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Creative financial Designs

# TRADITIONAL INCOME SOLUTION STRATEGY

**Managed portfolio designed for growth yield and long-term growth**

**BROKERAGE INVESTMENT MANAGEMENT** SERVICES

*Muir Woods National Monument • Mill Valley, California*

Traditional Income Solution Strategies - 09022026

# CREATIVE FINANCIAL DESIGNS, INC.


## Our History

Founded in 1982, Creative Financial Designs, Inc. (Creative) is a Registered Investment Adviser (RIA) with the Securities and Exchange Commission. Headquartered in Kokomo, Indiana, Creative was established with a clear mission: to assist financial advisers in providing client-focused, values-based financial guidance. The firm supports a wide network of advisers across the country, all committed to delivering exceptional service and results, abiding by their fiduciary responsibility.

Creative offers a comprehensive range of products, including investment management and financial planning services that can be tailored to meet the unique financial circumstances of individual clients. By combining industry expertise with a personalized approach, Creative helps individuals, families, and businesses build, manage, and preserve wealth.

With a strong emphasis on integrity, innovation, and customized solutions, Creative continues to uphold its founding vision—to ensure that every household has access to trustworthy financial advice that promotes long-term success, regardless of one's starting point or financial history.

# ABOUT
# INCOME SOLUTION STRATEGY

The firms Income Solution Strategy is an investment strategy for at least a portion of your investments that includes a focus on yield and income. The firm's Income Strategy attempts to provide respectable yield along with growth potential depending on the portfolio objective selected. Even long-term investors may be concerned about market volatility at times, investment risk, or may be in need of a more stable income-producing strategy for some or all of their investment needs. The firms Income Solution Strategy has four available strategy options along with five portfolio objectives. Read below for a brief overview of each strategy.

## OPTIONS AVAILABLE

**Core – Fixed Income Taxable Income Solution Strategy** This strategy aims to generate competitive portfolio yields and growth using taxable fixed income investments and respective individual equities depending on portfolio objective selection. The Strategy likely utilizes high quality and short-to-intermediate duration taxable instruments, such as corporates, taxable municipals, ETF's, mutual funds, and similar investments, for the fixed portion of the portfolio. Equity portion of the portfolio uses a screening process that consists of likely mega large cap value and potentially blend individual stocks that meet strict rules based criteria. The goal is to provide a roughly 20 stock portfolio that provides yield, stability, diversification among sectors, and more.

**Core – Fixed Income Municipals Income Solution Strategy** This strategy aims to generate competitive portfolio yields and growth using municipal type fixed income investments and respective individual equities depending on portfolio objective selection. The Strategy likely utilizes high quality and short-to-intermediate duration tax-exempt municipals, ETF's, mutual funds and similar investments for the fixed portion of the portfolio. Equity portion of the portfolio uses a screening process that consists of likely mega large cap value and potentially blend individual stocks that meet strict rules based areas. The goal is to provide a roughly 20 stock portfolio that provides yield, stability, diversification among sectors, and more.

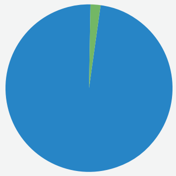
# PORTFOLIO
## OPTIONS

Five investment portfolio objectives are available for most strategies.

LIKELY LESS VOLATILITY

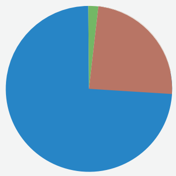
### CONSERVATIVE

Cash
Bonds
Equities



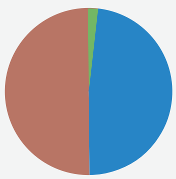
### MODERATELY CONSERVATIVE

Cash
Bonds
Equities



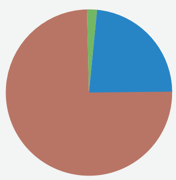
### MODERATE

Cash
Bonds
Equities



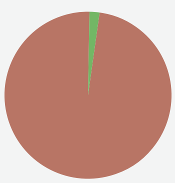
### MODERATELY AGGRESSIVE

Cash
Bonds
Equities



### AGGRESSIVE

Cash
Bonds
Equities



LIKELY MORE VOLATILITY

*Diversification of each portfolio is much more complex than the overall generalization shown above. Your account will be invested differently than above and changes can and will occur any time without notice.*

# INVESTING FOR THE INCOME STRATEGY

## FIXED INCOME HOLDINGS

The fixed income portion of the portfolio focuses on a diversified investment approach. Depending on the strategy selected, information provided in the 'Strategy Options Available' section, the firm uses the best currently available fixed income options to fit your portfolio's needs. These investments may include ETF's, mutual funds, or individual bonds. Our team focuses on building you the best diversified bond ladder it can while paying specific and special attention to:

### FILTER

- Bond Quality
- Yield
- Industry
- Sector
- Municipality
- Maturity
- Duration
- Rating
- Expense
- Diversification

## EQUITY HOLDINGS

For the equity portion of your portfolio, our team focuses on high quality higher yielding stocks diversified across sectors and industries. Selecting the best high-yielding stocks requires more than just selecting the equities with the highest dividends. Our firm uses multiple independent research companies (Bloomberg, Morningstar, and Value Line) to help quantify the stocks we use that meet our safety and yielding guidelines. Dependent on your selected investment objective, combining the fixed income solutions with the equity solutions gives not only a well yielding portfolio, but also the potential for a fairly conservative investment asset growth. We aim to provide you this equity mix of yield and conservative growth of equities by searching and filtering stocks to purchase by:

### FILTER

- filtering through Value Line, Bloomberg, Morningstar, etc. for strong fundamental strength filtering by:
    - » financial strength
    - » safety ranking
    - » stable dividend growth
    - » stock stability
    - » reasonably priced valuations
- selecting stocks that have not cut dividends more than one time by the company in the previous 10 years
- analyzing based on quality, higher yielding stocks in their respective industries/sectors
- providing solid balance sheets and cash flow to sustain dividend growth
- owning stocks across several industries/sectors

*Creative Financial Designs also uses and reserves the right to use and change additional filters that are listed and not listed on this page.

# INVESTING GOALS

Using any investment strategy depends on the clients investment goals, investment needs, and investment time horizon. The Income Solution Strategy is specific in attempting to provide higher-yielding and income-producing higher quality investments for clients. Is this strategy for every client and investment? No. Here is what we believe:

## WHO IT MIGHT BE FOR

- **Long-term investor**
- **Income focused**
- **Less aggressive investor**
- **Inflation hedge**
- **Strategy diversifier**

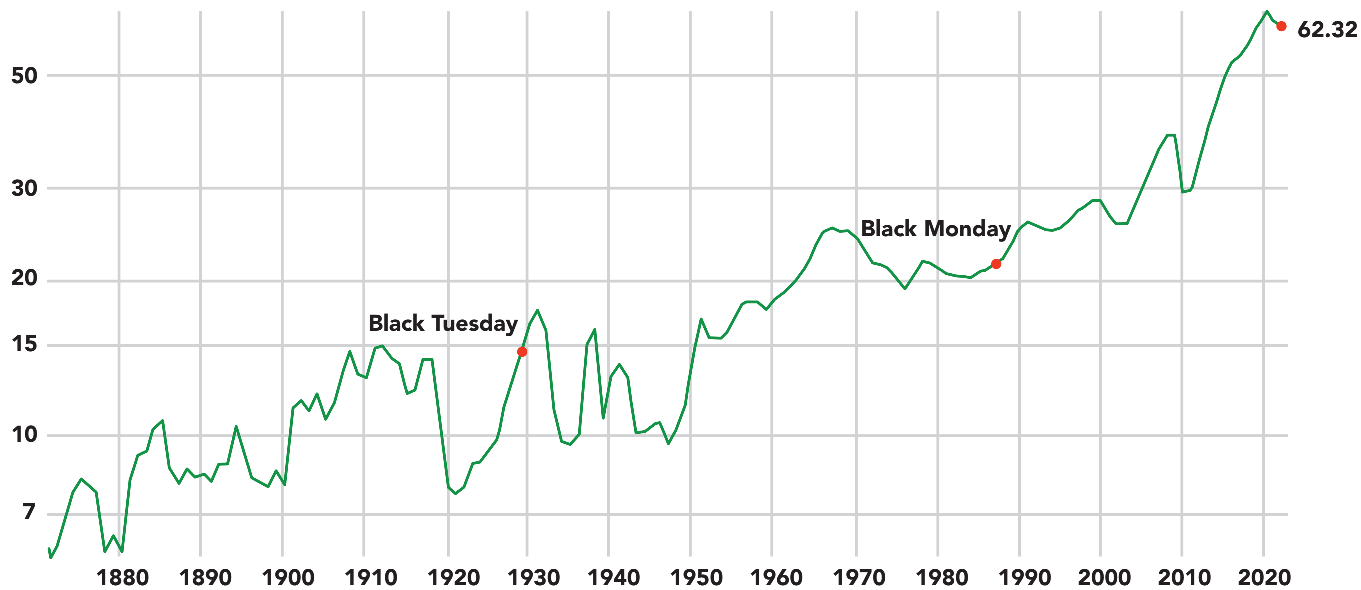
## WHO IT IS NOT FOR

- **Short-term distribution account**
- **Semi or aggressive investor looking for maximum capital appreciation**
- **Short-term investor**

# PROVIDING GROWTH & AN INFLATION HEDGE

Whether you are looking for stable dividends with strong current yields or perhaps looking for a more stable investing solution for a portion of your assets, the Income Solution Strategies may be right for a portion or all of your investment portfolio. Talk with your adviser about your financial investment needs and goals.

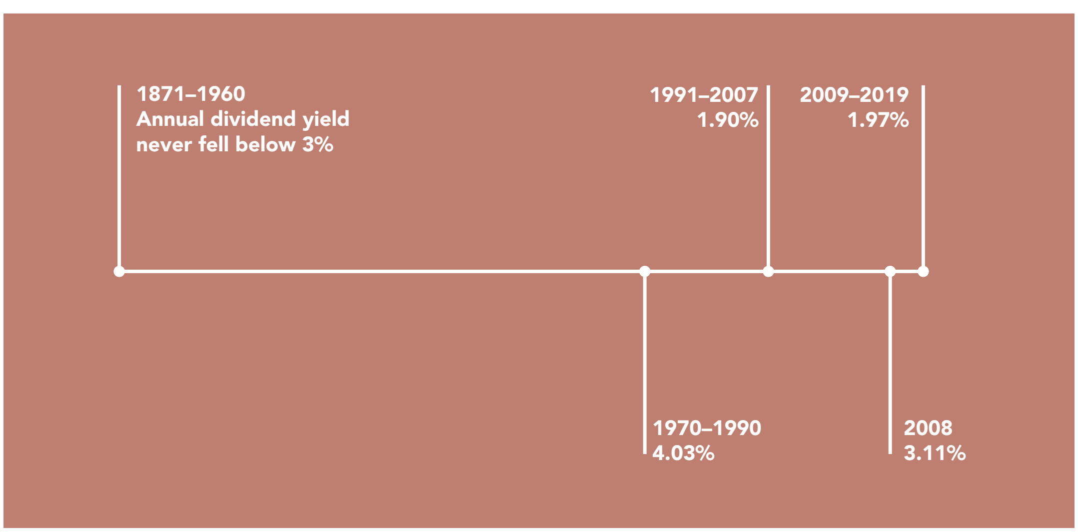
## S&P 500 DIVIDENDS




Source: Robert Shiller, Standard & Poor

Dividend paying stocks may be a good fit for a portion of an investors portfolio especially those desiring both the potential of growth and income. Dividend-paying stocks can strengthen or provide the foundation of a portfolio. Dividend-paying stocks pair well with fixed-income investments because of the potential for income, safety more in the fixed income investments, diversification across investment lines, possible appreciation in both dividends and share price for the stocks, and perhaps most importantly, may serve as a hedge against inflation. Since the creation of the S&P 500 Index, dividends from the S&P 500 have grown at an average rate of 4.24% annually. That provides an inflation hedge in itself.

## S&P 500 DIVIDEND YIELD HISTORY




Source: investopedia.com/articles/markets/071616/history-sp-500-dividend-yield.asp#:~:text=Recent%20and%20Historical%20Yields,-During%20the%2090&text=For%20example%2C%20the%20average%20dividend,1.97%25%20between%202009%20and%202019

# OUR
# MISSION

Our Mission is to provide unique and valuable investment services to all clients while honoring our Kingdom Values in guiding our work and lives.

**Disclosures for Creative Financial Designs, Inc.**

**Investment Risk:** All investments entail risk, and these risks could result in the loss of some or all of your investment. There is no guarantee of returns. Past performance is not an indication of future results.

**Model Portfolios:** Portfolios are allocated pursuant to models determined by Creative Financial Designs, Inc., (Creative) which is solely responsible for the content of each model, and the selection of specific investments. Creative has discretion to change the models at any time, and might make changes to the models for any reason, including current or anticipated market conditions. Any references to percentages of assets in a model portfolio are subject to the discretion of the management team, and are subject to change at any time, without notice.

**Variances Among Accounts:** Each investment model is merely a guideline, and there may be variance between investment holdings, and therefore returns, in any particular account versus the model allocation. In some instances, these differences may be material. Additionally, there may be some differing holdings among customers investing in the same investment model portfolio. Some of these differing holdings are the result of limited investment options, such as would be the case in self-directed retirement accounts, and/or managed variable annuity accounts. Additional variances could arise due to such things as, without limitation:

- programmed reallocations by an issuer, pursuant to particular product terms and conditions
- special reallocation requests by the client
- timing issues, e.g. investors purchase a fund that subsequently is no longer available for new purchasers, so later investors invest in a comparable (though not identical) investment
- size of an investment account
- additional strategic options selected by a client, e.g. a client uses the invest over time option or the optional cash allocation
- additional contributions to an account, or withdrawals from an account
- additional charges or restrictions that may make a reallocation disadvantageous to a particular client
- tax implications applicable to an individual investment or account
- opening of new investments
- minimum investment amounts applicable to investments
- management fee and other fees charged to the client
- choice of product, custodian, platform, broker/dealer, or other third-party service providers, etc.

**Client Choices Influencing Returns in the Account:** Please note that your choices as a client may influence the returns in your account, and may not mirror returns of holdings of other investors in the same model portfolio. Some of your choices that may affect the account include:

- Making additional contributions to your account
- Making distributions from your account
- Putting special restrictions on your account, either to hold a particular security, to avoid a particular security, to hold additional cash, etc.
- management fee and other fees charged to the client
- choice of product, custodian, platform, broker/dealer, or other third-party service providers, etc.

**Investment Options Subject to Portfolio Selection Criteria:** Selection criteria of individual investments is subject to the limitations set forth in the particular strategy objectives. The firm attempts to diversify investment portfolios subject to the selection criteria for the particular strategy. Descriptions of investment strategies are set forth in the firm's ADV and other applicable disclosure.

**The S&P 500 Index :** The S&P 500 Index is an unmanaged market-value-weighted index of 500 stocks that measures the performance of large-capitalization US stocks. The S&P 500 Index is not available for direct investment and as shown does not include any expenses or fees that would be associated in investing in a like portfolio. The S&P 500 Index does not take into account any fees or expenses that may apply to comparable investments.

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