

# Brookmont Capital Management

## Dividend Equity Strategy (as of 9/30/2011)

### Investment Objective

The Dividend Equity Strategy invests in common stocks that provide above-market average dividends with a history of increased quarterly payouts. The Strategy will normally invest in all 10 sectors of the economy (represented by the S&P 500).

The Strategy may invest in domestic and foreign securities ranging from small to large-cap stocks. The Strategy does not hedge and is 100% long equity. The Strategy will normally hold an individual investment for more than three years, which reduces turnover in the portfolio. Historically, annual turnover has ranged from 10-20%.

### Rates of Return (as of 9/30/2011)

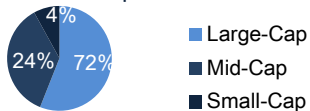
	YTD	1-Yr	3-Yr*	Since Inception*
Dividend Equity Strategy (gross of fees)	-2.07%	6.91%	9.82%	6.22%
(net of fees)	-2.97%	5.63%	8.52%	4.95%
<b>Benchmarks:</b>				
Russell 1000 Value	-11.24%	-1.89%	-1.52%	-6.58%
S&P 500	-8.68%	1.14%	1.23%	-4.63%
Inception January 1, 2008				
*annualized returns				

### Largest Composite Holdings

Kellogg	Chevron
McDonald's	Tupperware
Johnson & Johnson	National Fuel Gas
AT&T	Southern Company
CBS	Novartis

	2008	2009	2010
Dividend Equity Strategy	-21.98%	39.50%	17.65%
Net of fees	-22.97%	37.79%	16.24%
Russell 1000 Value	-36.85%	19.69%	15.51%
S&P 500	-37.00%	26.46%	15.06%

### Market Capitalization



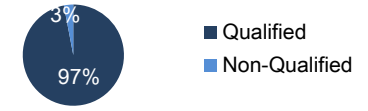
### Stock Style



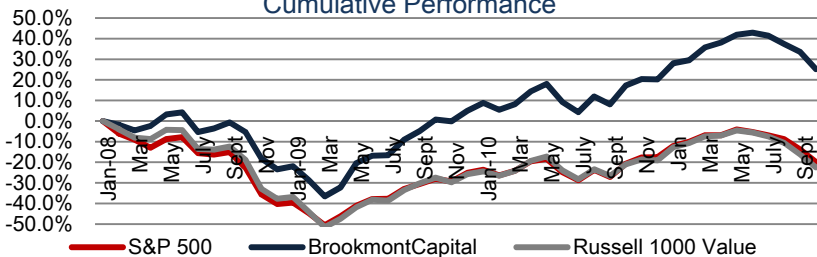
### Domicile



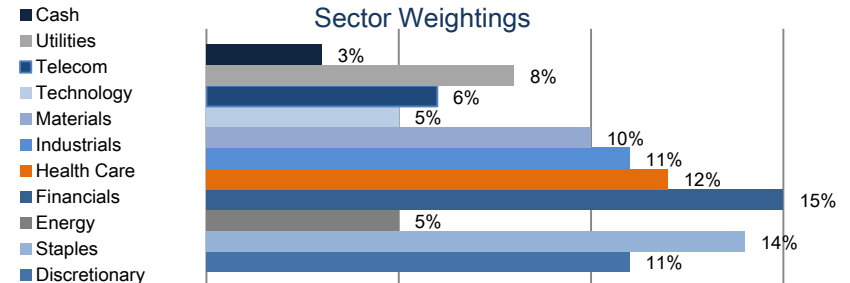
### Qualified Income



### Cumulative Performance



### Sector Weightings



### Three-Year Strategy Statistics

	Strategy	Russell 1000 Value
Alpha	8.27	-1.15
Upside Capture	113	102
Downside Capture	85	108
Std. Deviation	21	23
R2	92	97

### Strategy Characteristics

	Strategy	Russell 1000 Value
Dividend Yield	3.45%	2.85%
Beta	.93	1.07
P/E Ratio	12x	14x
Market Cap. Avg.	\$29B	\$66B
Credit Quality	A-	B+

**Disclaimer:** Dividend Equity Strategy returns are based on an asset-weighted composite of discretionary accounts that include 100% of the recommended holdings. Individual accounts will have varying returns, including those invested in the Strategy. The reasons for this include, 1) the period of time in which the accounts are active, 2) the timing of contributions and withdrawals, 3) the account size, and 4) holding other securities that are not included in the Strategy. Dividends and capital gains are not reinvested. Performance results include a cash component as of 01/01/2009. The Strategy does not utilize leverage or derivatives. Returns are based in U.S. dollars. Inception of the Strategy is Jan. 1, 2008. Gross-of-fees returns do not include management or custody fees but do include all trading costs. Benchmarks include major indices and ETF's that are highly correlated to the Strategy. The Russell 1000 Value is a trademark of the Frank Russell Company. The S&P 500 is a trademark of Standard and Poor's.

The Brookmont Dividend Equity Strategy Composite contains fully discretionary accounts with similar value equity investment strategies and objectives. For comparison purposes the Dividend Equity Strategy Composite is measured against the Russell 1000 Value Index. The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment.

For comparison purposes only, performance returns are listed for the Standard and Poor's 500 Index. The S&P 500 is widely regarded as the best single gauge of the U.S. equities market and includes 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large cap segment of the market, with approximately 75% coverage of U.S. equities, it is also a proxy for the total market.

The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Net of fee performance was calculated using the highest account level fee percentage (1.25%) and actual management fees could be lower. Additional information regarding the policies for calculating and reporting returns is available upon request.

Your account returns might vary from the composite's returns if you own securities that are not included in the Strategy.

Cumulative returns are shown net-of-fees. Returns for the S&P 500 and Russell 1000 Value include reinvested dividends. Strategy returns do not include reinvested dividends. During a rising market, not reinvesting dividends could have a negative affect on cumulative returns.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of at least 15% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month which follows the cash flow by at least 30 days. Additional information regarding the treatment of significant cash flows is available upon request.

The investment management fee schedule is as follows: U.S. Clients – 1.25% on the first \$1 million, 1% on assets over \$1 million. The minimum annual fee for U.S. clients is \$5,000. Under special circumstances, fees may be negotiable.

Up/Down Capture: This statistic is a measure of managers' performance in up and down markets relative to the market itself. A down market is one in which the index's quarterly return is less than zero. To calculate down-market capture ratio, link returns for the manager and the market for all down-market quarters over the selected time frame, then divide the manager's return during down-market quarters by the index's return during the same quarters. To calculate the upside market capture ratio, this same process is carried out using returns from periods when the index's return was greater than zero.

Index Relative Statistics: Statistical risk/return measures. Alpha measures nonsystematic return, or the return that cannot be attributed to the market. Thus, it can be thought of as how the manager performed if the market has had no gain or loss. In contrast, beta measures the return that is attributable to the market and is a measure of the portfolio's overall volatility. Standard Deviation measures the dispersion of an investment's return from its historic mean. Many investors view standard deviation as an investment's volatility or risk.

R2 (R squared) is a measure of how much of a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). If a portfolio's total return precisely matched that of the overall market or benchmark, its R-squared would be 1.00. If a portfolio's return bore no relationship to the market's returns, its R-squared would be 0.

The Price/Earnings ratio is calculated by the share price of a stock divided by its per-share earnings over the past year. For a portfolio, the weighted (P/E Ratio) average P/E ratio of the stocks in the portfolio. P/E is a good indicator of market expectations about a company's prospects; the higher the P/E, the greater the expectations for a company's future growth.

**Past performance is not a guarantee of future results. Investments are not FDIC insured and may decline in value.**