

## **The MP63 (DRIPX):**

**The MP63 (DRIPX) is a diversified mutual fund that allows individual investors to put money in a wide range of companies that offer Dividend Reinvestment Plans, in a simple but well diversified, low-cost, low-beta, low-turnover portfolio of dividend paying stocks, carefully selected by experienced managers.**

### **Portfolio and Strategy:**

The fund focuses on high quality companies (in a wide range of industries) with strong brands and competitive advantages, with long histories of paying and increasing dividends, that also have potential to continue paying and increasing them in the future. MP63 is the only mutual fund focused exclusively in companies that offer Dividend Reinvestment Plans to individual investors, and it is managed by two experts on the field of DRIPs, each with more than 30 years of experience.

- The process of selection pays special attention to defensive stocks (companies with products and services we all need, regardless of the economic cycles). These components are carefully selected and, in general are equally represented.
- In a semi-passive approach, the fund invests in these companies for a long or very long term, and reinvests the dividends in the companies that pay them, thus benefitting from market volatility by following a dollar-cost averaging approach—buying fewer shares at high prices and more shares when the market price is lower.
- The annual turnover ratio is 4%, which is relatively low compared with funds in its category.

### **Costs and Fees:**

- The fund has a no-load structure, so it is available directly to investors, with no brokers or commissions.
- The Expense Ratio is competitive compared to its category. According to Morningstar®, the average Expense Ratio of mutual funds in the Large-Cap Blend category is 0.98%, while the total Expense Ratio of DRIPX is 0.77% (as of June 30<sup>th</sup>, 2017).
- The fund doesn't charge a 12b-1 fee (a fee associated with promotion or advertising). The two Fund managers invest their own money in the fund.

### **Small and Beautiful:**

Currently (as of June 30<sup>th</sup>, 2017) DRIPX is part of the group of small funds defined by *Morningstar* as “Small and Beautiful”. The funds in that list have in common:

- They manage less than \$500M in assets
- Have a distinct portfolio
- Have an expense ratio below 1%
- A minimum initial purchase less than \$10,000
- 5 years returns in the top 50% of the category

- Manager tenure longer than 5 years
- Less than 33% of the portfolio in cash

### Solid cumulative returns compared to its category:

As of June 30<sup>th</sup>, 2017, DRIPX has a 4-star rating from Morningstar®.

*The Morningstar Rating for mutual funds methodology rates funds based on a Morningstar Risk-Adjusted Return measure, which also accounts for the effects of all sales charges, loads, or redemption fees. The Morningstar rating shown above was calculated, based on the 10-year period ending on June 30<sup>th</sup>, 2017. Morningstar large-cap blend category of mutual funds includes 1,367 funds.*

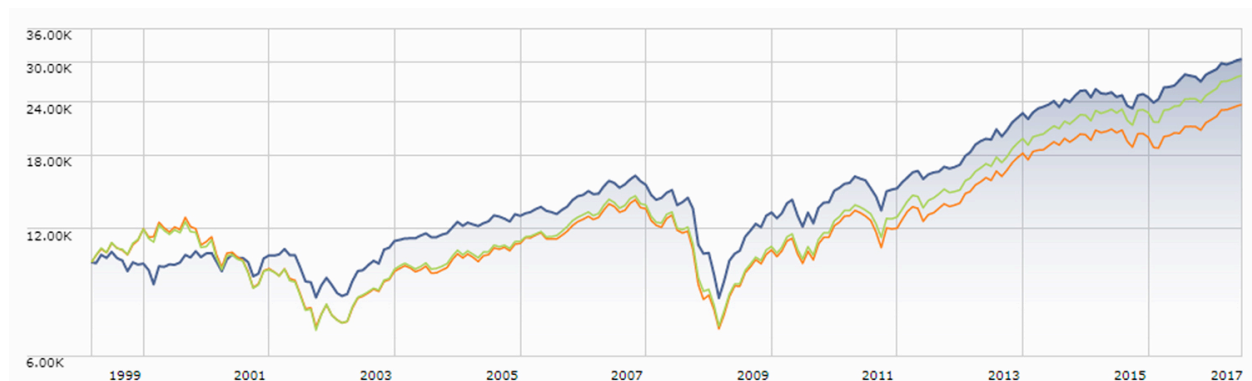
- As of June 30<sup>th</sup>, 2017, this is how the fund's cumulative returns compare to its category (Large Cap Blend funds) since the fund's inception in 1999: DRIPX, 203.98%. Large Cap Blend Category, 136.94%.
- During the past 15 years: DRIPX, 212.87%. Category, 181.67%
- During the past 10 years: DRIPX, 96.96%. Category, 74.59%.
- During the past 5 years: DRIPX, 88.06%. Category, 82.62%.
- During the past 3 years: DRIPX, 26.00%. Category, 22.70%.
- During the past 12 months: DRIPX, 14.52%. Category, 18.69%.

*These are trailing returns, which are returns that DRIPX and the Category have achieved over the specified time including both capital gains and dividends.*

### The comparison in a chart:

The following chart compares cumulative returns, as of June 30<sup>th</sup>, 2017 (including dividends and capital gains), since the fund inception in March 1st, 1999. The comparison includes:

- 1: The fund (MP 63 Fund, DRIPX) cumulative returns (blue line): 203.98%
- 2: The fund category (large cap blend) cumulative returns (orange line): 136.94%
- 3: The S&P 500® index cumulative returns (green line): 177.52%



Source: Morningstar (as of June 30<sup>th</sup>, 2017)

**Any performance data quoted represents past performance. Past performance is not indicative of future returns. No representation or warranty is made that any returns indicated will be**

*achieved.*

### **Volatility and Investment Risks:**

DRIPX's 3-year trailing Beta is 0.89 (vs. the S&P 500® Index), so the fund is 11% less volatile than the S&P Index.

*(Note: Beta is a measure of the volatility, or systematic risk, of a mutual fund, a security or a portfolio in comparison to the market as a whole.)*

- Worst year (since inception): 2008: -31.10%. Worst year for category since fund inception: 2008: -37.79%.
- Best year (since inception): 2013: 32.57%. Best year for category since fund inception 2013, 31.50%.
- Biggest decline in value (from peak to trough) (Oct 2007 – March 2009): 52.8%. Category, Oct 2007 – March 2009: 54.2%
- Number of years down since inception: 4 (2001, 2002, 2008 and 2015)
- Number of years up (since inception): 13 (2000, 2003, 2004, 2005, 2006, 2007, 2009, 2010, 2011, 2012, 2013, 2014 and 2016)

### **Dividend Growth:**

This is how DRIPX has increased its dividends since its inception in 1999:

- 06 cents / share in 1999
- 08 cents / share in 2000
- 06 cents / share in 2001
- 07 cents / share in 2002
- 07 cents / share in 2003
- 09 cents / share in 2004
- 13 cents / share in 2005
- 17 cents / share in 2006
- 19 cents / share in 2007
- 21 cents / share in 2008
- 22 cents / share in 2009
- 20 cents / share in 2010
- 24 cents / share in 2011
- 32 cents / share in 2012
- 27 cents / share in 2013
- 29 cents / share in 2014
- 34 cents / share in 2015
- 38 cents / share in 2016

### **General Risks:**

You could lose money investing in the Fund. When you sell Fund shares, they may be worth less than what you paid for them because the value of Fund investments vary from day-to-day,

- Risks of Investing in Common Stocks

Individual companies may not perform as anticipated, stock markets may experience periods of turbulence and instability, and domestic and global economies are subject to periods of decline and cyclical change.

- Large-Size Company Risks

Larger companies may be unable to respond quickly to new competitive challenges and may be unable to attain the high growth rates of successful, smaller companies.

- Mid-Size Company Risks

Medium-sized companies may be more volatile because they may not have the management experience, financial resources, product diversification and competitive strengths of larger companies.

- Focused Portfolio Risks

Any negative changes inherent to companies that offer dividend reinvestment plans might result in a greater negative impact to the Fund than a fund that holds a larger array of securities.

### **Investing in the Fund:**

The fund is available to direct individual investors, with no minimum initial investment on regular and retirement accounts. There is no minimum additional investment as well. The fund offers an optional Automatic Investment Plan.

- The fund's Website is as follows: [www.MP63FUND.com](http://www.MP63FUND.com) or [DRIPX.com](http://DRIPX.com). To obtain the prospectus and fund information, including the 63 companies that make up the fund, visit the official fund website: [www.mp63fund.com](http://www.mp63fund.com) or call 1-877-676-3386.

- The fund is also available through discount brokerage firms like: TD Ameritrade and Daily Access Corporation RTC. These discount brokers charge their own fees.

- Rollover/transfer from old/existing 401k or retirement plan: The fund accepts rollover or transfer from old or existing 401k or retirement accounts (Traditional or Roth IRAs). For that purpose investors can contact the fund by phone at the number shown above.

***Any performance data quoted represents past performance. Past performance is not indicative of future returns. No representation or warranty is made that any returns indicated will be achieved. Mutual Fund investing in general involves market risk, fees, and expenses, which should be considered carefully before investing.***

***MP 63 Fund is managed by Moneypaper Advisor, Inc., Harrison, New York, 10528 and is distributed by Arbor Court Capital, LLC - Member FINRA. Important information about the MP 63 Fund (DRIPX) is found in its prospectus, a copy of which, along with current performance information, may be obtained by visiting [MP63Fund.com](http://MP63Fund.com) or by calling 877-676-3386 to speak with the fund Administrator or 800-388-9993 to speak with the Advisor. Prospective investors should read the prospectus carefully before investing.***