



Research • Behavior • Ethics

Triad was founded in 2008 to provide personalized investment advice and to establish long-term relationships with families and individuals. Our firm is built on the core principles of ethical behavior, personal integrity and open client communication. When making investments, we demonstrate our alignment of interests by investing generally in the same securities as our clients. We are 100% owned by our investment professionals. Our success is ultimately linked to our clients' long-term financial success.

INVESTMENT TEAM



John Heldman, CFA

Partner | Portfolio Manager

- Over 30 years of experience, including Neuberger Berman, Deutsche Bank, Scudder and Bank of America
- MBA, California State University, Long Beach
- Member, CFA Institute and CFA Society Orange County



David Hutchison, CFA

Partner | Portfolio Manager

- Over 20 years of experience
- MBA, University of Southern California
- Member, CFA Institute and CFA Society Orange County

INVESTMENT PHILOSOPHY

BEHAVIOR BEATS BRAINS In our view, investor behavior is more important than superior intellect. Emotionally-stable investors recognize the occasionally irrational nature of markets and maintain a disciplined focus on business value versus market price.

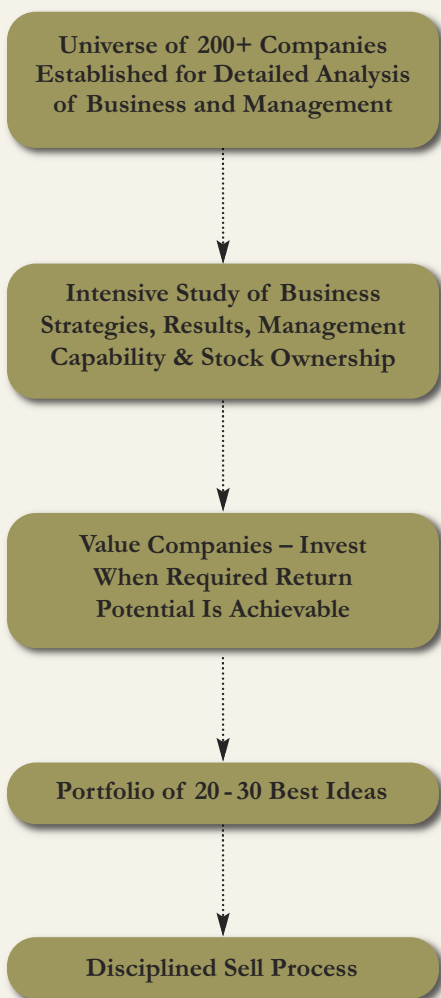
INDEPENDENT RESEARCH We don't rely on "Wall Street" opinions. Doing our own research increases our understanding and strengthens our conviction during volatile markets.

LONG-TERM PERSPECTIVE Markets can provide systematic advantages to those able to withstand short-term price fluctuations. Our willingness to accept short-term uncertainty is one of the most important factors behind our long-term results.

ABSOLUTE VALUE INVESTORS We seek a balance between current income and moderate long term capital growth. If the desired return isn't there, we hold cash until new opportunities arise.

VOLATILITY IS OPPORTUNITY We believe that market volatility is not risk to the rational investor. Rather, we define risk as the probability of permanent loss of capital. Our intensive research leads to increased understanding and confidence during volatile periods to buy undervalued and sell overvalued securities.

PARTNERSHIP MENTALITY We strive to invest in companies that treat shareholders as partners. Similarly, we consider each client a partner and treat them as we'd like to be treated if our roles were reversed. We communicate candidly and clearly. Furthermore, we invest the majority of our liquid net worth generally in the same securities as clients. We eat our own cooking.



INVESTMENT PROCESS

Over years of study, we have established a universe of 200+ companies. Companies within this universe must qualify based on our review of their business and management. These companies typically have durable and stable competitive positioning with attractive profitability profiles. We seek “owner-operator” cultures and incentives in our review of management. We continually review the universe and companies are added and removed over time.

We analyze company reports, SEC filings, industry and trade journals, company presentations, competitors, suppliers, customers and other sources to assess the business and management. We don’t rely on the opinions of “Wall Street” analysts to make our investment decisions.

We compare our estimate of future value with the current stock price, and will invest only when we believe a minimum return of 15% per year over 3 to 5 years is achievable. If current prices offer expected returns under 10% per year, we will begin selling and wait until new opportunities develop.

When we find investments meeting our stringent criteria we concentrate in these rare, compelling ideas. We seek a combination of high return and low permanent loss potential.

A strict sell process is important. We reduce and sell positions when the gap between market price and estimated business value closes or disappears. We don’t hesitate to sell if fundamental business problems arise or if a materially better investment idea appears.