

# Investment Philosophy

---

*Pavlos Panagopoulos & Regina Gaysina*

The two cornerstones of our investment philosophy are preservation of capital and steady growth. We believe that protecting assets in the declining markets is essential to ensuring that our clients' assets will be available to them and future generations. Our investment philosophy is driven by one ultimate goal: enhancing total portfolio results for each client while keeping in mind risk across all market cycles. This approach is based on a set of fundamentals we adhere to in our day to day wealth management: a focus on after-tax, total portfolio returns; global diversification and balance across asset classes. While keeping in mind clients' time horizon, liquidity needs and goals, we also focus on developing a long-term forward looking investment program to meet their overall goals.

---

3/5/2015

# Disciplined Process of Account Management

## **Discovery and Assessment**

One of the first steps to effective wealth management is to define clients' needs and objectives by asking the right questions. During this process, we assess your long and short-term goals, risk tolerance, cash flow, liquidity needs and service preferences. We take into consideration your estate planning, tax planning, charitable giving and business planning needs to establish a solid foundation for your financial plan and our relationship.

## **Investment Strategy**

After discovering clients' specific goals and needs, we develop a comprehensive financial plan. We analyze each account within your portfolio IRAs/trusts/stock positions. This enables us to identify an impact of each element on the overall picture and provide strategies to address any gaps or issues, such as potential tax considerations and liquidity needs.

## **Asset Allocation**

This step integrates clients' goals, needs and risk tolerance with current developments in the financial markets. We recommend an appropriate mix of asset classes between fixed income, equities and alternative investments. We then further diversify within each particular asset class and explain to you how different allocations might impact your returns and risk exposure.

## **Implementation**

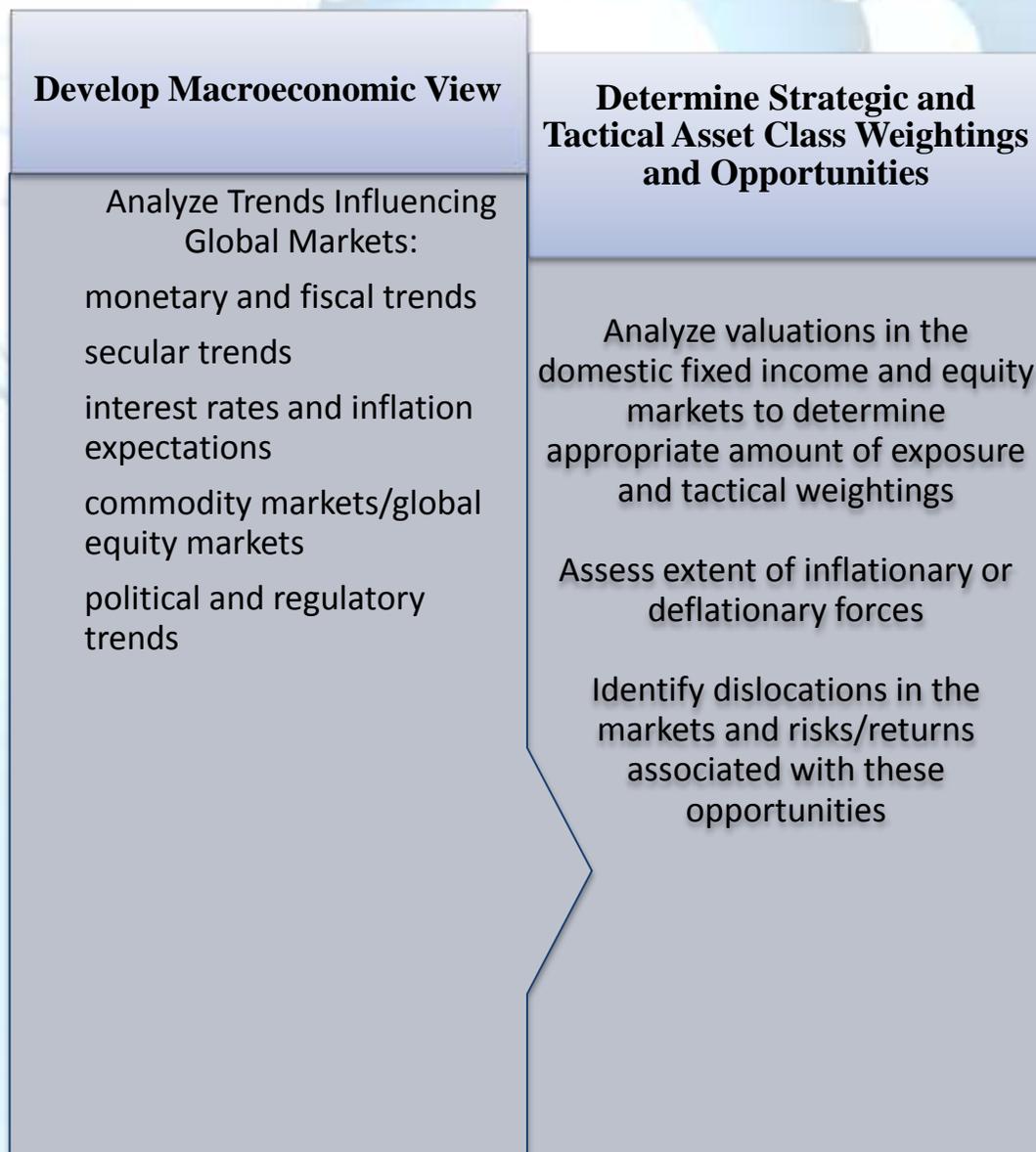
We invest globally with a broad and flexible mandate. We engage in a rigorous process of research and due diligence to select superior investment managers whose views and process are in-line with our investment philosophy. We strive towards best execution strategies with minimal impact on our clients' portfolios.

## **Ongoing Monitoring and Review of the Plan**

The true value of a financial plan lies in how it responds to ever-changing market conditions and clients' dynamic needs. Our team of designated professionals actively manages your portfolio making tactical and strategic decisions across and within asset classes, rebalancing positions to ensure your allocations are in-line with current market cycle and your goals, identifying opportunities to harvest losses and gains to maximize after-tax performance. We continuously review relative performance of investment managers to make sure they meet expectations. We communicate with clients through regular reviews and ad hoc meetings

## Asset Allocation

We believe that diversification among different asset classes is central to successful asset management. By looking at historical valuations and correlations among different asset classes in combination with our global macroeconomic view, we make the decision to overweight or underweight a particular asset class in order to meet our clients' long-term financial goals.



## Investment Selection Process

One of the important steps in constructing portfolios is the selection of investment managers. Our independent approach to investing allows us unlimited access to various managers whose philosophy aligns with our own. We use both quantitative and qualitative criteria to screen the entire universe of third party managers to identify products with historically competitive track records, strong risk reward metrics, and attractive pricing. We place significant emphasis on being able to optimally combine different managers to further enhance portfolio diversification.

### ***Quantitative***

Select Investment Mangers Based on Initial Quantitative Screening  
Evaluate Performance and Risk Characteristics  
Review Attribution Analysis

### ***Qualitative***

Review Investment Process/Philosophy/Organizational Structure  
Conference Calls with Portfolio Managers and Analysts  
In-depth Performance Evaluation  
Compatibility with Existing Investments

***Final Manager Selection***

### **Disclosures**

*All investing involves risk, including the possible loss of principal. There is no assurance that any investment strategy will be successful.*