TRADITIONAL

# AMERICAN FUNDS FOCUSED

**Managed Portfolios with a Concentrated Investment Approach**

**BROKERAGE INVESTMENT MANAGEMENT SERVICES**

*Mount Rushmore National Memorial • Keystone, South Dakota*

# 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.

# *Your* *FINANCIAL & INVESTMENT* *SUCCESS*

Our firm understands our fiduciary requirements to help *you* meet *your* investment goals. With *your* trusted & valued financial adviser, *your* investment management team is here to provide the services for *you* to be successful. This is about *you* and we will never lose that aspect.

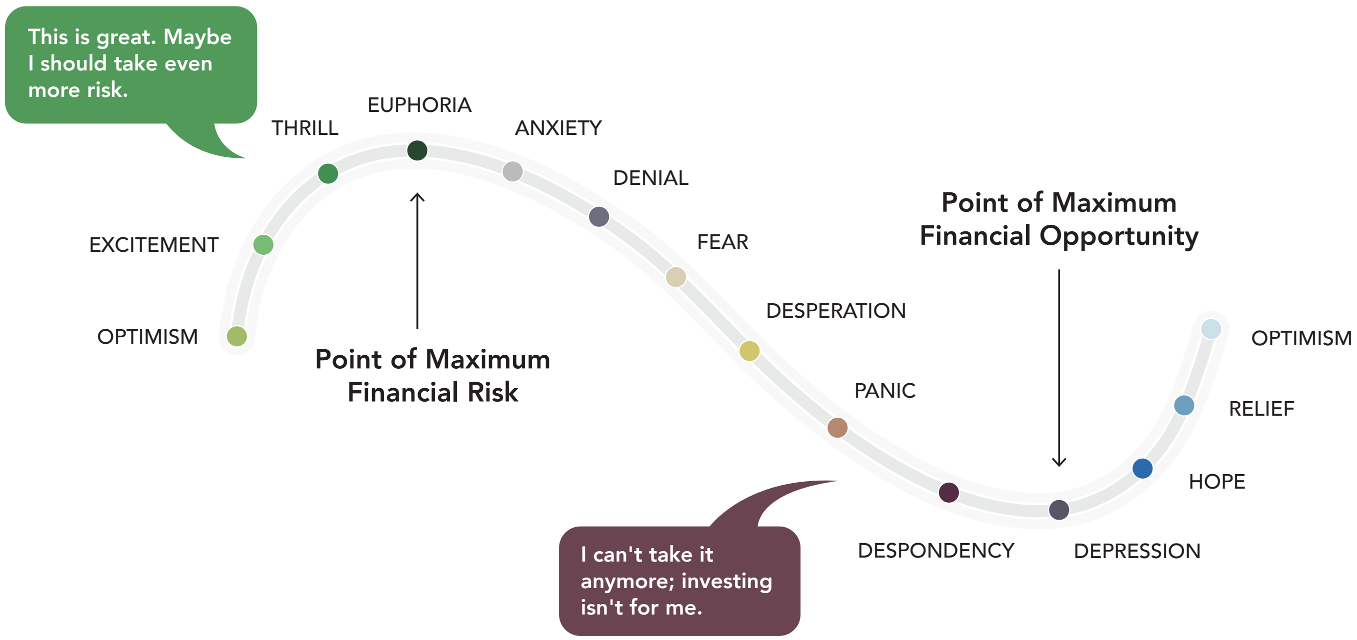
Shouldn't *you* use a firm that cares about *your* financial goals?

## DISCIPLINED INVESTING

Human emotions have the ability to affect clients' investing. It is common for investor's confidence to grow as your investments grow. Conversely, as markets lose value, confidence decreases. Clients tend to go to the sidelines at the wrong time.

Disciplined investing does not adhere to the emotions of investing such as greed, fear, or chasing returns. Along with keeping your account diversified, using a disciplined long-term investment approach is key to obtaining consistent and sound results, though no strategy guarantees profits or prevents losses.

## DO NOT LET YOUR EMOTIONS AFFECT YOUR INVESTMENT SUCCESS

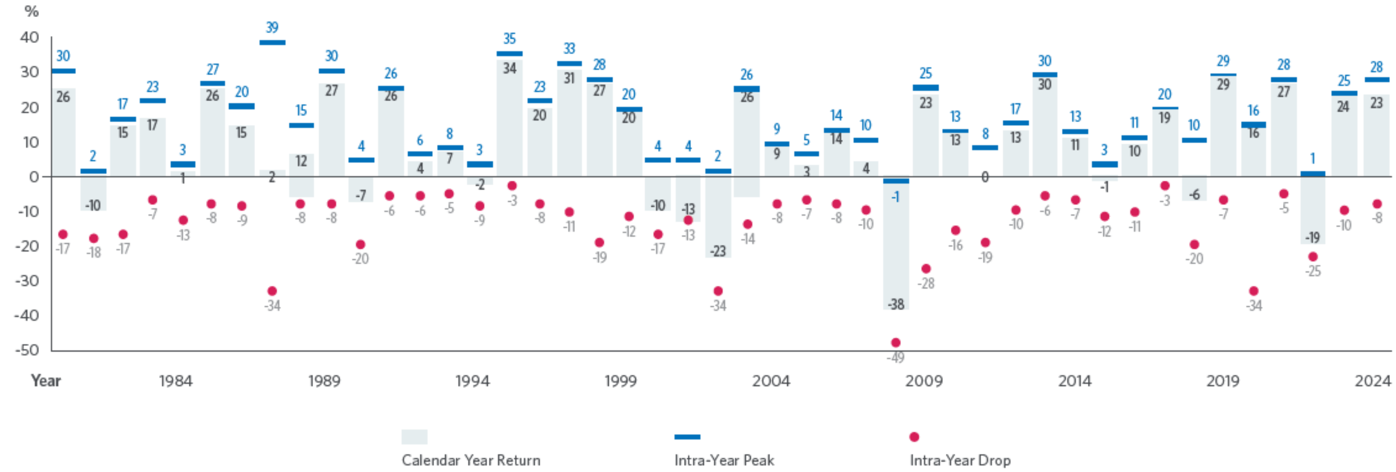



Wall Street Journal, "Control Yourself" June 8, 2009
RBC Correspondence Services, "The Cycle of Market Emotions" June, 2009

***It is Time in the Market, Not Market Timing***

# THINK BEYOND DAILY ACTIVITY

A look back at the S&P 500's historical performance reveals the index endures drastic intra-year swings each year, but U.S. stocks have posted positive annual returns in 34 of 45 years.



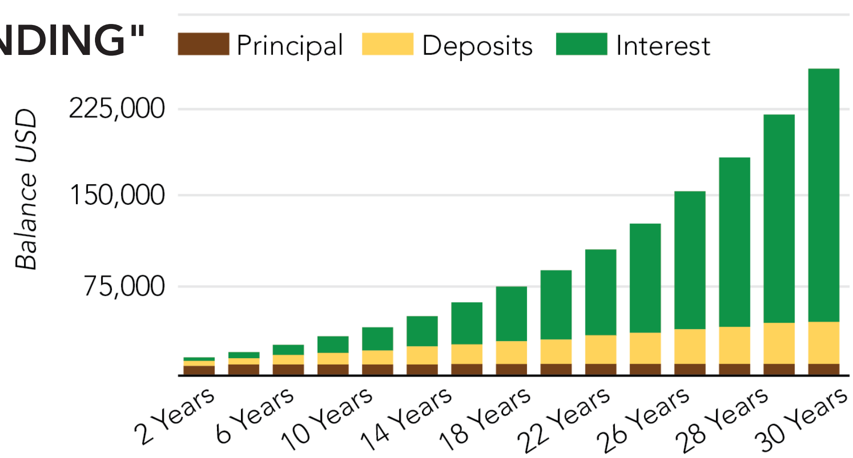

Source: Morningstar, Bloomberg, Transamerica Asset Management, Inc.
[1] The return for 2011 was negative.
S&P 500® Index is an unmanaged index of 500 common stocks primarily traded on the New York Stock Exchange, weighted by market capitalization. It is not possible to invest directly into an index.
**Investments are subject to market risk, including the loss of principal. Past performance does not guarantee future results.**

## LESSONS OF INVESTING ESPECIALLY DURING VOLATILITY

- Turn off the noise - Watch and read less from places that get paid for "clicks" and "viewers"
- Expect the unexpected - markets can change suddenly, especially when everyone expects them not to
- Continue investing through all market conditions, especially when markets go down and become "on sale"
- Remember investing for your financial goals is for the long-term
- Before making any rash decisions, consult your trusted financial adviser
- Lean on your trusted financial adviser for direction especially during times of volatility and concern

# THE "POWER OF COMPOUNDING"

The power of compounding is the process of generating earnings on both your original investments and the accumulated interest or returns from previous periods. Often called a "snowball effect," it allows money to grow exponentially over time, turning small, consistent investments into significant sums because your earnings begin to earn their own returns.




**Source: financial-yogi.com/the-awesome-power-of-compound-interest/**
*Illustration is for general purposes only and attempts to illustrate the basics of the power of compounding. No returns are assumed for management of accounts.*

# INVESTMENT MANAGEMENT SERVICES FOR YOU

Creative Financial Designs, Inc. provides investment management services designed to support a broad range of client financial objectives. Recognizing that each client's situation is unique, our investment management team offers a range of strategies and portfolio objectives designed to support personalized, goal-focused investment planning. Your adviser begins by conducting a thorough review of your personal circumstances, financial needs, and long-term goals to determine whether investment management is appropriate for you.

As a Registered Investment Adviser, we are held to a fiduciary standard, which requires that we place your best interests first at all times. This obligation guides every recommendation and investment decision made on your behalf.

If investment management services are determined to be suitable, your adviser will work with you to identify the investment strategy or strategies that best align with your specific objectives. In some cases, multiple strategies may be used to address different goals or asset types. Your adviser will also help establish an appropriate portfolio objective and risk tolerance to ensure your investment approach is consistent with your ability and willingness to accept risk.

## HOW IT WORKS

Your adviser helps you and other clients that are concerned about their investments open a brokerage account.

Your account will be managed by our investment team, which evaluates market and economic conditions when making investment decisions intended to support your long-term objectives. As with all investing, results cannot be guaranteed.

Our investment management team will build and manage your account with our diligently screened mutual funds, ETFs, and/or equities, depending on your strategy choice.

As a client, you select your portfolio objective and investment strategy for your managed brokerage account.

# ABOUT
## AMERICAN FUNDS

The American Funds Focused Investment Strategy is designed to create a diversified portfolio that seeks long-term growth and income. The strategy primarily invests in mutual funds and exchange-traded funds (ETFs), with an emphasis on American Funds serving as the core of the portfolio. Additional mutual funds and ETFs may be included to supplement the allocation and provide exposure to asset classes that may not be fully represented within the American Funds lineup.

### OVERALL STRATEGY OBJECTIVES

- To provide a diversified portfolio utilizing American Funds as the primary core holdings
- To pursue long-term growth and income based on the client's selected portfolio objective
- To maintain exposure to major asset classes through a structured portfolio allocation
- To supplement American Funds holdings with select mutual funds and ETFs when appropriate
- To utilize professionally managed funds selected through a disciplined research process
- To monitor portfolios and adjust allocations as market conditions and opportunities evolve

### SCREENING PROCESS FOCUS

The American Funds Focused strategy centers on building portfolios with American Funds investments serving as the primary foundation. The investment team evaluates additional mutual funds and ETFs that may complement the core holdings by enhancing diversification, expanding asset class exposure, or improving overall portfolio efficiency. Because the strategy emphasizes investments within one fund family, investors should consider the potential for greater concentration compared to more broadly diversified approaches.

### FOCUS OF RESEARCH SCREENING

Managing an overall portfolio and strategy is different than just picking investments. It is important to understand how investments work together in varying market environments. Our firm spends significant time evaluating each investment and how it may impact the overall portfolio. Some of the more specific items we evaluate within this strategy include:

- American Funds mutual funds and ETFs
- Highly rated mutual funds and ETFs
- Highly ranked investments within their comparative asset class
- Lower internal investment expenses
- Various risk measurements
- Manager strategy and philosophy
- Limited portfolio overlap
- Long-term track record
- Manager ownership
- Ratio comparisons

# AMERICAN FUNDS MANAGEMENT


## Strategy Objective

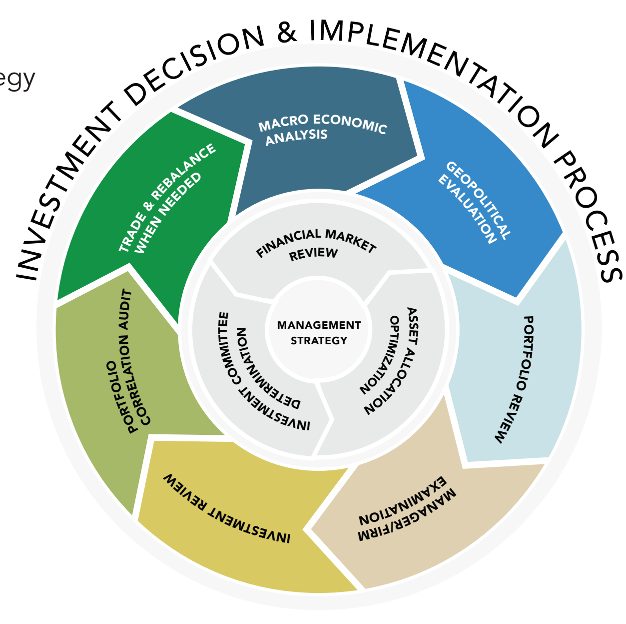
The American Funds Focused Investment Strategy (the "Strategy") seeks to create a diversified investment portfolio designed to pursue long-term growth and income. The Strategy primarily invests in mutual funds and exchange-traded funds (ETFs), with a focus on funds offered by American Funds as the core of the portfolio. Additional mutual funds and ETFs may be used to supplement the allocation and provide exposure to asset classes that may not be fully represented within the American Funds lineup. Because the strategy emphasizes investments within a single fund family, it may have a higher concentration compared to strategies that utilize a broader range of fund providers. Clients may choose from five portfolio objectives based on their risk tolerance: Conservative, Moderately Conservative, Moderate, Moderately Aggressive, and Aggressive.

## Strategy Process

The investment selection process begins with an in-depth evaluation of potential mutual funds and ETFs. The firm analyzes each investment's risk characteristics, historical performance, diversification benefits, management quality, and more. This analysis is conducted using industry-standard research and portfolio analysis tools, as well as communication with fund managers when appropriate. Investments that demonstrate strong performance within their category and meet the firm's analytical criteria are considered for inclusion in the portfolio. A typical portfolio may include approximately 10 to 15 mutual funds and ETFs, depending on the client's selected portfolio objective and firm's desired asset allocations. The firm continues to monitor investments and will adjust holdings or asset allocations as needed.

## Strategy Focus

The primary focus of the American Funds Focused Brokerage Strategy is to build a diversified portfolio using American Funds investments as the foundation of the allocation. The strategy seeks to combine these funds with other select mutual funds and ETFs that may enhance diversification, provide exposure to additional asset classes, and/or lower overall internal fees. Because the strategy emphasizes investments within one fund family, it may experience different levels of diversification and risk compared to strategies that incorporate a wider variety of fund providers. Investors should consider this potential concentration when selecting the strategy. The portfolio's composition and asset allocation can change over time as market conditions change or as the investment team identifies new opportunities that align with the strategy's objectives.



## *Why invest in* American Funds Strategy?

Confidence in an investment strategy often comes from working with established firms that have experience navigating different market environments. Capital Group, the parent company of American Funds, has been serving investors for decades. Combined with the long-standing experience of Creative Financial Designs, this partnership allows us to provide investment management services designed to support long-term financial goals.

**Why American Funds Investment Strategy May be Beneficial to Your Portfolio**

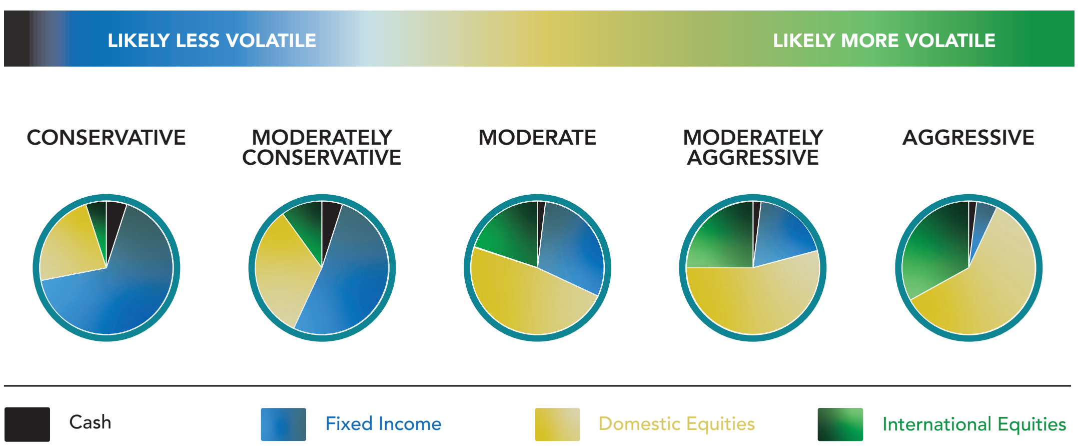
- American Funds manages significant global investment assets on behalf of investors
- The firm has a long history of providing actively managed investment solutions
- Emphasis on a long-term investment philosophy as a core part of the investment process
- Portfolios are supported by extensive fundamental research conducted by investment professionals
- The strategy incorporates a globally diversified investment approach
- When combined with other mutual funds or ETFs, portfolios may achieve additional diversification
- Investment selection considers internal expenses as part of the portfolio construction process
- The portfolio may include a mix of actively managed mutual funds and passive ETFs
- Diversification across multiple holdings may help manage overall portfolio risk
- The strategy focuses on diversification and not risky individual investments

Risk is inherent in all investments. Even diversified portfolios may experience losses, particularly over shorter time periods. To help investors pursue their long-term financial objectives, we emphasize disciplined portfolio management and long-term investment strategies. Investors should continue working closely with their financial advisor to monitor their financial progress and adjust as needed. Changes in life circumstances can impact financial goals, so it is important to keep your advisor informed as those changes occur.

# AMERICAN FUNDS OVERVIEW

Within our American Funds Focused Investment Strategy, the firm offers this investment management service with a low minimum investment of $25,000. The strategy provides five portfolio objectives and focuses on building diversified portfolios using a combination of mutual funds and ETFs. As the name suggests, American Funds mutual funds and ETFs will likely serve as a larger component of each portfolio objective, complemented by additional select mutual funds and ETFs to help achieve the intended investment allocation.

## PORTFOLIO OBJECTIVE OPTIONS




The above depicts a generalization of each portfolio. Your account will be invested differently and changes can and will occur any time without notice.

## Additional Add-on Services Include:

- Allocate Portfolio Over Time
    - Available for accounts over $50,000
- Optional Cash Allocation (OCA)
    - $10,000 minimum OCA requirement

# AMERICAN FUNDS

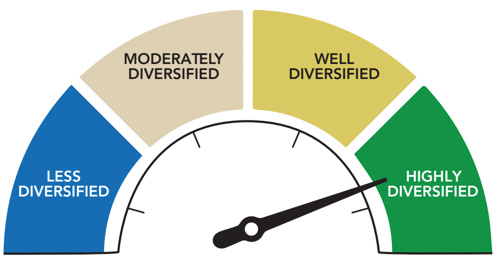
# SUMMARY

## STRATEGY MANAGEMENT: DIVERSIFIED

Under the firm's traditional investment approach, this strategy places a greater emphasis on American Funds ETFs and mutual funds, complemented by select ETFs and mutual funds from other investment companies, to build highly diversified portfolios designed for long-term investors.

### STRATEGY DIVERSIFICATION TARGET

1




### MANAGEMENT TARGET STYLE

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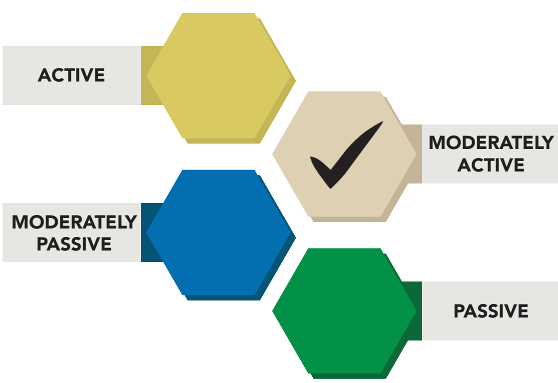


### MINIMUM

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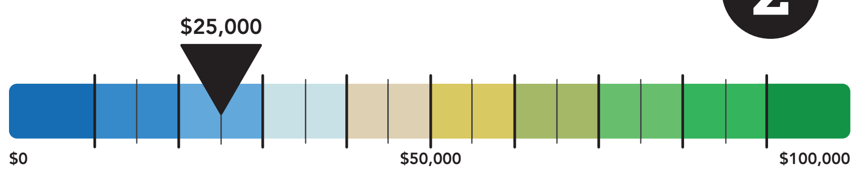


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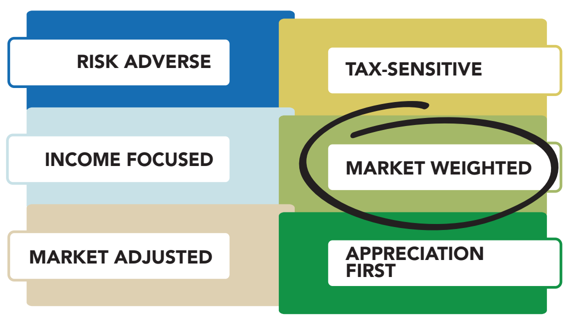


### RETURN GOAL

Strategy uses more American Funds investments to build an overall diversified portfolio.

### STRATEGY RISK INTENTION

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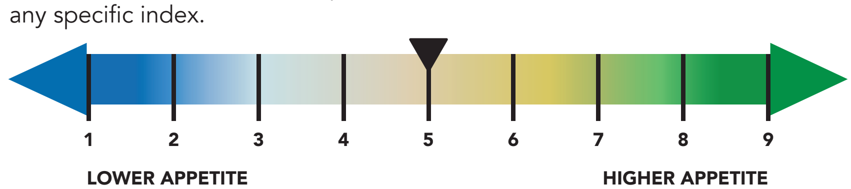
The risk assessment for this strategy is intended for comparison with other strategies available within the firm. It is not designed to be a risk comparison to the overall market or any specific index.




This page serves as a reference for the target categories outlined above. Please note that no guarantees are made regarding the achievement of these targets or the performance of this or any other strategies managed by the firm. Investment holdings are subject to change without notice, and this report is updated on an annual basis. As a result, the data presented may not always reflect the most current information, and various factors—including management decisions, economic conditions, and other variables—may impact these targets. For the latest updates and additional information, please consult your financial adviser.

# 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 disclosures. The Biblical Faith Values strategies and any of the "Focused" strategies significantly limit the pool of potential investments available to the applicable portfolios. This limitation does reduce potential diversification. Performance of portfolios with these limitations will vary from similar portfolios without those allocation restrictions.

**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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