

Monthly Update

November 2015



Take Control...Or the Government Will For You

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Most people would agree that establishing or reviewing their estate plan has been on their "To Do" list for a long time. Well, now is the time. Without these estate documents or the failure to update those you have in place, you may be leaving your family in the precarious position of relying on government agencies to make these decisions on your behalf.

Last Will and Testament (Will)

A will is the legal document that provides for the distribution of your assets at death. This document is also the tool to identify guardians for minor children and to name an individual to oversee the administration of your estate. Without a will, you leave these important decisions to your residency state legislature and court system.

Upon your death your assets will be distributed pursuant to the intestacy laws of your residency state if you do not have a valid will. In other words, the state legislature determines how your assets will be distributed between your family members. Would the state statute conform to your intentions? Possibly, but do you want to leave that to chance?

The state court system will ultimately make the important decisions regarding the guardianship of minor children, if no surviving parent, and will identify the executor of your estate. This situation can place undue stress, delay and costs upon your family as they are dealing with your passing.

But what if you already have a will in place? Now is a good time to review your will and make sure it still represents your intentions. A will is a fluid document and can be changed at any time with the assistance of your attorney.

Beneficiary Designations

Another important aspect of your estate plan involves the assets that allow you to make beneficiary designations. If you own a life insurance policy, retirement account, annuity or similar asset, you have likely been asked to provide beneficiary designations. Beneficiary designations provide for the timely transfer of the asset at your death to the named individual(s). You may update your beneficiary designations as any time with your provider, so take the time to confirm that beneficiary designations are in place and the appropriate individuals are named. If you do not make a beneficiary designation, those assets will be distributed under the terms of your will or state intestacy laws. You should also think about any assets you own jointly. Upon your death, those assets will transfer directly to the joint owner.



Durable and Medical Powers of Attorney

We are going to step away from death to another grim topic, mental incapacity. In the unfortunate event that you are unable to make financial and medical decisions for yourself due to an accident, illness or age, a Durable or Medical Power of Attorney is the document that allows you to identify an individual(s) to receive information and make financial and medical decisions, respectively, on your behalf. Without the Power of Attorney, the court system will grant an individual the authority to receive information and make decisions on your behalf which may not be either timely or consistent with your personal choice. If you already have these documents in place, you will want to make sure the appropriate individual(s) is named given current life circumstances.

Living Will/Advance Directive

A Living Will or Advance Directive is similar to a power of attorney in that you are authorizing an individual(s) to make decisions on your behalf if you are incapacitated, but is limited to end of life medical care decisions. Through a Living Will, you can identify the life prolonging treatments that you would or would not want and spare your loved ones from making these decisions. Without this document you could be leaving the decisions to the court system when medical staff and family members cannot agree.

Our mission at Lanier is “To Build Confidence and Security in Your Financial Future.” At times, this requires focusing on topics that many would rather not. While this topic is not one we like to think about, a well thought out estate plan is truly a final gift you can give to your loved ones.

If you are ready to move forward with establishing your estate plan or need assistance with the review of your estate plan, Lanier Asset Management is available to help. Given your unique situation, a more complex plan including trusts may be required. The professionals at Lanier will assist clients with their estate planning needs and coordinate its execution with the client’s estate planning attorney.

Sara B. Thomas, JD, CPA, is a Financial Consultant with Lanier Asset Management with an extensive background of service to high net worth families. She graduated from the University of Kentucky College of Law in 1995.

Key Points From Our Investment Meeting – 11/9/2015

Macro Viewpoint

- Equity markets have rebounded sharply from the September fall in spite of weakening economic data.
- Ten year treasuries hover near 2%.
- FED interest rate hike looking more likely despite the fact that we are still below inflation target.
- Slowdown in China has become more apparent as data continues to be released.

Asset Class Comments

- We continue to believe this environment warrants the need for Diversifying Strategies.
- 2015 shaping up to be a yawn of a year, as most all assets classes have given you low single digit returns with varying degrees of volatility.

Building **Confidence** and **Security** in Your **Financial Future**





Performance Update

Investment Vehicle

TRADITIONAL ASSETS

				Total Return (%)							
				Annualized							
				October	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
Cash											
	Vanguard Reserve Prime Money Market			0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	1.4%
Fixed Income											
	Domestic (Barclays US Agg)			0.0%	0.0%	1.2%	2.0%	1.7%	3.0%	5.2%	4.7%
	Eaton Vance Floating Rate	EIBLX		0.1%	0.1%	0.8%	0.3%	2.4%	3.7%	7.7%	3.7%
	High Yield (Barclays US Corp HY)			2.8%	2.8%	-0.5%	-2.7%	3.6%	5.9%	13.0%	7.5%
	Short Term High Yield	SJNK		1.8%	1.8%	-1.8%	-4.0%	-	-	-	-
Equities											
	Domestic Large Cap (S&P 500 TR)			8.4%	8.4%	2.7%	5.2%	16.2%	14.3%	14.0%	7.9%
	S&P Equal Weight	RSP		7.0%	7.0%	-0.5%	2.4%	16.8%	14.1%	16.6%	8.7%
	Domestic Mid Cap (S&P 400 TR)			5.6%	5.6%	0.7%	3.4%	15.5%	13.4%	16.0%	9.1%
	Vanguard Mid-Cap ETF	VO		6.0%	6.0%	1.0%	4.2%	17.4%	14.0%	16.8%	8.8%
	Domestic Small Cap (S&P 600 TR)			6.1%	6.1%	0.3%	2.8%	16.1%	14.4%	14.7%	8.6%
	Vanguard Small-Cap ETF	VB		5.7%	5.7%	-1.3%	1.0%	15.1%	13.4%	15.5%	8.8%
	Developed Intl. (MSCI EAFE)			7.8%	7.8%	2.1%	-0.1%	8.0%	4.8%	8.3%	4.1%
	MSCI EAFE	EFA		6.6%	6.6%	2.1%	2.1%	7.7%	4.6%	7.9%	3.9%
	Emerging Intl. (MSCI EM)			7.1%	7.1%	-9.4%	-14.5%	-2.9%	-2.8%	8.4%	5.7%
	Vanguard FTSE Emerging Markets ETF	VWO		5.3%	5.3%	-10.7%	-15.8%	-2.7%	-3.0%	7.9%	5.2%
Real Assets											
	Real Estate (FTSE NAREIT US REIT)			6.1%	6.1%	1.3%	4.8%	10.9%	12.0%	14.2%	7.2%
	Mortgage Real Estate REIT ETF	REM		-0.1%	-0.1%	-8.3%	-8.8%	-0.1%	4.6%	5.8%	-
	REIT ETF	VNQ		5.8%	5.8%	1.2%	5.2%	11.8%	12.1%	14.6%	7.9%
	Commodities (Thomson Reuters/Jefferies CRB Index)			1.0%	1.0%	-24.3%	-36.0%	-16.2%	-10.3%	-6.0%	-5.8%
	AVENTIS*	AVENTIS		-1.2%	-1.2%	-7.9%	-9.9%	-6.5%	-2.8%	-1.9%	-
DIVERSIFYING STRATEGIES											
Hedge Funds											
	HFRI WCI			1.7%	1.7%	1.4%	1.9%	5.1%	3.4%	5.8%	4.7%
	INFINITY*	OCEAN		-0.6%	-0.6%	4.3%	6.7%	9.2%	8.1%	8.6%	8.7%
	Robeco Long/Short Equity	BPLEX		5.2%	5.2%	5.2%	2.6%	0.0%	5.7%	8.2%	16.3%
	Lanier All Asset Strategy**	AAS		-6.9%	-6.9%	-13.1%	-11.1%	4.4%	3.2%	8.1%	12.0%
Managed Futures											
	Barclays CTA Index			-0.6%	-0.6%	-0.5%	2.8%	1.8%	0.5%	1.5%	3.4%
	WINTON*	WINTON		-1.8%	-1.8%	-4.9%	-0.4%	2.4%	-0.3%	0.3%	4.1%
	AQR Managed Futures Strategy	AQMNX		-3.4%	-3.4%	-3.4%	2.0%	0.0%	-	-	-
	WisdomTree Managed Futures Strategy	WDTI		-0.3%	-0.3%	-0.3%	-5.1%	0.0%	-	-	-

 = Benchmarks
 = Lanier Selections

* For Accredited Investors Only
 ** Based upon since inception (Jan 2006). Prior data uses 60/40 Blend

Our Team



Mark R. Hoffman
CEO, Principal



Junius V. (Trip) Beaver, III
Co-Chief Investment Officer, Principal



Carl W. Hafele, CFA, CPA
Co-Chief Investment Officer, Principal



John E. Thompson
Director, Private Client Group



Dr. Daniel L. Bauer
Financial Consultant



Sara B. Thomas, JD, CPA
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Deidre M. Durbin
Chief Compliance Officer



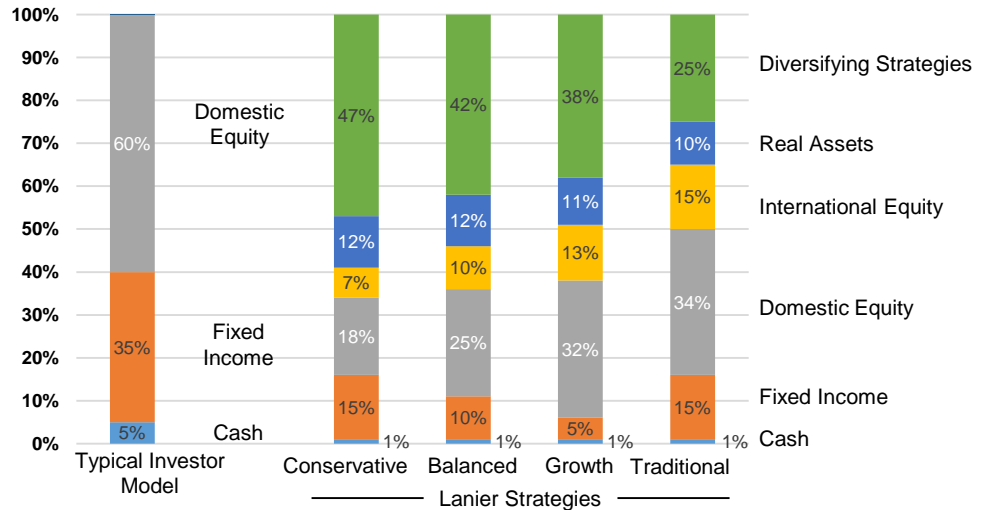
Emily A. Spendlove
Investment Associate

Building Confidence and Security in Your Financial Future



Our Approach

At Lanier, we believe that portfolios designed to deliver superior performance and lower correlation with the overall markets must decrease reliance on stocks and bonds and be complemented with a set of diversifying strategies and alternatives



Each of our clients has a unique set of needs (based on age, risk tolerance, income need, etc.) and an asset allocation model designed specifically to meet those needs. Consequently, actual client investment models can and do vary from the allocation percentages listed above.

Lanier Asset Management is an independent Registered Investment Advisory firm. Our mission: **To Build Confidence and Security in our Clients' Financial Future.** We use an open architecture investment structure to combine the best of proprietary and independent investment strategies. At Lanier, we deliver superior service and performance to our clients as a result of four distinguishing elements:

- **People:** we are an independent firm, providing objective advice from experienced investment professionals working in your best interests
- **Investment Philosophy:** we seek to smooth investment returns, providing superior investment performance and a significantly lower correlation to the overall market
 - Focus on projected returns rather than historic for all asset classes
 - Similar to the largest U.S. endowments
- **Investment Process:** combine active and passive management in traditional asset classes; complement with diversifying strategies/ alternatives
- **Conviction:** we believe in our approach – this is how we invest our own money

Past performance is no guarantee of future results. Investing entails risk, including possible loss of some or all principal. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges. It should not be assumed that your account holdings correspond directly to any comparative indices.

Lanier Asset Management, LLC ("Lanier") is a state registered investment adviser located in Louisville, Kentucky. The firm's CRD number is 150888. Certain Representatives of Lanier hold Series 7, 31, 63, and 65 Securities Licenses. Securities offered through Comprehensive Asset Management and Servicing, Inc., Member FINRA/SIPC/MSRB. 2001 Route 46, Ste. 506, Parsippany, NJ 07054.

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