1231
equitycompass@stifel.com

Choice Financial Partners, Inc.
A subsidiary of Stifel Financial Corp.