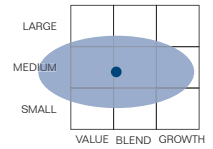




# THE HENSSLER EQUITY FUND

## Equity Fund Information

Information as of December 31, 2018, unless otherwise noted



### Morningstar Rating™:



Overall Morningstar Rating when rated against 382 Mid-Cap Blend funds

Morningstar proprietary ratings reflect historical risk-adjusted performance as of December 31, 2018. The Overall Morningstar rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

### Fund Information:

NAV \$4.85  
Symbol HEQFX

### Investment Concentration:

An exposure to predominantly Mid- and Small-Cap companies combined with a blend of both growth and value securities.

### Fund Statistics:

	Beta <sup>†</sup>
HEQFX.....	0.95
S&P 500 <sup>†</sup> .....	1.00
S&P Mid-Cap 400 <sup>†</sup> .....	1.02

### Investment Objective:

The Fund's investment objective is to seek growth of capital.

### Fund Distributor:

ALPS Distributors, Inc.  
P.O. Box 8796  
Denver, Colorado 80201  
1-800-936-FUND (3863)

### Fund Adviser:

Henssler Asset Management, LLC  
3735 Cherokee Street  
Kennesaw, Georgia 30144  
funds@henssler.com

### Total Expense Ratio:

1.55%

### Sales Fee:

None

### Contact:

770-429-9166

### Annualized Performance:

	1 YEAR	3 YEARS	5 YEARS	10 YEARS	15 YEARS	SINCE INCEPTION
HEQFX.....	-11.55%	3.59%	3.36%	9.17%	5.55%	5.52%
S&P 500 <sup>1</sup> .....	-4.37%	9.24%	8.48%	13.10%	7.76%	6.01%
S&P Mid 400 <sup>2</sup> ....	-11.04%	7.64%	6.01%	13.65%	8.87%	9.22%

The performance data quoted represents past performance. Past performance does not guarantee future results, and current performance may be lower or higher than the performance quoted. To obtain current performance as of the most recent month-end, please call 1-800-936-FUND. Both the return from and the principal value of an investment in the fund will fluctuate so that any investor's shares, when redeemed, may be worth more or less than their original cost.

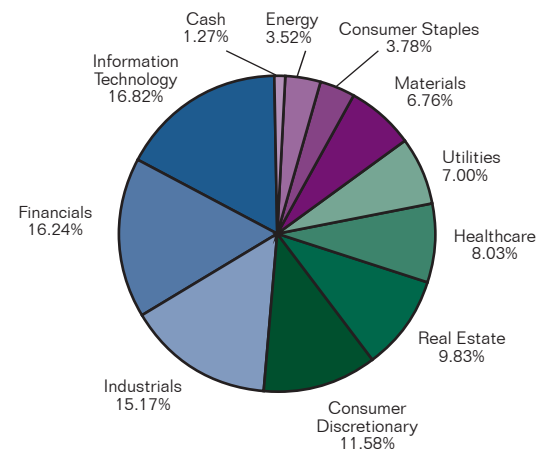
As of August 25, 2016, The Fund's benchmark is the S&P Mid-Cap 400 Index, a market capitalization weighted index of mid-sized companies. Prior to June 30, 2015 The Fund's benchmark was the S&P 500 Index, a capitalization-weighted index of 500 Large-Cap stocks. Both indices are unmanaged and it is not possible to invest directly in the indices.

### Top Ten Holdings\*:

Security	% Assets
MAXIMUS, Inc.	2.77%
Mid-America Apt Com, Inc.	2.60%
Check Point Softw Tech Ltd.	2.53%
Avery Dennison Corp.	2.52%
Extra Space Storage, Inc.	2.51%
Weingarten Realty Invstrs	2.49%
Teradata Corp.	2.30%
Silgan Holdings Inc.	2.24%
LTC Properties, Inc.	2.22%
NIC, Inc.	2.22%

\*Subject to change

### Portfolio Composition:



### Market Commentary:

Small- and Mid-Cap companies peaked in price right before the beginning of the fourth quarter in 2018 only to lose 20.12% and 17.28% respectively, as measured by the S&P Small-Cap 600 Index<sup>3</sup> and the S&P Mid-Cap 400 Index<sup>2</sup>. Large companies were likewise beaten up in a period that saw the Federal Reserve raise interest rates while inflation didn't seem to warrant the move. Since that change, Treasury security interest rates have inverted in the middle of the curve with one-year securities yielding more than two-year through five-year securities. While we generally take an inversion as a sign of pending economic turmoil, it is usually when the two-year Treasury yields more than the 10-year that causes greatest concern.

Looking deeper into fourth quarter returns, the Utilities sector was the ultimate leader in the period, finishing at a loss of 1.39% in the S&P Mid-Cap 400 Utilities Index, comprised of companies in the index that are classified as members of the GICS® Utilities sector, and a larger loss of 6.28% in the S&P Small-Cap 600 Utilities Index, comprised of companies in the index that are classified as members of the GICS® Utilities sector. The Energy sector lost an astounding 40% plus in both Mid- and Small-Cap indices in the quarter.

With employment remaining strong, consumer confidence stable, and inflation relatively low, current conditions seem comfortable. However, it remains difficult for us to see how the economy might improve with China's growth slowing, consumer expectation weakening, and wage growth beginning to outpace overall inflation. We remain vigilant in our search for opportunities in coming months.

Lighting the Way

## Current Strategy

### Security Selection Criteria:

The Henssler Equity Fund purchases high-quality, individual common stocks that are generally rated at least "A" by Value Line for financial strength, "A-" by Standard & Poor's for earnings and dividend quality, or "2" by Value Line for safety. The greatest risk to many clients' portfolios is the potential bankruptcy of any company whose stock they hold. Our firm's strategy seeks to manage client risk by using established stock ratings to guide purchases.

### Fund Performance:

During the quarter ending December 31, 2018, total return for The Henssler Equity Fund was down 14.04% versus the S&P 500<sup>1</sup>, which was down 13.52%, and the S&P Mid-Cap 400<sup>2</sup>, which was down 17.28%. The Fund benefited from strong relative performance in the Utilities, Communication Services, and Consumer Staples sectors.

For the year ending December 31, 2018, the total return for The Henssler Equity Fund was -11.55% versus the S&P 500<sup>1</sup>, which was -4.37% and the S&P Mid-Cap 400<sup>2</sup>, which was -11.04%. The Fund benefited from strong relative performance in the one-year period in the Utilities, Real Estate, and Communication Services sectors.

The Fund experienced an intentional change in investment style from large company stocks to small- and mid-sized company stocks, according to market capitalization. The proper performance benchmark is, therefore, mixed between the S&P 500 and S&P 400 indices. Longer term returns are best measured against the S&P 500 while shorter term performance should be measured against the S&P 400.

## Disclosures:

This does not constitute an offer to sell shares of The Henssler Equity Fund (The Fund). Offers to sell shares of The Fund may only be made by The Fund's prospectus. **An investor should always consider investment objectives, risks, charges, and expenses of The Fund carefully before investing. To obtain a prospectus, which contains this and other information, please call 1-800-936-FUND, write to The Henssler Funds, Inc., P.O. Box 8796, Denver, CO 80201, or visit [www.henssler.com](http://www.henssler.com). Please read the prospectus carefully before investing or sending money.**

**The Henssler Equity Fund is distributed by ALPS Distributors, Inc. All sales of The Fund shares are subject to approval of ALPS Distributors, Inc., Denver, CO or Henssler Asset Management, LLC, Kennesaw, GA.**

There are risks associated with investing including possible loss of principal. The value of stocks selected for The Fund's portfolio or the overall stock market may decline over short or extended periods. Foreign investing involves special risks, such as, currency fluctuations and political uncertainty. Funds that emphasize investments in smaller companies generally will experience greater price volatility.

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Morningstar proprietary ratings reflect historical risk-adjusted performance as of December 31, 2018. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. The Henssler Equity Fund was rated against the following numbers of U.S.-domiciled Mid-Cap Blend funds over the following time periods: 382 funds in the last three years, 335 funds over the past five-years and 235 funds over the past 10 years. With respect to these Mid-Cap Blend funds, The Henssler Equity Fund received a Morningstar Rating of two stars for the three-year period, three stars for

## Portfolio Managers:

Gene W. Henssler, Ph.D. \*\*

BS Wayne State University, MBA and Ph.D. University of Michigan. Dr. Henssler is a former professor of finance and has worked as an investment manager and consultant for more than 50 years.

William G. Lako, Jr., CFP® \*\*

BBA Kennesaw State University. Mr. Lako has worked in investment management and financial planning for more than 20 years.

Troy L. Harmon, CFA, CVA \*\*

BBA Kennesaw State University. Mr. Harmon has worked in investment management and financial analysis for more than 10 years.

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\*\* Registered Representative of ALPS Distributors, Inc.

### INVESTMENT PROCESS:

Team approach involving all Analysts and Portfolio Managers. Invests only in financially strong companies, predominantly Small- and Mid-Cap. Diversified in 10 of the 11 GICS® Sectors represented in the S&P 500.

the five-year period, and two stars for the 10-year period. The Henssler Equity Fund received an overall Morningstar rating of two stars. Past performance is no guarantee of future results.

#### Referenced Indices

<sup>1</sup> The Standard & Poor's 500® Index is an unmanaged, market capitalization weighted index. Performance figures assume reinvestment of capital gains and dividends but do not include any fees or expenses.

<sup>2</sup> The S&P Mid-Cap 400® Index by S&P Dow Jones Industries is an unmanaged, market capitalization weighted index that measures the performance of mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment.

<sup>3</sup> The S&P Small-Cap 600® Index by S&P Dow Jones Industries is an unmanaged, market capitalization weighted index that measures the Small-Cap segment of the U.S. equity market, reflecting the distinctive risk and return characteristics of this market segment.

It is not possible to invest directly in the referenced indices.

<sup>1</sup>Beta is a measure of risk. It measures the relationship between a fund's excess return over T-bills and the excess return of the benchmark index. Equity funds are compared with the S&P 500 index. By definition, the beta of the benchmark (in this case, an index) is 1.00. Accordingly, a fund with a 1.10 beta has performed 10% better than its benchmark index—after deducting the T-bill rate—than the index in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the fund has performed 15% worse than the index in up markets and 15% better in down markets.

#### Definitions of Valuations:

##### Standard & Poor's Earnings & Dividend Rank

This is S&P's computerized measure of common stocks based mainly on 10-year earnings and dividend performance (not to be confused with S&P debt ratings). Rankings are as follows: A+ Highest; A High; A- Above Average; B+ Average; B Below Average; B- Lower; C Lowest; D In Reorganization; NR No ranking

##### Value Line Financial Strength Rating

A relative measure of financial strength of the companies reviewed by Value Line. The relative ratings range from A++ (strongest) down to C (weakest), in nine steps.

##### Value Line Safety Rank

A measurement of potential risk associated with individual common stocks. The Safety Rank is computed by averaging Value Line's Price Stability Index and the Financial strength Rating. Safety Ranks range from 1 (Highest) to 5 (Lowest). Conservative investors should try to limit their purchases to equities ranked 1 (Highest) and 2 (Above Average) for Safety.