

# Preferred Stock Portfolio

*Seeks Income plus the opportunistic potential for Capital Appreciation by investing in Preferred Stock*

## Portfolio Features

*Potential for Income levels above Equity and Fixed Income*

*Potential for cyclical Capital Appreciation*

*Holdings are generally higher up the capital structure than equities but lower than bonds*

*Underlying holdings may trade with similar volatility to common stock*

*For the long-term investor, asset allocation is the primary determinant of returns <sup>1</sup>*

<sup>1</sup>Ibbotson Associates

## Portfolio Characteristics

The GFPC Preferred Stock Portfolio is a tactical allocation of preferred stocks and high yielding equities designed to generate a competitive level of income. As of 3/31/13 the portfolio maintained a diversified allocation of income generating securities with a current yield of 6.14%. The average credit rating for the preferred stocks in this portfolio is Baa2/BBB.

## Suitability

The Preferred Stock Portfolio is suitable for investors seeking current income along with capital appreciation who are able to tolerate the risks and fluctuations of principle associated with equity investments.

Due to the nature of this Explore portfolio and its potential for volatility we suggest reviewing your investment risk tolerance with your advisor before making a investment greater than 10% of your total investable net worth in this portfolio.

## Investment Philosophy

The Preferred Stock Portfolio seeks to provide a high level of risk adjusted income with opportunities for capital appreciation. Preferred stocks and exchange traded securities offer unique opportunities for generating current income while providing the possibility of capital appreciation through either an increase in the price of the security itself or if available an option to convert into the common shares of the respective company.

The portfolio is actively monitored and managed with buy and sell recommendations generated based on changes in macro economic trends or individual security characteristics.

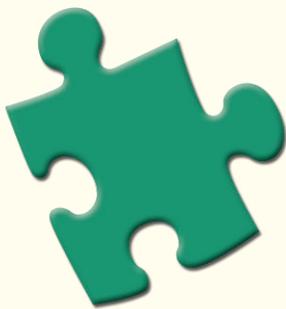
## Characteristics

Average # of Securities	30-45	(%) Energy Sector	21%
Avg. Credit Quality	Baa2/BBB	(%) Utilities Sector	18%
(%) Financial Sector	42%	Current Yield	6.14%

**A secondary goal of this portfolio is the minimization of a range of potential costs associated with mutual funds. Investing in this portfolio may, therefore, result in schedule K-1 tax forms being issued to the individual investor. Please consult your Financial Advisor for more information.**

Decision Analysis as of 3/31/13

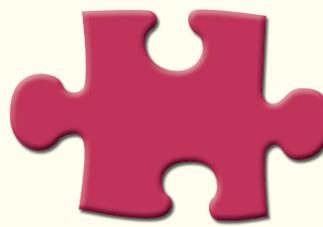
Average Current Yield: 6.14%\*



Credit  
Quality



Technical  
Indicators



Fundamental  
Factors



Economic  
Trends

06/17/13

## Current Holdings

Investment	Ticker	Allocation
<b>CASH</b>	<b>FDRXX</b>	<b>10.11%</b>
<b>CONVERTIBLE PREFERRED</b>		<b>9.61%</b>
AES TRUST III	AES	2.73%
CHESAPEAKE ENERGY CORP	CHK	2.01%
EL PASO ENERGY CAP TRST	KMI	2.14%
GENERAL MOTORS CO	GM	2.73%
<b>MASTER LIMITED PARTNERSHIPS</b>		<b>18.36%</b>
BREITBURN ENERGY PARTNERS LP	BBEP	2.00%
ENBRIDGE ENERGY PARTNERS LP	EEL	2.50%
GENESIS ENERGY L.P.	GEL	2.00%
KINDER MORGAN ENERGY PRTNRS	KMP	1.95%
LINN ENERGY LLC-UNITS	LINE	2.73%
LEGACY RESERVES LP	LGCY	2.50%
PLAINS ALL AMER PIPELINE LP	PAA	2.18%
WILLIAMS PARTNERS LP	WPZ	2.50%
<b>EXCHANGE TRADED FUNDS</b>		<b>15.45%</b>
ADVSHRS NEWFLEET MULTSEC INC	MINC	5.00%
ISHARES S&P PREF STK INDX FN	PFF	5.45%
MARKET VECTORS PREF EX-FINAN	PFXF	2.00%
YORKVILLE HIGH INCOME MLP	YMLP	3.00%
<b>PREFERRED STOCK</b>		<b>46.47%</b>
BARCLAYS BANK PLC	BACR	3.27%
DOMINION RESOURCES INC	D	3.82%
ENTERGY TEXAS INC	ETR	3.27%
GOLDMAN SACHS GROUP INC	GS	3.93%
METLIFE INC	MET	4.13%
NEXTERA ENERGY CAPITAL	NEE	2.18%
PRUDENTIAL FINANCIAL INC	PRU	3.82%
MORGAN STANLEY CAP TRUST	MS	2.50%
JPMORGAN CHASE & CO	JPM	3.00%
NATL WESTMINSTER BK PLC	RBS	1.50%
PROTECTIVE LIFE CORP	PL	2.18%
SIMON PROPERTY GROUP INC	SPG	3.82%
RAYMOND JAMES FINANCIAL	RJF	1.50%
TELEPHONE & DATA SYSTEMS	TDS	2.73%
VORNADO REALTY LP	VNO	3.82%
ZIONS BANCORP	ZION	1.00%

## Investment Strategy

Investments are selected based on proprietary research and analysis which attempts to take advantage of changing market conditions and opportunities. The aim is to dynamically manage the portfolio with the goal of investing in individual companies where the balance of risk and return potential is attractive and avoid unattractive companies while maintaining exposure to all sectors in the S&P 500.

Investments are selected using a top down approach which identifies asset type, geographical area, and allocation weights based on factors such as Real GDP growth, jobs addition/attrition etc. Individual securities are then identified based on current yield, growth prospects, credit and balance sheet quality, liquidity and value with regard to historical risk and overall portfolio performance.

## How is DIAS Managed?

DIAS portfolios are managed by Aviance Capital Management, LLC as sub-adviser to Global Financial Private Capital, LLC. Global Financial Private Capital and Aviance Capital Management are affiliated advisory firms. Aviance focuses on the active management of diversified investment portfolios for both institutional and retail clients.

The Management Team, comprised of experienced investment and financial planning professionals, is led by Chris Bertelsen, M.B.A. with over 35 years of successful investment management experience.

Oversight of the Investment Team is provided by an Investment Committee which reviews all decisions.

The DIAS Investment Process is a disciplined and repeatable methodology involving Research, Analysis, Quality Assessment, Risk Management, Review and Approval. The dynamic nature of the process aims to keep the DIAS portfolios 'current' with today's ever-changing economic environment.

*Diversification:  
Lots of different eggs; Lots of different baskets*

## Important Information

Consultation with an experienced, qualified financial adviser is recommended before investment. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment strategy will be profitable. The use of GFPC offered investment models and strategies may be appropriate for certain investors as part of their overall investment strategy only after a financial advisor has reviewed the prospective investor's risk tolerance and investment objective.

DIAS portfolios are designed to meet stated investment objectives based on a client Investment Policy Statement (IPS). They are not designed to match equity market returns during strong rallies. Although the portfolios seek low volatility and principal protection, asset allocation decisions may not achieve these goals in all cases. There is no guarantee a portfolio will meet a target return or investment objective. Investments in bonds involve interest rate and credit risk. Bond values change according to changes in interest rates, inflation, credit climate and issuer credit quality. Interest rate rises will reduce the value of a bond. Although longer term bonds may pay more income, their value is more susceptible to interest rate variation than shorter term, lower yield bonds. Stock markets and individual stocks may be subject to large price fluctuations. Diversification can not guarantee to protect an investor from these fluctuations. The use of indexed funds is not fully guaranteed to track an intended market and may carry additional 'product' risks. Chris Bertelsen is Chief Investment Officer of Aviance Capital Management, LLC an affiliated SEC registered investment adviser. Aviance manages the DIAS portfolios as a sub-adviser to GFPC.

\*The **Average Current Yield** of the Portfolio is the weighted average of the distribution and current yields of the securities in the model portfolio at the time of writing. Distribution yield is the anticipated annual distributions as a percentage of the current price of the security. These distributions are not guaranteed and can fluctuate. The Average Current Yield is not the anticipated annual return of the portfolio. The total annual return of the portfolio is a combination of annual distributions and price fluctuation which can be positive or negative over the course of one year. The average current yield will change over time. There can be no guarantee the portfolio will pay the average yield over any period of time. This yield is gross of all fees.

DIAS investments are made on U.S. exchanges; however, Non-U.S. investments, Currency and Commodity investments may contain additional risks associated with government, economic, political or currency volatility. Emerging market investments can experience high volatility and risk. Different investments involve varying degrees of risk.



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