

## COMBINING ACTIVE INVESTMENT MONITORING & SELECTION WITHIN A BUY-AND-HOLD FRAMEWORK

### SUMMARY

- Strategic Asset Allocation with an active approach to investment selection
- Rigorous, repeatable, rules-based investment selection process
- Driven by fundamental and technical research
- Strong focus on long-term oriented growth investing using a diversified mix of best-in-class investments and investment types
- Emphasis on transparency and communication

### COMMUNICATION

- ✓ Trade Notifications
- ✓ Monthly Statements
- ✓ Quarterly Market Videos
- ✓ Quarterly Performance Reports

### CHARACTERISTICS

- Investment Objective: Three available risk models – Growth / Moderate / Conservative
- Investment Horizon: Minimum of 10 Years
- Investment Minimum: \$25,000
- Benchmark: There are three benchmarks that may be used, each of which may be comprised of the S&P 500\*, Barclays US Aggregate Bond Index\* and Goldman Sachs 91-Day Treasury Bill Index\*

\* All indices are unmanaged and may not be invested into directly.

Strategic Investor is designed for a portion of a client's portfolio seeking both a traditional or strategic asset allocation approach and also proactive management of the underlying holdings. The strategy emphasizes strategic asset allocation and long-term focused investing, and is driven by an objective, consistent investment process. The performance goal is for the strategy to seek benchmark outperformance over multiple market cycles. During the bull side of a market cycle, benchmarks and traditional buy-and-hold strategies, like Strategic Investor, seek to have the upper hand in performance because they stay invested 100% of the time. During the bear side of a market cycle, active management strategies with a sell discipline typically have the performance upper hand when compared to their strategically managed counterparts because they are not bound by target allocation parameters. Strategic Investor is restricted to holding a minimum percentage in either stocks or bonds or other securities.

**"The historical data support one conclusion with unusual force: To invest with success, you must be a long-term investor..."**

John C. Bogle, founder of Vanguard

### INVESTMENT PROCESS

- 1  Identify current investment themes based on long-term trends in the market. Create portfolios based on asset and sector classes believed to be in a long-term trend.
- 2  Search for best-in-class investments to gain exposure to the identified asset classes and investment sectors. Focus on those that have the optimal combination of low expenses, attractive strategy mandate and desired performance characteristics.
- 3  Precisely allocate the portfolios to the targeted asset class and sector weightings, using the chosen best-in-class investments.
- 4  Regularly update the research model to determine if a change is needed. A strong focus is placed on monitoring changes in long-term trends of investor behavior and market dynamics.

No strategy assures success or protects against loss. This information is presented as an introduction to the portfolio strategy and for educational purposes. As such, it is not intended as a solicitation or offer. Prospective investors should contact his/her advisor for more detailed portfolio information and the product's suitability in pursuing your financial investment objectives.

Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio.