AMERICA’S BEST TAMPS

2019

THE WINNERS LIST

YOUR INSIDE LOOK AT THE BEST TURNKEY ASSET MANAGEMENT PROGRAMS FOR FINANCIAL ADVISORS, FAMILY OFFICES, AND BROKER-DEALER REPRESENTATIVES
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AN OUTSOURCED SOLUTION

Wealth managers and advisors alike must do a lot of things well to satisfy their clients. While regularly meeting with clients, reporting on their investments' performance and handling their service requests, advisors must also monitor their clients’ investments, ensuring that risk is managed while performance is maintained. However, if the wealth advisor is also directly selecting individual investments, the advisor risks being held responsible by clients for poor performance.

There is a better way: Wealth advisors can outsource the investment management function to world-class asset managers through an outsourced portfolio management program, also known as a Turnkey Asset Management Program or TAMP.

Advisors can focus their attention on clients’ needs and concerns while helping select the right asset managers and products for their clients.

Outsourced portfolio solutions work because the wealth advisor offloads those parts of the wealth management business that are time-consuming to do right, while focusing on those aspects that the client truly values and which constitute the reason the advisor was selected in the first place.

Outsourced portfolio solutions come in five varieties, in increasing levels of sophistication: mutual fund wraps, ETF wraps, separately managed accounts (SMAs), unified managed accounts (UMAs) and unified managed households (UMHs).

All are fee-based relationships with clients, ranging from around 85 basis points for the most basic wrap to 280 basis points for a complex unified managed household, dependent on the amount of client assets managed. It is vital that advisors select the correct account types for their firm, and just as important that they select the right outsourced portfolio solution provider.

Different providers bring different capabilities and technologies to wealth advisors and their clients. Furthermore, while outsourced portfolio solutions are beneficial for a wide variety of firms, they are not perfect for firms that offer a truly differentiated asset management approach.

Wealth advisory firms need to consider the use of outsourced portfolio solutions as they seek to grow their businesses and become more efficient.

By partnering with a strong outsourced portfolio solution provider, a firm can gain assets and clients at a much faster rate than it will need to add expenses, such as personnel. A high-quality outsourced portfolio solution provider is the road to increased profitability for many wealth advisors.
THE NEW STATUS QUO
For years, people treated automated wealth management systems as a fringe technology, more sizzle than substance. In that world, only hardcore technophiles would put the client portfolio on anything like autopilot. Real advisors did everything by hand.

Then we started to see the results. Automatic allocations delivered results comparable to those of the finest hand-picked portfolios. In many cases, they were the exact same strategies, only now delivered to everyone whose advisor was willing to open the doors.

Here we are now at the dawn of the age of robots. Automation is becoming standard operating procedure for thousands of advisors. Nobody reconciles the trades by hand anymore and fewer and fewer people rebalance every portfolio personally every quarter.

If you’re not using the tools that run those systems, now’s the time to start the process. After all, everyone’s in competition with the robots themselves. That’s a race to the zero-fee bottom.

But human talent can use the exact same tools and harness the exact same efficiencies. The easiest way to start is by opening a relationship with a TAMP.

Every year we profile the most dynamic TAMPs on the market. Here they are. They’re the best platforms available, representing the vast majority of all assets managed by advisors using robot techniques. From where we’re sitting, they’re the only TAMPs that matter this year. And while the biggest platforms consolidate at the top, new and dynamic start-ups keep emerging to fill the gap with even more advanced systems and tools.

This isn’t the fringe anymore. Tiburon Strategic Advisors estimates that TAMPs held $2.2 trillion in assets under management and administration last year. They serve 180,000 financial advisors (up from 800 in 1995) and 3.9 million clients (up from 10,000 in 2001).

This is the mainstream now. And the dominant players are finding merger partners. Others are being absorbed into larger technology complexes, as we saw a few months ago when Orion combined with FTJ FundChoice and then Vestmark bought Adhesion.

The tech giants want a dedicated spot on the individual advisor’s screen. And the fund companies want a spot on the TAMP too. That’s why BlackRock paid $100 million for a strategic piece of Envestnet.

COMBINING ROBO EFFICIENCY AND HUMAN TOUCH
Robot investment platforms have had their most significant success with mass-affluent investors (at best) who rarely have appreciable assets or financial goals beyond allocating their retirement accounts.
TAMPS BY PLATFORM ASSETS

AMERICA'S BEST TAMPS

2019

SAWTOOTH SOLUTIONS $8.1 BILLION
BEACON CAPITAL MGMT $2.75 BILLION
BROOKSTONE CAPITAL MGMT $2.5 BILLION
EQIS CAPITAL MGMT $2 BILLION
FLEXIBLE PLAN INVESTMENTS $1.75 BILLION
SOWELL MANAGEMENT $1.6 BILLION
AXXCESS WEALTH MGMT $1.35 BILLION
DUNHAM & ASSOCIATES $1.3 BILLION
TOWNSQUARE CAPITAL $1.1 BILLION
SMARTX ADVISORY SOLUTIONS $1 BILLION
3D ASSET MANAGEMENT $845 MILLION
CORNERTONE WEALTH MGMT $700 MILLION
LINDNER CAPITAL ADVISORS $550 MILLION
USA FINANCIAL EXCHANGE $525 MILLION
FTJ FUNDCHOICE $10.8 BILLION
ENVESTNET $509 BILLION
SEI $67.1 BILLION
BRINKER CAPITAL $22.9 BILLION
ASSETMARK $47 BILLION
High net worth households have remained aloof from the robo revolution for two reasons. First, they recognize the value that a flesh-and-blood advisor adds to the relationship. Second, they’re willing to pay a reasonable fee in exchange for that added value.

The conclusion here is not that everything is wonderful in the wealth management business. Advisors still compete viciously with each other for accounts, with those who fail to provide world-class service struggling to retain existing relationships in the face of innovative and aggressive rivals.

“Good enough” is no longer good enough to stay relevant in an environment where retail investors are constantly weighing their outcomes against real and imaginary benchmarks.

If you’re like most Wealth Advisor readers, person-to-person networking is what you do best. You definitely do it better than a website.

And the robo will handle everything else, running ceaselessly in the background. In theory, a TAMP can run every aspect of the wealth management cycle except for the person-to-person communications that differentiate each advisor as an individual.
LET THE ESSENTIALS SHINE
If you’re uniquely talented at a particular task, you can keep doing it. Otherwise, if it isn’t essential, then it’s time to unbundle that task from your core competitive proposition.

The investment portfolio itself was once considered the core of the advisory relationship. Nobody else could do it, so this was how a professional demonstrated expertise and justified ongoing care, translating that attention into recurring fees.

Now it’s clear that robot systems can do a fairly good job at a fraction of the cost. Beating the robots can take a staggering amount of resources that, in turn, are a cost center most sustainably divided among multiple front-line advisors.

In effect, portfolio management slides toward the back office, where functions are easily commoditized and unbundled from what you do all day.

Every TAMP shunts the investment management function to world-class asset managers. Since TAMPs are more sophisticated than any pure robot system on the market today, wealthy investors still recognize the value.

And they’ll appreciate your expanded capacity to focus on their needs and anticipate their concerns while maintaining ultimate authority over selecting the right asset managers and products for the portfolio.

It’s not just about the Boomers.
Younger generations make up a significant part of the population. Tomorrow’s successful advisors will serve a far more technologically literate and diverse clientele—in terms of age, ethnicity, gender and aspirations.

Nearly two-thirds of the U.S. population was born after 1964. Source: Nielsen Pop-Facts
That’s not a recipe for professional extinction. This is how forward-looking advisors are getting ahead of the future by focusing on those aspects of the business that the client truly values: personal attention, insight into unique situations, service and trust.

No robot can do that. But with a robot on your side, you can. The future is now.

**TAMP MADE SIMPLE**

Any true TAMP provider offers wealth advisors a complete investment management program through the advisor’s sponsoring firm, whether it is a broker-dealer, registered investment advisor or trust company.

The TAMP facilitates investment selection and management, allowing the wealth advisor to off-load time-consuming back-office functions such as investment research, manager due diligence, portfolio construction, rebalancing, reconciliation, performance reporting, tax optimization and statement preparation in order to focus more on gathering assets, acquiring new clients and servicing existing accounts.

TAMPs constitute fee-based account relationships and as their “turnkey” reputation implies, they can be implemented in as little as 90 days. Many provider firms provide these capabilities on a customized managed account platform, permitting independent wealth advisors and their firms to easily manage client investments.

**WHAT THE TAMP DOES FOR YOU**

Any TAMP is a turnkey product offering that can be quickly incorporated into your existing practice and integrated with other technologies like financial planning, customer relationship management (CRM), proposal generation, trading, investment screening, risk management, attribution and customized reporting, aggregation, manager research and due diligence, among others.

When a firm contracts with an outsourced portfolio solution provider, it typically receives the following services:

- Private branding/white labeling of the system so the platform identity conforms with the wealth advisor’s firm as opposed to the actual developer or TAMP provider.
- A platform tool so the firm can easily track and report on their clients’ assets at a systemwide level. This often incorporates various dashboards and automated alerts.
- Open architecture that enables and supports a wide variety of investments managed by multiple asset managers. These investments have been screened through due diligence processes conducted by the TAMP provider, the advisory firm or both.
- Links to a brokerage network, trade execution or order management system giving the asset manager a cohesive interface.
Additional back-office services such as proposal generation, investment policy statements, or asset allocation methodologies like client risk analysis.

Enhanced sleeve functionality: for example, sleeve-level reporting or discretionary “rep as advisor” investment sleeves.

A universe of asset managers who have been preapproved and reviewed by third-party vendors.

For UMAs, an overlay tool for ideal investment sleeve handling.

**ORIGINS OF THE OUTSOURCED EDGE**

The outsourced investment management approach started slowly, but as the wealth management industry responded to the challenges of the last decade, the number of advisory firms embracing TAMP operations has now reached critical mass. Today, the $2.2 trillion in client assets that run on TAMP platforms eclipse traditional in-house portfolio construction AUM, according to some metrics.

And while the choice of platform can change after a firm makes the initial decision to outsource the assets, almost nobody ever decides to take the portfolio back and rebuild the capabilities it takes to manage it internally. It’s a one-way evolution where assets flow into the channel as a whole without flowing back.

What’s striking about the ongoing migration is how humble the initial adoption cycle was. Most modern TAMPs trace their origins from the Prudent Investor Acts (laws enacted by a variety of states to replace the centuries-old Prudent Man fiduciary laws) a quarter of a century ago, which gave legal fiduciaries the right to outsource investment management decisions to asset management professionals while remaining responsible for the overall client relationship.

Instead of simply allowing for the use of a separate investment advisor, the Prudent Investor Acts have made selection of a qualified third-party manager the preferred model for providing superior investment capabilities combined with improved liability protection for the fiduciary.

The big wirehouses (Morgan Stanley, Merrill Lynch, Wells Fargo Advisors and UBS) and RIAs’ institutional providers like Schwab and Fidelity also provide managed money platforms, but they are available only to the firms’ associated advisors or client brokerages. Captive platforms often result in suboptimal manager selection and hidden conflicts of interest. This, in fact, creates an opportunity for independent advisors and trust companies to match capabilities with the big firms without the ethical baggage.
A BETTER WRAP FOR CLIENT AND ADVISOR ALIKE

As the industry evolves, innovation ensures that advisors across all channels and compensation models have all the tools they need to not only compete for investor loyalty but thrive. A new generation of client-centric actively managed mutual fund wrap accounts has emerged stronger than ever, bringing a reasonable fee-for-performance proposition to the table.

While the ETF wrap approach has become prevalent as a basic model, many have found that passive exchange-traded funds tied to legitimate indices have hit a natural limit. A few actively managed funds, like emerging international or high-yield bond funds, will remain in wrap accounts. More sophisticated investors will always crave new strategic frontiers that are onerous to develop in an indexed format, keeping active funds vibrant.

Similarly, separately managed accounts (SMAs) are opening up space for unified managed accounts (UMAs), especially models-based UMAs, where the money manager downloads models instead of conducting trades. Each manager’s portfolio will have a separate sleeve, and overlay tools and managers will be used for tax and trading efficiency. Either way, the ability to develop tax efficiency, sometimes known as “tax alpha” (tax benefits above and beyond a normal market return), will become a key differentiator. This is where the firms of tomorrow will struggle or succeed.
TAMP BUILDING BLOCKS: FUNCTIONALITY AND STRUCTURE

The underlying outsourced portfolio solution investment model that drives modern TAMPs can be classified into five fundamental varieties or “flavors,” based on the type of investments offered, the asset management firm responsibilities and the added capabilities of overlay — not to mention cost.

ACCOUNT TYPES

1. Mutual Fund Wrap Accounts: Also known as a Mutual Fund Advisor Program, a mutual fund wrap account provides multiple mutual funds (selected from a large pool) based on asset allocation guidelines. The investment advisor designs a portfolio of funds and manages the funds as a single account for a single annual fee but lack flexibility and customizability. That fee “wraps around” all of the client’s mutual fund activity, providing transparency and simplicity, and is an alternative pricing option to paying an upfront commission or surrender charges.

2. Exchange-Traded Funds (ETF) Wrap Accounts: An ETF wrap is a type of managed account where the client’s investment portfolio is invested solely in exchange-traded funds. The selection and composition of each ETF class is based on the appropriate asset allocation model, and is periodically assessed to respond to market changes. As with most managed accounts, there is an asset-based fee charged for the account; the advisor pays transaction costs.

Functions supported by TAMPs, depending on platform provider

<table>
<thead>
<tr>
<th>Prospecting &amp; Proposals</th>
<th>Rebalancing</th>
<th>Proposals &amp; Investment Policy Statement</th>
<th>Trust Accounting</th>
<th>Onboarding, including Electronic Signatures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Order Management</td>
<td>Asset Transfer</td>
<td>Aggregation</td>
<td>Asset Allocation</td>
<td>Custody Reconciliation</td>
</tr>
<tr>
<td>Advisor Dashboards</td>
<td>Statements &amp; Document Management</td>
<td>Investment Selection &amp; Portfolio Management</td>
<td>Internet Access</td>
<td>Manager Dashboards &amp; Escalation</td>
</tr>
<tr>
<td>Performance Analysis, including Attribution</td>
<td>Manager Selection</td>
<td>Mobile Access</td>
<td>Feeing</td>
<td>Pre-Trade Compliance</td>
</tr>
<tr>
<td>Sleeve Management &amp; Overlay</td>
<td>Client Self-service</td>
<td>Workflow</td>
<td>Trust Accounting</td>
<td></td>
</tr>
</tbody>
</table>
3. Separately Managed Accounts (SMA): An SMA is made up of a portfolio of individual securities managed by a single asset manager in a particular type of style and offered to the investor by a sponsoring firm. A fee-based SMA program utilizes multiple SMAs. A single SMA can also form a single sleeve within a Unified Managed Account structure. In general, the SMA approach differs from a mutual fund because the investor directly owns the securities—individual bonds, for example—instead of owning a share in a pool of securities.

4. Unified Managed Accounts (UMA): A UMA is a single fee-based account that houses numerous investment products within multiple separate account sleeves. Management between sleeves is determined by the overlay process to gain tax and trading efficiencies. This necessitates the wealth advisor managing the client relationship on a platform optimized for UMAs. A UMA is usually conceived as having a single custodian, although some platforms do aggregate across multiple custodians.

5. Unified Managed Households (UMH): A UMH is a UMA-like relationship taken to the next level by bringing together all aspects of a client household’s wealth, not just the wealth of separate individuals. UMH platforms enable program sponsors to take a holistic approach to their investors’ total portfolio and apply a range of solutions that manage the client’s wealth in a manner similar to how a wealthy household tends to think about their personal wealth. Assets to be managed include qualified and nonqualified accounts as well as alternative investments, real estate, collectibles, oil and gas properties, limited partnerships, and managed futures accounts. A UMH has a single registration and can aggregate across multiple custodians. Many advisors consider the UMH to be the ultimate advancement in the managed-account space.

Typical TAMP fee ranges*

<table>
<thead>
<tr>
<th>ACCOUNT TYPE</th>
<th>INVESTMENT FEES</th>
<th>MANAGEMENT FEES</th>
<th>TOTAL FEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual Fund Wrap</td>
<td>.5% - 1.5%</td>
<td>.5% - 1.5%</td>
<td>.75% - 1.5%</td>
</tr>
<tr>
<td>ETF Wrap</td>
<td>.1% - .25%</td>
<td>.5% - 1.0%</td>
<td>.75% - 1.25%</td>
</tr>
<tr>
<td>SMA</td>
<td>.5% - 1.0%</td>
<td>1.0% - 1.75%</td>
<td>1.5% - 2.5%</td>
</tr>
<tr>
<td>UMA (using models)</td>
<td>.4% - .6%</td>
<td>.75% - 1.5%</td>
<td>1.5% - 2.5%</td>
</tr>
</tbody>
</table>

| UMH               | Negotiable along lines of UMA, with modest fees (.01% - .03%) for held-away assets |

*For large clients with greater assets, fees are negotiable, and will tend to be near the minimums noted above.
MANAGERS & PRODUCT SELECTION
TAMPs using open architecture allow for financial advisors to offer a combination of proprietary and non-proprietary strategies for greater flexibility, greater investment options, and a reduction of potential conflicts of interest.

A broad array of investments is essential for capturing high net worth individuals. The mix should include mutual funds, ETFs, SMAs, securities and alternative investments. Overlay managers assist financial advisors in model portfolio

TOOLS ADVISORS CRAVE

<table>
<thead>
<tr>
<th>Tool</th>
<th>RIA (n=106)</th>
<th>Independent broker-dealer (n=105)</th>
<th>Bank/Trust (n=115)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer relationship management (CRM)</td>
<td>64%</td>
<td>75%</td>
<td>68%</td>
</tr>
<tr>
<td>Financial planning</td>
<td>68%</td>
<td>81%</td>
<td>68%</td>
</tr>
<tr>
<td>Account aggregation, i.e. of direct funds and annuities, banking held-away assets, 401(k)s</td>
<td>56%</td>
<td>68%</td>
<td>55%</td>
</tr>
<tr>
<td>Portfolio construction and analytics</td>
<td>64%</td>
<td>72%</td>
<td>72%</td>
</tr>
<tr>
<td>Proposal generation</td>
<td>63%</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>Workflow and document management (e.g., account opening)</td>
<td>66%</td>
<td>76%</td>
<td>76%</td>
</tr>
<tr>
<td>Portfolio accounting system (including reconciliation data management and normalization)</td>
<td>57%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>Performance reporting (including performance attribution)</td>
<td>68%</td>
<td>77%</td>
<td>77%</td>
</tr>
<tr>
<td>Portfolio rebalancing and trading</td>
<td>55%</td>
<td>65%</td>
<td>79%</td>
</tr>
<tr>
<td>Advisor dashboard (book overview, alerts, compliance notifications)</td>
<td>60%</td>
<td>62%</td>
<td>81%</td>
</tr>
<tr>
<td>Broker workstation</td>
<td>55%</td>
<td>54%</td>
<td>67%</td>
</tr>
<tr>
<td>Digital advice platform (robo-advice offering)</td>
<td>36%</td>
<td>38%</td>
<td>48%</td>
</tr>
<tr>
<td>Product research and product/manager research</td>
<td>59%</td>
<td>64%</td>
<td>75%</td>
</tr>
<tr>
<td>Fee collection and accounting</td>
<td>69%</td>
<td>71%</td>
<td>71%</td>
</tr>
</tbody>
</table>

Source: Wealth Advisor survey on business applications available to advisors
implementation, trading efficiency, risk management, investment customization
and tax optimization. For platforms using a rules-based overlay tool, the tax and
trading efficiency is maintained without the input of another expert, albeit at a
lower cost than the overlay manager model.

FEES
The range of TAMP fees, as shown on page 12, can run from 10 to 250 basis points
depending on the underlying complexity and cost of the incorporated investments.

PERFORMANCE ATTRIBUTION
Advisors must be cognizant of how their efforts stack up against predetermined
benchmarks. Benchmarks established at regular intervals not only give clients
peace of mind, but also relieve the advisors’ burden of “hoping for the best”
for their clients. Fortunately, several TAMP technologies allow advisors to easily
assemble the clients’ information, goals and plans into a user-friendly platform.

TOTAL FEE TRANSPARENCY AT LAST
For too many retail investors, the fees charged for managed accounts remains a
black box. It is necessary for the industry to move beyond a single, unexplained
rate to at least three distinct fee components if managed money platforms and
products are to become ubiquitous:

Only some advisors are aggregating account data

![Aggregation chart]

Percentage of accounts aggregated

Aggregation is part of financial planning software

YES 58%
76-100% 31%
51-75% 23%
26-50% 22%
1-25% 24%

NO 42%

Source: SEI survey, Next Gen Financial Planning  n=1,019
The product fee is the institutional rate charged to the firm for the mutual fund, ETF or managed portfolio. In the case of the UMA, it should be just the managers’ models without the associated trading costs. For ETFs, fees may range from 10 basis points (bps) for large cap to 25 bps for smaller indices. For UMAs, the range for models should cost between 35 bps and 50 bps depending on the asset class.

The firm fee reflects the true costs of providing the managed money platform, trading, custody, statement preparation and other definable costs. It should include both the markup to the firm and the advisor’s compensation tied to the account.

On top of these TAMP-based fees, other services such as financial planning should be billed separately. ETF wrap fee maximums should be less than 150 bps for smaller accounts. UMAs that serve larger accounts with more complex portfolios should fee between 100 bps and 175 bps, dependent on use of models and type of overlay services provided.

Transparency in pricing will go a long way towards improving the number of clients selecting managed money as the best practice in wealth management.

Using automated solutions where possible should decrease fees and account minimums. This will spread managed accounts to those most in need of relief from poor products and high fees—the mass affluent. While managed accounts alone cannot solve the retirement crisis, lower overall fees can increase balances significantly over a 30-plus-year accumulation horizon. Minimums for some wraps have fallen to around $5,000.

Some TAMPs will also establish “no minimums” for retirement accounts like 401(k)s and IRAs, which are expected to grow substantially over time. If the industry follows through on this strategy, managed products and the firms that provide them may be able to displace the current dominance of mutual fund firms in the retirement investment industry.

Best-practice TAMPs also help their advisors and firms optimize use of the platform. As TAMPs greatly enhance advisor and firm productivity, TAMPs need to take the lead in making sure their clients, the firms and advisors, get the most from the platforms.

**CHOOSING A PLATFORM**

In the final choice for selecting the TAMP partner for a specific firm, it simply comes down to the capabilities a firm values most. TAMPs today are quite flexible; few force a firm into a single way of doing business. The firm selects its strategy, the TAMP selection process follows.
The largest players continue to be Envestnet, SEI and AssetMark. Some of the bigger platforms continue to grow through acquisitions while consolidators like AssetMark find themselves absorbed into larger entities. Despite a narrowing bulge bracket, continued innovation and entrepreneurial forces ensure that advisors today still have a wide range of TAMP providers to choose from, each with a different set of capabilities, managers and technologies.

It is vital that the individual advisor select the TAMP provider with the culture and capabilities that fit advisor needs—a provider with what it takes to help you differentiate yourself from the competition while streamlining internal processes to reduce organizational drag.

**GETTING THE MOST OUT OF A TAMP**

What is the main constraining factor on growing a wealth advisory firm? It is the amount of time an advisor has available to spend on all the administrative tasks: prospecting, preparing proposals, onboarding clients, preparing investment policy statements and asset allocations, selecting the investments, trading the investments, monitoring the investments, reporting to the client and meeting with the client.
The wealth advisor has to ask: “Which of these activities are adding value to my relationship with my client?” In other words, which of these aspects differentiate the advisor from the competition and make a difference to the client?

The answer here is that only the client-facing activities truly matter. The rest can be outsourced, often to a specialist better able to spend more time on specific activities such as managing and selecting the individual investments.

A TAMP or other outsourced portfolio solution allows financial professionals to easily manage even complex account structures like UMAs and UMHs, and serve high net worth and ultra-high net worth clients with better investment capabilities. At the same time, a true TAMP allows wealth advisors to serve the mass market and mass affluent efficiently through accounts like mutual fund wraps and ETF wraps. The figure on page 16 explains the appropriate targeting of outsourced portfolio products to client mega-segments.

Using a TAMP, smaller firms and individual advisors can offer the same level of services to clients that a wirehouse provides, due to lower start-up costs. Outsourcing reduces or removes the need for in-house support personnel and IT infrastructure.

Because a TAMP by definition is self-contained, both provider and operational risk is reduced. Active and passive investments can be combined across the spectrum from conservative to aggressive. Any outsourced solution will consider the length of time assets are to be held, the expected tax rate over that period and the type of investment. Advisors are able to mix and match mutual funds, ETFs, SMAs and other products on vetted platforms, starting with pre-set allocation models and then customizing for each individual client.

The details around the deployment of your TAMP will vary. Normally several factors are in play:

- Legal structure (RIA, broker-dealer, etc.)
- Client segments served
- Competitive differentiators
- Existing capabilities (compliance, reporting technology, workflow tools, CRM, etc.)

TAMPs may support or enable many of the functions shown on page 11, depending on their competitive offerings. When a firm contracts with a TAMP, it usually receives at a minimum:

- A “white label” solution reflecting the look and feel the wealth manager desires
- The technology platform to manage and execute the clients’ investments, often with appropriate dashboards, alerts and compliance
A menu of approved asset managers for different types of accounts and asset classes

Links to appropriate trading networks as required

Custody reconciliation

Other considerations include manager and product selection, levels of fees to the clients, the ability to fee on held-away assets, costs of the platform, aggregation capabilities, and ancillary support like financial planning. Processes like proposal generation and reporting can also be key determining factors.

The top outsourced portfolio solutions offer:

- streamlined asset allocation and trading functionalities
- seamless integration of back-office, money management and client services system
- scalability to provide open-ended growth opportunities
- comprehensive data delivery for all parties

Q. How much of a challenge do you expect the following issues to be for you when going independent? (n=37 financial advisors who would prefer to go independent if they leave their current employer)

Source: Aite Group

<table>
<thead>
<tr>
<th>Issue</th>
<th>Extremely challenging</th>
<th>Very challenging</th>
<th>Challenging</th>
<th>Minor challenge</th>
<th>Not at all challenging</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting up necessary technology infrastructure</td>
<td>11%</td>
<td>16%</td>
<td>43%</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Complexity of compliance and regulatory frameworks</td>
<td>11%</td>
<td>16%</td>
<td>49%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Hiring and training staff</td>
<td>24%</td>
<td>35%</td>
<td>32%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Administrative tasks will reduce time available for clients</td>
<td>24%</td>
<td>35%</td>
<td>27%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Choosing product platforms</td>
<td>22%</td>
<td>38%</td>
<td>30%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>
Financial transparency and consistency are also essential, so outsourced portfolio solutions typically offer customizable compensation processes, automatic tracking functions and fee calculations as well as payment support.

Once a TAMP is in place, the advisor can easily track every client’s goals against their portfolios, not just look at broad industry benchmarks. This enhanced reporting allows advisors and their clients to adjust their plan as progress is made toward life goals or philanthropic work. Advisors have access to a group of investment programs and professionals that have been vetted by the outsourced portfolio solution provider in areas of asset allocation and products in a variety of other model portfolios.

What does all of this mean for the advisor? Instead of constantly handling administrative and back-office tasks, he or she is finally able to focus on the client, managing assets in an optimal way while reinvesting limited resources in client interactions.

While the advisor can elect to supervise non-core tasks, most are eager to refocus their attention on tasks only they can pursue: gathering assets and building client relationships. According to a CEG Worldwide survey, advisors

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**Making Advice Intelligent**

- **Improve customer service**
  - Deliver timely responses (24/7)
    - Virtual agents and humans together efficiently serve customer
    - Sentiment analysis to understand customers’ service issues
  - Provide educational material and portfolio analysis
    - Execute transactions
    - Gather data for onboarding client, including KYC/AML

- **Optimize advisor workflow**

- **Opportunity to “wow” customer**
  - “Savings coach”
using a TAMP or other outsourced portfolio solution are not as worried about delivering high-quality investment management products and services, market volatility or dealing with compliance and regulatory issues. It’s on the platform. They know their clients are getting world-class solutions.

**AGGREGATION ESSENTIALS: THE 360-DEGREE ADVISOR**

Clients routinely find it difficult to settle on a single trusted advisor. Citing perceived expertise in different investment areas and personal biases, clients typically employ multiple advisors. It is impossible for the advisor to offer effective asset allocation without a holistic financial picture of the client.

Aggregation tools allow for holistic, client-centric advice and the ability to manage client risk. Only a small percentage of wealth managers are making aggregation of their clients’ assets a priority. In fact, 26 percent of advisors at independent RIAs and 21 percent of independent broker-dealer firms don’t have access to account aggregation but see this application type as appropriate to their business.

The rationale is clear. Aggregation better aligns services and outcomes for clients and advisors, and paves the way for mutual long-term relationships.

Many financial advisors are missing the opportunity to fee on assets held outside the core relationship. Experience shows that if the advisor does a good job of explaining how their oversight improves the risk and return profile of the entire client or household portfolio, clients do not balk at a modest fee of 3 basis points to 5 basis points on the held-away assets.

Product value should be passed along to clients when partnering with a TAMP. Investments must cater to the client base of an advisor’s firm. For example, an advisor with a mass-market client base will need a platform that offers mostly ETF wrap accounts. Making sure the product offerings match the advisor’s client base is mandatory. More managers on the TAMP platform create more choices, but also make it harder to justify a specific solution.

Service value must be evaluated in terms of expected support, as well as operational cost savings. Criteria for selection include the strength of marketing, training and technology support systems. Firms should review the support available when planning the switch to a TAMP. If there is a technological issue with the platform, an advisor must be able to contact support individuals to remedy the issue quickly. Some providers offer programs to assist with sales training and marketing. Advisors need to determine which tools are important to their business when evaluating TAMP alternatives.

Image value is important in terms of maintaining the image and reputation of the company. This includes the quality and reputation of the managers, as well as the look and feel of websites, mobile apps and statements.
On the other hand, monetary costs, timing issues, hassle factors, as well as reputation and image issues, should be at the forefront of a wealth management firm’s deliberations when partnering with a specific outsourced portfolio solution provider.

Monetary costs should be considered in three areas: the cost of deploying the system, recurring costs and most importantly, costs that have to be passed along to the clients that impact the value proposition. Timing is important when considering how quickly the system can be rolled out, and the difference it will make in speed of client and asset acquisition and retention.

Hassle factors relate to the day-to-day operation of the platform by advisors and administrators. The platform should make their jobs easier, not shoehorn them into a specific workflow. Partnering with an outsourced provider must result in seamless customer service, and clients should not be adversely affected in any way by the switch to a TAMP. The reputation and image of the wealth management firm should not be impacted by what is intended to be a superior process and improved workflow.

**DON’T BUILD IT, RENT IT**

Only the largest firms can afford to build and maintain managed account platforms in-house. For the majority of firms in the wealth management industry, partnering with a top outsourced managed money platform is a competitive necessity.

TAMPs eliminate the need for many manual tasks, and future best practices will reduce these activities further so advisors can focus on their clients. At this point, required capabilities of TAMPs include:

- Automated onboarding, including automated customer account transfer (ACAT) and asset transfer
- E-signatures reducing the amount of paperwork and time to open accounts
- Automated compliance based on exception reporting and escalation
- Advisor and manager dashboards and alerts sent to mobile devices
- Client-facing digital advice delivery
- Automated custody reconciliation across multiple custodians
- Automated rebalancing
- Easier customization of portfolios for unique client requirements
- Greater use of the cloud for data storage, statement availability, platform updating, business continuity and data recovery.
TAMPs are a marvel of technology, enabling practices that just a few years ago were only available to the wealthiest investors. They are expected to continue to lead the way in wealth management technology.

THE FUTURE IS NOW
Even if you’ve only automated one or two traditional advisory functions—rebalancing, reconciliation, routine client reports—you’re already on the road to more comprehensive TAMP deployment in your practice. It isn’t an all-or-nothing proposition anymore. But it’s usually a one-way process. Once a firm unbundles a function, there’s almost never a reason to go back to the old in-house approach. And as functions add up, the incentives to go deeper into the full TAMP wealth management model multiply.

As it is, this is the logical competitive counterweight to pure robot advice, bringing flesh-and-blood expertise to the best investment ideas and automated support available. The client benefits by getting better investment solutions. They will come to understand that, by using the TAMP model, their advisor is taking the long-term, holistic approach to managing their wealth.

The wealth management firm gains through a standardized and integrated approach that lowers liability exposure and costs. The advisor now wins because he or she sits on the same side of the table with the client, picking the best managers for the client’s specific situation.

TAMPs are the appropriate business solution for all types of wealth managers. For the trust companies, they provide a level of investment sophistication not available with the traditional model of the in-house investment officers.

For broker-dealers, TAMPs speed the move to managed money solutions without the extensive money manager due diligence, all on an easy-to-use, outsourced, fully integrated platform.

For RIAs, TAMPs allow the advisor to focus on the asset allocation and risk management models, while removing performance as a possible point of contention.

For the multi-family office, the TAMP platform allows management of more assets and more sophisticated investments in an efficient and professional manner.

Delivery costs will continue to decline for advisors as TAMP providers achieve greater scale, but fee compression on the client side should be minor. Raw allocation and portfolio construction costs seem to have reached equilibrium at more or less 25 basis points, leaving the advisor plenty of room to support value-added service and maintain pricing.

The 1 percent benchmark is far from dead. However, fees will become more transparent, softening the current bundle into a fee for the asset allocation and risk service, a product-related fee from the third-party manager, and service-based fees for financial planning and trusts, among other aspects. In the race to communicate clear value, lower-cost investment vehicles have reached their
natural limit: actively managed funds can outperform and more sophisticated fee and account structures will continue to win market share.

At the core of the business model, firms select their differentiated strategy, and the TAMP selection process follows. In the end, the majority of wealth management firms will be utilizing the managed money solution, many through TAMPs. Assets on TAMP platforms will continue to grow. This is already the mainstream, the shape of the industry as it is. The only question remains, when will your firm reap the benefits of an outsourced investment management provider?

CHOOSING THE RIGHT TAMP
Because switching providers in the future can be costly in terms of money, time, and energy resources, it is best to research and choose the right TAMP provider for the advisor’s business the first time around.

The first step when selecting a TAMP supplier is to determine the firm’s investment style, and match it to a well-managed provider. Also key is

Which technology tools do your advisors use regularly?
*Check all that apply*

<table>
<thead>
<tr>
<th>Technology Tool</th>
<th>Usage Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM system</td>
<td>89%</td>
</tr>
<tr>
<td>Proposal and modeling tools</td>
<td>75%</td>
</tr>
<tr>
<td>Wealth management platform</td>
<td>68%</td>
</tr>
<tr>
<td>Mobile access</td>
<td>68%</td>
</tr>
<tr>
<td>Performance reporting</td>
<td>64%</td>
</tr>
<tr>
<td>Client reporting</td>
<td>54%</td>
</tr>
<tr>
<td>Financial planning</td>
<td>54%</td>
</tr>
<tr>
<td>Client onboarding technology</td>
<td>50%</td>
</tr>
<tr>
<td>Social networks to engage…</td>
<td>50%</td>
</tr>
<tr>
<td>Rebalancing software</td>
<td>46%</td>
</tr>
<tr>
<td>Document management</td>
<td>43%</td>
</tr>
<tr>
<td>Forms-filling technology (e.g. Laser App)</td>
<td>39%</td>
</tr>
<tr>
<td>Online portals</td>
<td>21%</td>
</tr>
<tr>
<td>Automated investing</td>
<td>18%</td>
</tr>
<tr>
<td>Data consolidation/aggregation</td>
<td>18%</td>
</tr>
<tr>
<td>Data mining and analytics</td>
<td>11%</td>
</tr>
<tr>
<td>Online collaboration tools</td>
<td>11%</td>
</tr>
<tr>
<td>e-Signature</td>
<td>7%</td>
</tr>
<tr>
<td>Compliance dashboards (risk analytics)</td>
<td>7%</td>
</tr>
</tbody>
</table>
identification of the client segments the firm serves, e.g. there is little advantage and a lot of unnecessary expense for a firm serving mostly mass-affluent clients to utilize a UMH TAMP provider.

Some TAMPs are better positioned than others to support a specific type of firm, whether they are a broker-dealer, RIA or trust company. TAMPs provide four kinds of value to the wealth advisory firm:

1. **Product Value:** Does the outsourced portfolio provider’s solution create real value for the firm and clients? Does its product selection include vehicles that appeal to the firm’s segments of affluent investors now? Is the product and manager mix appropriate for the specific wealth advisor?

2. **Service Value:** Some TAMPs offer marketing programs, training programs, technology and practice management support aimed at helping the advisor become more efficient and successful. Educational programs include practice-development issues such as developing referrals and joint ventures with other professionals, seminars or information on select target markets, and handouts for clients. Technical support can provide assistance with philanthropy, retirement distribution planning, asset protection, tax planning, business succession, etc.

3. **Personnel Value:** TAMPs often assist with the day-to-day business operations, but they can also help the advisor think strategically, grow their business, and increase their income. Does the TAMP provider under consideration provide training in professional areas and training for the advisor’s staff?

4. **Image Value:** TAMPs are largely unknown to most investors (as they should be), but the reputation and image of the company, where disclosed (e.g. custodians, asset managers, reporting, etc.) is still important to clients and prospects. Advisors should ensure that the selected firms do not compete with them at a retail level, and that they are committed to the TAMP provider space.

On the other hand, there are four kinds of potential issues involved in partnering with a specific TAMP provider:

1. **Monetary Costs:** What is the cost to deploy the system, as well as the ongoing costs based on the amount of client assets on the platform? What are switching costs if it becomes necessary to replace a current provider with a new solution provider?

2. **Timing Issues:** How soon can the outsourced portfolio solution offering roll out and how soon will it make a difference in terms of client and assets acquisition, and retention?

3. **Hassle Factors:** How much time will an advisor have to spend working with the TAMP provider once the system is implemented?

4. **Reputation and Image Issues:** The advisor’s most important job is to deliver exceptional customer service. There shouldn’t be a struggle or conflict between the advisor’s professional identity and partnering with a TAMP.
GLOSSARY OF TERMS

Account Aggregation: Methodology that involves compiling information from different investment and bank accounts into a single view of the client. This may be done by either combining custody records, screen-scraping from other organizations’ websites, or permission-based access to other accounts. Account aggregation is important in order to gain a complete view of the client’s financial position. Vendors of account aggregation tools include Albridge (Pershing), ByAllAccounts (Morningstar) and DST.

Asset Allocation: A primary investment decision for wealth advisors involves recommendations across the three major asset classes: equities, fixed income and cash equivalents.

- Equities: The main investment classes within equities are large-cap (capitalization) growth stocks, large-cap value stocks, large-cap core holdings (a combination of growth and equity), mid-cap US equities, small-cap US equities and international equities (either developed nations, developing nations or some combination).
- Fixed Income: The main classes for fixed income are US government, US government agencies, US corporations (corporates), municipals (state and local governments), high-yield (riskier debts) and sovereign (non-US governmental debts).
- Cash and Cash Equivalents: These include money-market accounts, cash management accounts (CMAs) and sweep accounts for holding cash not currently deployed in the market.
- Asset allocation percentages can vary based on client age, risk tolerance, and the advisor’s opinion of the individual asset classes and segments.
- Sector Rotation: Strategy of selecting among market segments (e.g. raw materials, consumer goods) based on where the advisor or asset manager feels the market is within the long-term economic cycle.

Brokerage Network: Pre-assembled group of broker-dealers tied to a variety of physical and electronic exchanges through which the advisor may execute client trades. This network may be provided by either the platform provider that the advisor is using or selected based on other outsourced relationships. Two of the largest are the SunGard Transaction Network (STN) and the SEI network.

- Trade-Order Management (TOM): If the wealth manager is not provided with a brokerage network, they will require a TOM system. One of the more popular TOM systems is Moxy from Advent.
- Straight-Through Processing (STP): STP is based on making the minimum number of entries necessary to trade an equity or other tradable investment (e.g. mutual funds) for a single or group of clients, and is vital for efficient operations.

Custody/Custodian: The custodian provides a physical or electronic facility to house investments. While the wealth advisor directs the investments, in all but the cases of the largest firms, the advisor does not have “custody,” or possession, of a client’s assets. Custodians may require that checks and other negotiable instruments be made out to them, not the wealth advisor. Custodians have gained increased importance in the minds of clients since the Bernie Madoff theft occurred, and clients are now paying attention to custodian selection. Wealth advisors using a large, well-known custodian help protect their clients from investment fraud. Most investment advisors use large custodians such as Fidelity, Pershing, TD Ameritrade, Citi, Charles Schwab, BNY Mellon, State Street or Northern Trust.

- Reconciliation requires ensuring that client statements match the records of the custodian. For many wealth advisors, this is still a manual task. The task is fully automated where there is a singularity between custodian and platform provider (e.g. Citi’s OpenWealth platform or SEI’s Wealth PlatformSM). The task can be one of the most time-consuming and difficult tasks of a wealth manager, and can be eased by use of various account aggregation tools.

ETF Wrap (Account): Type of managed account where the client’s investment portfolio is invested solely in exchange-traded funds. The selection and composition of each ETF class is based on the appropriate asset allocation model, and is periodically assessed to respond to market changes. As with most managed accounts, there is an asset-based fee charged for the account and the advisor pays transaction costs. ETF wraps are built out of indexed vehicles that require different tax treatment and, in some cases, tolerance for intraday volatility.

Feeing: The fees paid by the client (which may range from 85 basis points [bps] to 280 bps dependent on the type of program and asset classes included) have to be appropriately divided among the asset manager, the advisor, the sponsor, the platform provider and the overlay manager, usually on a monthly basis. Feeing can be quite complex in the managed account space, though new technologies are being developed to assist in the process.

Investment Policy Statement (IPS): Outlines the advisor’s appropriate investment strategy in terms of asset allocation for a particular client.

- Restrictions identify holdings that may be inappropriate for a specific client. Restrictions may be based on personal beliefs (e.g. no tobacco stocks) or significant current holdings through inherited equities or stock options and grants to be exercised as a result of working for a publicly traded company.

- Risk: Every client has a unique risk profile based on age, risk tolerance (how much they are willing to absorb market losses as they reach for greater market gains) and investment objectives. The asset allocation must outline these risk issues, which are then specifically identified in the IPS.
Updated on the UMA platform in real time or not. Some asset managers also fear participating in a sponsor’s UMA program resulting in the managers’ decision to participate in a models-based environment, which may make asset managers reluctant to participate in wide omnibus trading, and better for managers download investment strategies into the UMA. Models-based approaches of a UMA, the SMA sleeve is incorporated opposed to the SMA approach where the sponsor to conduct the actual trades, as is the standard used by Registered Reps when selecting asset classes for individual clients. Registered Investment Advisors (RIAs) and trust officers use the fiduciary standard, where their clients’ objectives are supposed to be placed ahead of their own, and where they adhere to the Prudent Investor Rule.

Manager Due Diligence: TAMPs frequently provide an extensive list of asset management products, among which are mutual funds, ETFs, funds of funds, SMAs or UMAs. What each of these have in common is that the assets are managed by an “asset manager” whose job it is to provide the models and manage the underlying assets to a specific strategy. As part of vetting the products, TAMP providers conduct a detailed examination of the manager and firm in terms of track record, experience, performance, assets under management (AUM), risk management, reference checks, compliance history and externally audited financial statements.

Models (Models-Based Approach): Investment methodology that requires asset managers download investment strategies into a sponsor firm’s UMA platform for the sponsor to conduct the actual trades, as opposed to the SMA approach where the asset manager conducts the trades. If part of a UMA, the SMA sleeve is incorporated into the UMA. Models-based approaches are more profitable for UMA sponsors, due to wide omnibus trading, and better for clients as they allow for incorporation of an overlay methodology for tax and trading efficiency. The loss of trading revenue may make asset managers reluctant to participate in a models-based environment, resulting in the managers’ decision to participate in a sponsor’s UMA program or not. Some asset managers also fear a loss of intellectual property. Models may be updated on the UMA platform in real time or in a batch mode.

**Mutual Fund Wrap (Account):** Also known as a Mutual Fund Advisor Program, a mutual fund wrap account provides multiple mutual funds (selected from a large pool) based on asset allocation guidelines. The investment advisor designs a portfolio of funds and manages the funds as a single account for a single annual fee of 85 bps to 150 bps. The fee is an alternative to individual mutual fund sales charges. 

**Fund of Funds:** Mutual fund-like vehicles made up of shares of alternative investments (usually hedge funds) where individual investors have their risk reduced through diversification. A fund-of-funds approach also allows investors who might not qualify for “accredited” status to invest in hedge funds.

**Onboarding:** Process through which a prospect becomes a client and is brought onto the investment advisor’s platform with assets retitled or moved to a new custodian. The process must comply with SEC recordkeeping rules and US Treasury know-your-customer and anti-money-laundering rules. The process often involves new asset types being set up on the system, or adding detailed household information, and an eventual reconciliation between the system and the custodian’s records.

**Open Architecture:** In the extreme case, open architecture requires that the investment platform would enable and support any investment managed by any asset manager. While such a goal is desirable, the fact that each asset manager must undergo comprehensive due diligence to be included on the platform makes it impractical. As a result, many program providers claim “open architecture” as a feature, while offering from dozens to hundreds of asset managers and their products on their particular platforms.

**Outsourcing:** Process of contracting a necessary business function or process to an independent organization, and ceasing to perform that function or process internally, instead purchasing it as a service.

TAMPs are an investment management outsourcing solution.

**Overlay:** Methodology used by the wealth advisor to provide the best in tax and trading efficiencies to their clients. The effort can be manual or technology-based, and comes in a variety of “flavors.”

**Overlay Tools vs. Overlay Managers:** Overlay tools are software designed to ensure tax and trading efficiency and are integrated with the managed account platform. Overlay managers deliver an investment advisory service to achieve the same objectives as the tool, subject to relevant regulatory and fiduciary requirements. Overlay managers may offer a more complete solution but with reduced control for the advisor, and typically at a higher cost.

**Passive Overlay vs. Active Overlay:** In passive overlay, asset managers have operational control over their sleeves; the wealth advisor’s overlay role is limited to account-level allocation and reconciliation. Some asset managers are uncomfortable with having their models modified by different players and fear loss of their intellectual capital. Active overlay management relies on a single overlay tool or manager to assume discretion for all of a client’s accounts. In active overlay, managers send their model-based portfolios to the overlay manager who then trades at the account level. Active overlay results in improved tax optimization, portfolio customization and operational efficiency.

**Distributed Overlay vs. Centralized Overlay:** Distributed overlay (e.g. Smartleaf) allows a relationship manager or trust officer to set up individual rules to manage individual client accounts. Centralized overlay decisions are made at the firm level, and asset managers tend to be more comfortable with releasing their models under this type of process.
Platform: Refers to both the underlying investment management technology the advisor uses and the investments available to the advisor to offer to clients. Both aspects of the platform are provided to the wealth advisor by the TAMP providing the outsourced investment solutions.

Private Branding/White Labeling: A TAMP's platform can be branded to identify with the wealth advisor's firm as opposed to the actual developer or provider of the technology or system.

Proposal Generation: Either a process or onboarding step wherein the advisor presents the client with an appropriate asset allocation model or investment policy statement, customized to their specific situation, in order to get the prospect to make a decision to become a client of the firm.

Rebalancing: The rebalancing of an investment portfolio is the action of bringing a portfolio that has deviated away from its target asset allocation back into line. Now underweighted securities can be purchased with sales of the now overweighted securities. Rebalancing can be automated on the investment platform at either the account level or across all the advisor’s accounts. Advisors and firms must select the time period at which rebalancing will be done. Some firms conduct rebalancing manually to ensure no unwanted or de minimus trades. Recent scholarly papers have discounted the benefits of rebalancing portfolios, instead showing that rebalancing can lead to lower returns over time.

Reporting: Stating the results of clients’ investment portfolios is one of the most important aspects in attraction and retention of clients. Good reporting systems and capabilities help in client understanding of the value added by their advisor, no matter the actual underlying performance of specific investments. Reporting may be conducted at the account level, at the sleeve level or at the household level.

Best reporting practices require Attribution Reporting where results are compared to a benchmark, and the asset manager’s performance can be adjusted for general market gains, risk and style drift in order that the client can ascertain the exact value-added of each manager.

Separately Managed Account (SMA): A portfolio of individual securities managed by a single asset manager matching some aspect of the client asset allocation strategy and offered to the investor by a sponsoring firm. A fee-based SMA program utilizes multiple SMAs. A single SMA can also form a single sleeve within a UMA structure. SMAs also differ from mutual funds because the investor directly owns the securities instead of owning a share in a pool of securities.

Sleeves: Each portion of clients’ total portfolio managed by a single asset manager is considered a “sleeve” on the UMA platform, and each sleeve fulfills some part of the asset allocation selection. Sleeves may be created for each asset class (whether traded, as with ETFs, or non-traded, as with real estate or alternative investments), individual investment manager, asset type (e.g., mutual funds or SMAs), model or investment strategy. Rep-as-Advisor Sleeves are specific sleeves put together by the investment advisors themselves to conduct a specific strategy of their own design.

Unified Managed Account (UMA): A single fee-based account that houses numerous investment products to fulfill the client’s asset allocation strategy within multiple separate account sleeves. Management between sleeves is determined by the overlay process to gain tax and trading efficiencies. This requires the wealth advisor to manage the client relationship on a platform optimized for UMAs. A UMA is usually conceived as having a single custodian, though some platforms do aggregate across multiple custodians.

Unified Managed Household (UMH): A UMA-like relationship taken to the next level by bringing together all aspects of a client household’s wealth, not just the wealth of the separate individuals. UMH platforms enable program sponsors to take a holistic approach to their investors’ total portfolio, and apply a range of solutions that treat the client’s wealth in a manner similar to how clients think about their personal wealth. Assets to be managed include qualified and non-qualified accounts, as well as real estate, collectibles, oil and gas properties, limited partnerships and managed futures accounts. A UMH has a single registration, and can aggregate across multiple custodians. Many advisors consider the UMH to be the ultimate advancement in the managed-account space.

TAMP: Turnkey Asset Management Programs (TAMPs) provide outsourced investment selection and management, allowing the wealth advisor to off-load time-consuming back-office functions, such as research, manager due diligence, portfolio construction, rebalancing, reconciliation, performance attribution, tax optimization and reporting, in order to focus more on gathering assets, acquiring new clients and servicing existing accounts.
<table>
<thead>
<tr>
<th><strong>3D Asset Management, Inc.</strong></th>
<th><strong>AssetMark</strong></th>
<th><strong>Axxcess Wealth Management, LLC</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>3D Asset Management helps turn prospects into clients through onboarding, account administration, investment management and reporting. Solutions include DFA Fund strategic models, dynamically managed global asset allocation strategies using factor-weighted ETFs and more. Specialty strategies such as Global Growth, Socially Responsible Investing and Targeted Fixed Income are also available.</td>
<td>AssetMark is a leading provider of innovative investment and consulting solutions serving independent financial advisors. Supporting advisors who help clients thrive is all we do. Advisors can use the AssetMark platform to build client portfolios, or they can rely on AssetMark’s investment team for goal-based solutions.</td>
<td>Axxcess built its reporting platform to deliver a comprehensive view of client wealth—both online and on paper. A leader in tailoring a full suite of customized portfolio services that help investors expand their investment holdings and better reduce downside exposure to loss, we can implement our recommendations or your unique diligence criteria without bias or restriction.</td>
</tr>
</tbody>
</table>

**HIGHLIGHTS**

<p>| <strong>New business contact</strong> | Matt Shute, Advisor Consultant (860) 291-1998 x110 <a href="mailto:mshute@3dadvisor.com">mshute@3dadvisor.com</a> <a href="http://www.3dadvisor.com">www.3dadvisor.com</a> | Michael Kim, Executive Vice President, Chief Client Officer (800) 664-5345 <a href="mailto:newadvisorquestions@assetmark.com">newadvisorquestions@assetmark.com</a> <a href="http://www.assetmark.com">www.assetmark.com</a> | Jon Brackmann, MBA, CIMA, Chief Operating Officer/Investment Advisor (866) 217-5607 <a href="mailto:brackmann@axxcesswealth.com">brackmann@axxcesswealth.com</a> <a href="http://www.axxcessplatform.com">www.axxcessplatform.com</a> |
| <strong>Brand of program</strong> | 3D Advisor Services | N/A | Axxcess Customized Portfolio Platform (ACPP) |
| <strong>Type of program</strong> | Advisor-directed ETF/ Mutual Fund Portfolios, third-party sub-advisors and model providers, SMA and UMA | Mutual Fund Wrap, ETF Wrap, traditional SMA | TAMP |
| <strong>Total assets in program</strong> | AUM/AUA $845 million | $47 billion | $1.35 billion |
| <strong>Managers GIPS compliant</strong> | Varies | Yes (Most) | Yes, majority are |
| <strong>Type of products available</strong> | ETF &amp; MF SMAs | Advisor-directed UMA/UMH, Mutual Fund Wrap, ETF Models, Model-only SMAs | SMA, Funds, ETFs, Fixed Income, Structured Products, Private Equity, Real Estate, Hedge Funds |
| <strong>Optimizes for tax and trading efficiency</strong> | Yes | Yes | Yes |
| <strong>Sleeve-level reporting</strong> | Yes | Yes | Yes |
| <strong>Links to a trust accounting system</strong> | Yes | Yes | Yes |
| <strong>Generates investment policy statements</strong> | Yes | Yes | Yes |
| <strong>Custodians supported</strong> | TD Ameritrade, Charles Schwab | Pershing, Pershing PAS, Fidelity, FIWS, Schwab, TDAI | Schwab, Fidelity, NFS, TD Ameritrade, Interactive Brokers |</p>
<table>
<thead>
<tr>
<th>Brand of program</th>
<th>Beacon Vantage Portfolios</th>
<th>Brinker Capital</th>
<th>Brookstone RAISE 360 Platform</th>
<th>Model Wealth Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of program</td>
<td>Strategist ETF and Mutual Funds Manager (including DFA, SMAs and UMAs)</td>
<td>Multi-asset-class mutual fund advisory, ETF advisory, SMA and UMA</td>
<td>Open-architecture managed money platform, customized risk-managed portfolios, fully integrated fixed indexed annuity and insurance solutions</td>
<td>Mutual Fund Wrap, ETF Wrap, Flexible Managed Account solution</td>
</tr>
<tr>
<td>Total assets in program</td>
<td>$2.75 billion + in AUM/AUA</td>
<td>$22.9 billion</td>
<td>$2.5 billion</td>
<td>$700 million</td>
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<tr>
<td>Managers GIPS compliant</td>
<td>Yes</td>
<td>Yes</td>
<td>Some</td>
<td>Yes</td>
</tr>
<tr>
<td>Type of products available</td>
<td>ETF and Mutual Fund Models, SMAs, UMAs</td>
<td>Discretionary risk-based, income-focused, tax-managed and goals-based asset allocation models, completion strategies and fully customizable portfolios</td>
<td>SMAs, UMAs, Risk-Managed Model Portfolios, Income Model Portfolios, Fixed Indexed Annuity and Insurance</td>
<td>10 different model strategies, each consisting of 5 risk profiles</td>
</tr>
<tr>
<td>Optimizes for tax and trading efficiency</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Sleeve-level reporting</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Links to a trust accounting system</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Generates investment policy statements</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Custodians supported</td>
<td>TD Ameritrade, Charles Schwab, LPL Financial, Pershing and TradePMR. Also available as SMA/UMA manager on Lockwood, Envestnet and Adhesion</td>
<td>National Financial Services, Fidelity Institutional Wealth Services, Pershing, Charles Schwab and Co.</td>
<td>TD Ameritrade</td>
<td>Fidelity, Schwab</td>
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<tr>
<td><strong>Dunham &amp; Associates</strong></td>
<td><strong>Envestnet</strong></td>
<td><strong>EQIS</strong></td>
<td></td>
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<tr>
<td>The Dunham &amp; Associates Asset Allocation Program (AAP) is a discretionary asset allocation and mutual fund wrap program using a series of proprietary and a nonproprietary money market fund(s). Dunham &amp; Associates Investment Counsel, Inc. (Dunham) serves as the program sponsor.</td>
<td>Envestnet, Inc. (NYSE: ENV) is a leading provider of intelligent systems for wealth management and financial wellness. Envestnet’s unified technology enhances advisor productivity and strengthens the wealth management process. Envestnet empowers enterprises and advisors to more fully understand their clients and deliver better outcomes.</td>
<td>EQIS provides investors, large and small, access to high-caliber institutional money manager sub-advisors. In this way, we make it possible for investors with $25,000 to access the same sophisticated investment strategies as high net worth investors. We vet and partner with boutique and specialty institutional sub-advisors.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**HIGHLIGHTS**

<p>| <strong>New business contact</strong> | Peter Nesbitt (858) 964-0500 <a href="mailto:peter.nesbitt@dunham.com">peter.nesbitt@dunham.com</a> <a href="http://www.dunham.com">www.dunham.com</a> | John Phoenix, Managing Director, Advisory Solutions (866) 924-8912 <a href="mailto:envestnetplatform@envestnet.com">envestnetplatform@envestnet.com</a> <a href="http://www.envestnet.com">www.envestnet.com</a> | Tim Parkinson, SVP, Chief Distribution Officer (800) 949-9936 x 740 <a href="mailto:tim.parkinson@eqis.com">tim.parkinson@eqis.com</a> <a href="http://www.eqis.com">www.eqis.com</a> |
| <strong>Brand of program</strong> | Dunham’s Asset Allocation Program | Envestnet | EQIS Capital Management, Inc. |
| <strong>Type of program</strong> | Mutual Fund Wrap | Mutual Fund Wrap, traditional SMA, Model-only SMA, UMA/UMH, third-party strategists | UMA/SMA and ETF Wrap |
| <strong>Total assets in program</strong> | $1.3 billion | $149 billion + in AUM and $509 billion in AUA | $2 billion |
| <strong>Managers GIPS compliant</strong> | No | Not required | Some |
| <strong>Type of products available</strong> | Performance-based Advisory Fee Option &amp; Mutual Fund Wrap Models | Advisor-directed UMA/UMH, Mutual Fund Wrap, ETF Models, SMAs, Model-only SMA, Fund Strategist portfolios | Advisor-directed SMAs, UMAs and managed ETF programs |
| <strong>Optimizes for tax and trading efficiency</strong> | Yes | Yes | Yes |
| <strong>Sleeve-level reporting</strong> | Yes | Yes | Yes |
| <strong>Links to a trust accounting system</strong> | N/A | Yes | No |
| <strong>Generates investment policy statements</strong> | Yes | Yes | Yes |
| <strong>Custodians supported</strong> | Dunham Trust Company, Fidelity, TD Ameritrade, Pershing | Fidelity IWS, National Financial, Schwab, Pershing, TD Ameritrade, JPMorgan, RBC, First Clearing, Sterne Agee and others | Folio Institutional |</p>
<table>
<thead>
<tr>
<th><strong>Flexible Plan Investments, Ltd.</strong></th>
<th><strong>FTJ FundChoice, LLC</strong></th>
<th><strong>Lindner Capital Advisors, Inc.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A Financial Times Top 300 Money Management firm, Flexible Plan Investments delivers effective money management, client communication, and back-office solutions to financial advisors, while its professional asset managers direct client portfolios, enabling advisors to grow their practices. FPI employs strategic diversification as a defensive tool.</td>
<td>FTJ FundChoice helps improve advisor-client relationships with simplified investment, reporting and service solutions. Our primary focus is to give advisors the flexibility and freedom to focus on what’s really important—developing and cultivating positive client relationships. Through our platform, advisors can deliver their own unique investment philosophy through self-directed portfolios. Additionally, our platform is positioned to help advisors serve investors in search of next-gen investment services.</td>
<td>Lindner Capital Advisors, Inc. (LCA) has been a federally Registered Investment Advisor based in suburban Atlanta, Georgia, since 1996, with representation throughout the United States. We work with RIAs, Broker-dealers and CPAs via a direct, sub-advisor or platform relationship. Our investment platform provides access to fund strategies and exclusive money managers that are not readily available to the retail market.</td>
</tr>
</tbody>
</table>

**HIGHLIGHTS**

<table>
<thead>
<tr>
<th>New business contact</th>
<th>Patrick Cahill (610) 636-9427 <a href="mailto:pcahill@flexibleplan.com">pcahill@flexibleplan.com</a> <a href="http://www.flexibleplan.com">www.flexibleplan.com</a></th>
<th>Cory Kendall (859) 426-2000 <a href="mailto:sales@ftjfundchoice.com">sales@ftjfundchoice.com</a> <a href="http://www.ftjfundchoice.com">www.ftjfundchoice.com</a></th>
<th>Sales (770) 977-7779 <a href="mailto:sales@lindnercapital.com">sales@lindnercapital.com</a> <a href="http://www.lindnercapital.com">www.lindnercapital.com</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand of program</td>
<td>Strategic Solutions/Schwab/Folio Institutional/Various VAs and white labels</td>
<td>FTJ FundChoice</td>
<td>Lindner Capital Advisors (LCA)</td>
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<tr>
<td>Type of program</td>
<td>Mutual Fund Wrap, ETF Wrap, Model Manager</td>
<td>TAMP, Mutual Funds, ETFs, SMAs, Hybrid Robo-Advisor</td>
<td>TAMP, Strategist Manager, 3(38) Fiduciary</td>
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<tr>
<td>Total assets in program</td>
<td>$1.75 billion +</td>
<td>$10.8 billion</td>
<td>$550 million</td>
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<tr>
<td>Managers GIPS compliant</td>
<td>Yes</td>
<td>Some</td>
<td>Yes, vetted and reviewed by Investment Committee</td>
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<tr>
<td>Type of products available</td>
<td>Mutual Funds, ETFs, SMAs, UMAs, VAs, VULs</td>
<td>Advisor-directed Mutual Funds, ETFs, SMAs</td>
<td>Mutual Fund Models, Managed Account Strategist, Custom Portfolios, UMA, SMA, 401(k), 403(b)</td>
</tr>
<tr>
<td>Optimizes for tax and trading efficiency</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Sleeve-level reporting</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Links to a trust accounting system</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Generates investment policy statements</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Custodians supported</td>
<td>Trust Company of America, Schwab, Envestnet, Fidelity, Folio Dx, Folio Institutional, TD Ameritrade and various VAs and retirement platforms</td>
<td>TD Ameritrade</td>
<td>TD Ameritrade, Schwab, Fidelity. Also available as a UMA manager on various platforms</td>
</tr>
</tbody>
</table>
Sawtooth Solutions, LLC

Sawtooth is a comprehensive and flexible investment platform delivered through a Unified Managed Account (UMA) program. Our collaborative approach enables trust advisors and portfolio managers to easily implement their wealth management offering while embedding the pillars of an institutional framework: definable and repeatable investment management, sales and operational processes including research, billing, trading and performance reporting. We customize our services to your needs, not the other way around.

SEI

SEI is a leading, global provider of investment management business outsourcing solutions, investment processing, and fund processing that help corporations, financial institutions and financial advisors. The company is ranked as one of the top U.S. Advisory Third-Party Managed Account Providers. Its flexible business solutions include outsourced investment strategies, administration and technology platforms and practice management solutions.

SMArtX Advisory Solutions

SMArtX Advisory Solutions provides independent advisors and Broker-Dealers a turnkey asset management solution. The platform combines traditional, alternative and direct indexing strategies with online account opening, advisor as a portfolio manager, proposal generator, trading, rebalancer, and drift management tools to help users effectively scale their business model and manage their client portfolios. To be part of the SMArtX platform, all strategies must have a third-party-audited track record.

<table>
<thead>
<tr>
<th>HIGHLIGHTS</th>
<th>Sawtooth Solutions, LLC</th>
<th>SEI</th>
<th>SMArtX Advisory Solutions</th>
</tr>
</thead>
</table>
| New business contact | Rich Conley, EVP, Head of Sales  
(952) 831-0039 x 9  
richc@sawtootham.com  
www.sawtootham.com | (888) 734-2679  
AdvisorInfo@seic.com  
www.seic.com/advisors | Alex Smith-Ryland  
(561) 578-4439  
alex@smartxadvisory.com  
www.smartxadvisory.com |
| Brand of program | SPARC (Sawtooth Proposal and Research Center) | Integrated Wealth Management Program | SMArtX |
| Type of program | TAMP, SMA, UMA, Advisor Directed, Strategist Models | No-load, Mutual Fund Wrap, Style-Specific Mutual Funds, ETF Wrap, Managed Account Solutions | Turnkey Asset Management Platform |
| Total assets in program | $8.1 billion | $67.1 billion | $1 billion |
| Managers GIPS compliant | Yes | Some | Yes, majority are |
| Type of products available | Advisor-directed, UMA/UMH, Mutual Fund Wrap, ETF Models, SMAs, Model-only SMAs, Alternatives, Tax Overlay, SRI, Outsourced CIO and Fiduciary Solutions | Mutual Fund Models, Managed Account Solutions, ETF Strategies, Goals-Based Strategies and Distribution-Focused Strategies | Clients can build UMA portfolios of individual securities (equities, ETFs, mutual funds, ADRs) and third-party investment strategies |
| Optimizes for tax and trading efficiency | Yes | Yes | No |
| Sleeve-level reporting | Yes | Yes | Yes |
| Links to a trust accounting system | Yes | Yes: SEI Wealth PlatformSM, Trust 3000 | No |
| Generates investment policy statements | Yes | Yes | No |
Sowell Management provides its financial advisors with the tools that allow them the freedom to grow their practices based on individualized goals. Sowell provides a focused solution that includes some of the best technologies, services and resources in the market. They also provide in-house marketing and branding services. For RIA partners, Sowell offers an array of compliance consulting services to help RIAs navigate the ever-increasing regulatory environment.

TownSquare is an independent, outsourced CIO/Investment Team for family offices, wealth advisors, corporations, governments, and foundations. Offering the full spectrum of investment management and back-office services, TownSquare provides money manager vetting and ongoing evaluation; portfolio construction, monitoring and rebalancing; prospective client portfolio audits; full-service trading desk including tax-optimization services and strategies; back-office services including fee billing, reporting and compliance functions.

USA Financial Exchange is a turnkey asset management program with a unique open-architecture solution allowing financial advisors to have greater control over how wealth is managed in their practice. Advisors can choose to manage their own strategies, outsource the professional management to a host of third-party strategists within the same account and/or use the composite portfolios that simplify the asset management part of their practice.

### HIGHLIGHTS

<table>
<thead>
<tr>
<th>New business contact</th>
<th>Chuck Hicks, Matt Estes</th>
<th>Michael Folker</th>
<th>Kevin Roskam</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(501) 219-2434/(800) 399-2391</td>
<td>385-375-8619</td>
<td>(888) 919-0125 x 470</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:chuck@sowellmanagement.com">chuck@sowellmanagement.com</a></td>
<td><a href="mailto:michael.folker@townsquarecapital.com">michael.folker@townsquarecapital.com</a></td>
<td><a href="mailto:kroskam@usafinancial.com">kroskam@usafinancial.com</a></td>
</tr>
<tr>
<td></td>
<td><a href="mailto:mestes@sowellmanagement.com">mestes@sowellmanagement.com</a></td>
<td></td>
<td><a href="http://www.usafinancialexchange.com">www.usafinancialexchange.com</a></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.sowellmanagement.com">www.sowellmanagement.com</a></td>
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</table>

<table>
<thead>
<tr>
<th>Brand of program</th>
<th>Sowell Advisor Choice Platform</th>
<th>TownSquare Capital</th>
<th>USA Financial Exchange</th>
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<table>
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<tr>
<th>Type of program</th>
<th>Customized Multi-Strategy, Multi-Manager, Multi-Methodology SMA/UMA portfolios</th>
<th>TAMP; Sub-Advisory</th>
<th>SMA, UMA, Rep as Portfolio Manager</th>
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<tr>
<th>Total assets in program</th>
<th>$1.6 billion</th>
<th>$1.1 billion</th>
<th>$525 million</th>
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<tr>
<th>Managers GIPS compliant</th>
<th>Some</th>
<th>Most</th>
<th>Many</th>
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<th>Type of products available</th>
<th>UMA/SMA, Equity, ETFs, Mutual Funds, 401(k), 403(b), Variable Annuity</th>
<th>SMAs</th>
<th>Mutual Funds, ETFs, SMAs, UMAs, Multi-Manager composites</th>
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<tr>
<th>Optimizes for tax and trading efficiency</th>
<th>Yes</th>
<th>Yes</th>
<th>Available</th>
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<tr>
<th>Sleeve-level reporting</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
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<table>
<thead>
<tr>
<th>Links to a trust accounting system</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
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<table>
<thead>
<tr>
<th>Generates investment policy statements</th>
<th>Yes</th>
<th>No</th>
<th>No, but to be released in 2019</th>
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</table>

<table>
<thead>
<tr>
<th>Custodians supported</th>
<th>TD Ameritrade, Fidelity, Pershing, Schwab, Trust Company of America, SEI</th>
<th>TD Ameritrade Institutional; Charles Schwab</th>
<th>E*TRADE Advisor Services</th>
</tr>
</thead>
</table>
3D Asset Management helps advisors focus on client relationship management and asset gathering by providing white-glove service to advisors, their staff and their clients. 3D becomes a member of the advisor’s team of experts while getting to know your business model and anticipating your needs. Support begins by helping turn prospects into clients through onboarding, account administration, investment management and reporting and ultimately with client appreciation events.

A growing number of investment managers and investment strategies are available to meet almost every client need. Solutions include DFA Fund strategic models, dynamically managed global asset allocation strategies using factor-weighted ETFs, adaptive, sector rotation, multi-asset and more to give exposure across a wide risk spectrum. The platform includes specialty strategies such as Global Growth, ESG (Socially Responsible Investing), and Targeted Fixed Income (Hold-to-Maturity). We have a long track record of working with retirement-income-focused advisors using time-segmented retirement income distribution plans. Fees are billed and paid to your firm monthly to even out your cash flow.

Advisors find our investment-themed and practice management webinars, podcasts and written materials a valuable resource. Access to investment management decision-makers at 3D and our third-party model providers is a feature that helps advisors stay abreast of the investment and economic landscape. We provide portfolio reviews for advisors in competitive situations and tools for client account package generation.

3D can help make your practice more efficient and give you more time with your clients.

New business contact:
Matt Shute, Advisor Consultant
Phone: (860) 291-1998 ext. 110
E-mail: sales@3dadvisor.com

Brand of program: 3D Advisor Services
Type of program: Advisor-directed ETF and Mutual (including DFA) Portfolios; Third-party sub-advisors and model providers; SMA and UMA
Total assets in program: $845 million in AUM/AUA
Year program began: 2006
Managers on platform vetted: Yes
Managers GIPS compliant: Varies
Type of products available: ETF & MF SMAs
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Retail, institutional and retirement-income focused advisors
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes
Private branding or white labeling possible: Yes
Proposal generator: No
Generates investment policy statements: Yes
Asset allocation methodologies: By asset class, geography, factor and sector.
Rebalancing: Yes
Aggregation of held-away accounts: No
Custodians supported: Schwab, TD Ameritrade
Marketing support offered: Customized investment reviews, client materials, market commentary, and market updates.
AssetMark is a leading provider of innovative investment and consulting solutions serving independent financial advisors. Supporting advisors who help clients thrive is all we do. We provide investment, relationship and practice management solutions that advisors use to help clients achieve their investment objectives and life goals.

Our relentless service ethic and robust client relationship support set us apart. Our offering is flexible to suit each advisor's vision for working with clients and growing their practice.

Our carefully curated investment lineup gives advisors access to purposefully selected institutional and boutique portfolio strategists. Together, they provide unparalleled flexibility for creating investment solutions that align with your clients’ needs.

Advisors can use the AssetMark platform to build client portfolios, or they can rely on AssetMark’s Investment Team for goal-based solutions.

Advisors can access everything from proposals to research and reporting in our online portal, eWealthManager. We also offer the AssetMark Advisor iPad app so advisors can share the how and why of portfolios, whether in the office or on the go.

AssetMark provides a team of practice management specialists who share best practices and knowledge gained from years of advisor engagement. Through workshops and 1:1 consultations, we can help you build efficient operations, create powerful marketing plans and identify opportunities for revenue enhancement.

AssetMark, Inc. has $47 billion in combined assets on its respective platforms and a history of innovation spanning over 20 years.
The Axxcess platform is built for the experienced Advisor looking to improve its current RIA platform, or as an operational solution for a high-caliber professional thinking of going independent and seeking a seamless transition. We offer Advisors open architecture, with a full array of wealth management and investment advisory services to move your practice upstream. Axxcess combines true alternatives like private equity, private credit, hedge funds and directed real estate alongside traditional SMA strategies.

Axxcess has a solution to help your client track, report and bill on their total wealth. Advisors can integrate tactical, strategic equity and ETF strategies alongside fixed income, options overlay and private investments—all in a single brokerage account; track, monitor and report on each strategy at the sleeve level. We built our reporting platform to deliver a comprehensive view of client wealth—both online and on paper. We will brand your portal application for your clients to download from the Apple App Store, and Google Play for Android.

Our platform provides investment operations and portfolio management solutions, custom reporting, billing, client portal and CRM integration. Our clients include single and multi-family offices, traditional wealth advisory firms and money managers. Our platform transforms your proposal, IPS generation, account onboarding and client servicing models. Axxcess has developed a prospect portal technology that allows you to revolutionize your business development process. Prospects onboard their outside accounts from within your branded client portal. Create proposals, financial plans, risk analysis, and engage your prospects in a way other Advisors simply can’t.

Our focus is on 3c(1) and 3c(7) clients and the Advisors that serve them. If you are interested in providing a platform of services designed to move your business upscale, Axxcess is your solution.
Beacon Capital Management designs portfolios which seek to help protect retail investors from catastrophic downturns. Our goal is to participate in good markets while protecting against potential bear cycles. If you want portfolios that strive to reduce volatility but may often still remain fully invested, Beacon Capital could be the right fit for you and your clients.

Investment Philosophy: Maximize Diversification, Minimize Losses, Maintain Discipline
Losses have a bigger mathematical impact than gains and volatility seems to be becoming the new normal, meaning that even brief drawdown periods may erode long-term performance. We believe in eliminating emotion and limiting downside exposure. Each of our portfolio options is designed based on academic research and simulation-tested risk management tactics.

From conservative to aggressive, we provide a range of customizable portfolio solutions featuring products from Vanguard, Invesco, American Funds and Dimensional Fund Advisors designed specifically for today’s volatile markets and busy advisors, working to capture gains while seeking to limit losses with mechanical precision. The ultimate goal? To reduce volatility and deliver more consistent returns for longterm investors.

Advisor Support
Beacon was created by advisors for advisors with the goal to create a superior turnkey asset management program to help advisors streamline their businesses. We are committed to being a strategic business partner to fee-based advisors, empowering you to grow scalable, profitable business.

About Beacon
We have experienced significant growth in recent years as more investors have become dissatisfied with the emotional rollercoaster of market extremes. Founded by Chris Cook, author of How to Slash Your Retirement Risk, Beacon has been recognized as one of the Top 10 Fastest Growing RIAs by Wealth Management magazine, a Top Registered Investment Advisor by Financial Times and RIA Channel, and is on the Inc. 5000 List of America’s Fastest-Growing Private Companies, among other accolades and national media exposure.

Beacon Capital Management, Inc. • 7777 Washington Village Dr., Suite 280, Dayton, OH 45459 • www.beaconinvesting.com

New business contact:
Dan Baccarini
Phone: (937) 660-9063
E-mail: baccarini@beaconinvesting.com

Brand of program: Beacon Vantage Portfolios
Type of program: Strategist ETF and Mutual Funds Manager (including DFA), SMAs and UMAs.
Total assets in program: Over $2.75B in AUM/AUA
Year program began: 2000
Managers on platform vetted: Yes
Managers GIPS compliant: Yes
Type of products available: ETF and Mutual Fund Models, SMAs, UMAs
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Retail, Institutional and Retirement-Focused advisors
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: No
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: No
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: No
Asset allocation methodologies: By asset class, sector and risk mitigation strategies.
Rebalancing: Yes
Aggregation of held-away accounts: No
Custodians supported: TD Ameritrade, Charles Schwab, LPL Financial, Pershing and TradePMR. Also available as SMA/UMA manager on Lockwood, Envestnet and Adhesion
Marketing support: Client proposals, client-approved materials, practice management, Monte Carlo simulations, market commentary, market updates, fact sheets, performances files and a dedicated External/Internal Wholesaling team.
Brinker Capital is a privately held investment management company with $22.9 billion in assets under management (as of September 30, 2018) located in Berwyn, PA. We offer integrated technology solutions, a range of institutional-quality investments, and an unwavering focus on service designed to help financial advisors and their clients achieve better outcomes. We help advisory business owners integrate technologies and resources to personalize client experiences.

Through scalable and easy-to-use technology, advisors can access our best thinking in multi-asset class investment solutions, which are designed to deliver consistent, risk-adjusted returns through asset allocation, manager selection, and portfolio construction.

Brinker Capital employs a dynamic approach to investment management, integrating active and passive strategies with active portfolio oversight. From wealth accumulation to income strategies, we offer a series of portfolios and tailored solutions to help investors manage assets and fulfill their goals.

We are committed to being a wealth management partner to financial advisors and their clients.

Brinker Capital, a registered investment advisor.

New business contact:
Ed Kelly, AIF, CPWA, Executive Vice President of National Sales, Brinker Capital
Phone: (610) 407-5500
Email: e.kelly@brinkercapital.com

Brand of program: Brinker Capital
Type of program: Multi-asset class mutual fund advisory, ETF advisory, SMA, and UMA
Total assets in program: $22.9 billion
Year program began: 1987
Managers on platform vetted: Yes
Managers GIPS compliant: Yes
Type of products available: Discretionary risk-based, income-focused, tax-managed and goals-based asset allocation models, completion strategies and fully customizable portfolios
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Brokerages, Trusts, RIAs, and UMAs
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: Dynamic, risk-based, income-focused, goals-based, and tax-managed
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: National Financial Services, Fidelity Institutional Wealth Services, Pershing, and Charles Schwab and Co.
Marketing support offered: We provide advisors with deep engagement through our sales professionals, access to portfolio management and global investment strategies, and ongoing updates to empower better conversations with clients.
Brookstone Capital Management has been one of the fastest growing TAMPs in the country since its inception by providing a comprehensive and flexible open-architecture platform to over 350 affiliated advisors and firms. Recognized as a Financial Times Top 300 Firm multiple times, Brookstone has found success by being laser-focused on providing an all-inclusive support system that will help you start, build and grow your advisory business.

Brookstone's comprehensive platform includes a wide range of risk-managed investment options, operational support, cutting-edge technology, marketing services, and a fully integrated solution for fixed indexed annuities and insurance.

With the understanding that all advisory businesses are not equal, Brookstone has made flexibility a priority. Advisors can both utilize sophisticated model portfolios and enjoy the freedom of an open-architecture platform to create customized solutions.

Designed to be competitive throughout changing markets, Brookstone’s core investment philosophy is simple: limit large market drawdowns while still capturing market upside.

With over 40 employees and a seasoned leadership team that are “on call” to help advisors, Brookstone is positioned to provide advisors all of the resources and support they need at every level of experience.

Whether you’re an independent advisor, experienced RIA firm, or broker-dealer looking to expand your offerings, you’ll be able to run your business your way with the resources of a full-service TAMP by your side. Brookstone has the experience, insight and operational infrastructure to support you at every stage of your development.

New business contact:
Derek Gubala, National Director of Business Development
Phone: (630) 653-1400
E-mail: derek@brookstonecm.com

Brand of program: Brookstone RAISE 360 Platform
Type of program: Open-Architecture Managed Money Platform, Customized Risk-Managed Portfolios, Fully Integrated Fixed Indexed Annuity and Insurance Solutions
Total assets in program: $2.5 billion
Year program began: 2006
Managers on platform vetted: Yes
Managers GIPS compliant: Some
Type of products available: SMAs, UMAs, Risk-Managed Model Portfolios, Income Model Portfolios, Fixed Indexed Annuity and Insurance
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Independent Advisors (IARs), RIAs, Broker- Dealers
Program optimized for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: No
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: By asset class, suitability, risk tolerance, and tactical/strategic blending
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: TD Ameritrade
Marketing support offered: Yes, internal and third party
Who We Are:
Cornerstone Wealth Management is a 100% employee-owned, independent registered investment advisor headquartered in St. Louis, Missouri. We offer a broad range of investment portfolios for financial advisors who wish to have their clients’ assets professionally managed, monitored, and rebalanced as market conditions change. Our mission is to build lasting relationships with the advisors we work with by exceeding their expectations for investment performance, keeping costs low, and helping them grow their business.

What Makes Us Different:
We are principle-based investment managers. We believe long-term investment success requires discipline as well as a focus on investment principles that have stood the test of time. We do not base our decisions on short-term market predictions. Instead, our goal has always been to identify a small number of managers who embody our philosophy and demonstrate the necessary qualities that we believe offer the potential to outperform their peers and their respective benchmarks over a long period of time. Once identified, those managers are selected and their respective fund(s) are blended into diversified, high-quality, and low-cost model portfolios using a well-defined process and rebalancing as market conditions change.

A Strategic Partner:
- We serve as your practice’s personal investment team. Our analysts, consultants, and operations staff are at your service.
- Our economies of scale can be utilized to establish favorable and cost advantaged partnerships with many custodians and technology platforms.
- Your business will gain access to a wealth of customized marketing and client-friendly material to increase awareness about the investments they own.

New business contact:
Dave Mack, Dir. of National Accounts
Phone: (314) 394-1670 / (314) 761-3960
E-mail: davemack@cornerstonemwp.com

Brand of program: Model Wealth Program
Type of program: ETF Wrap, Mutual Fund Wrap, Flexible Managed Account solution
Total assets in program: $700 million
Year program began: 2011
Managers on platform vetted: Yes
Managers GIPS compliant: Yes
Type of products available: 10 different model strategies, each consisting of 5 risk profiles
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Independent advisors who prefer utilizing full-time investment managers that offer portfolio models for a wide range of investors
Program optimized for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: No
Private branding or white labeling possible: Yes
Proposal generator: Yes (Envestnet)
Generates investment policy statements: Yes
Asset allocation methodologies: Principle-based investment management
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: Schwab, Fidelity
Marketing support offered: A variety of professionally prepared digital and hard-copy marketing materials, including brochures, fact sheets, performance reports, presentations, etc.
The Dunham & Associates Asset Allocation Program (AAP) is a discretionary asset allocation and mutual fund wrap program using a series of proprietary and a nonproprietary money market fund(s). Dunham & Associates Investment Counsel, Inc. (Dunham) serves as the program sponsor.

Dunham AAP employs a strategic asset allocation methodology. These strategic allocations are generally geared toward a long-term outlook, as Dunham's goal is not to time the market, but instead, to design long-term allocations that will diversify the client's portfolio and help the portfolio outperform the broad market indices over the long run, although not guaranteed.

Clients benefit from various levels of professional investment experience:
- The Dunham Fund Sub-Advisors' investment and stock-selection expertise
- Dunham & Associates' selection and ongoing oversight of the Sub-Advisors
- Dunham & Associates' core allocation parameters and shifts

New business contact:
Peter Nesbitt
Phone: (858) 964-0500
E-mail: peter.nesbitt@dunham.com

Brand of program: Dunham's Asset Allocation Program
Type of program: Mutual Fund Wrap
Total assets in program: $1.3 billion
Year program began: 1985
Managers on platform vetted: All
Managers GIPS compliant: No, however we only use '40 Act mutual funds in our allocations
Type of products available: Performance-based Advisory Fee Option & Mutual Fund Wrap Models
Program uses platform to track reporting of client holdings: Yes, online at www.dunham.com
Program is compatible for: Risk tolerances from Capital Preservation to Aggressive Growth for both qualified and nonqualified accounts
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Internally, yes
Program links to a trust accounting system: N/A
Private branding or white labeling possible: N/A
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: Strategic, Dynamic
Rebalancing: Yes, quarterly unless opts out of rebalancing
Aggregation of held-away accounts: Yes, through DST Fanmail and Vision
Custodians supported: Dunham Trust Company, Fidelity, TD Ameritrade, Pershing
Marketing support offered: Yes, please call for details, (800) 442-4358
Envestnet, Inc. (NYSE: ENV) is a leading provider of intelligent systems for wealth management and financial wellness. Envestnet’s unified technology enhances advisor productivity and strengthens the wealth management process. Envestnet empowers enterprises and advisors to more fully understand their clients and deliver better outcomes.

Envestnet enables financial advisors to better manage client outcomes and strengthen their practices. Institutional-quality research and advanced portfolio solutions are provided through Envestnet | PMC, our Portfolio Management Consultants group. Envestnet | Yodlee is a leading data aggregation and data analytics platform powering dynamic, cloud-based innovation for digital financial services. Envestnet | Tamarac provides leading rebalancing, reporting and practice management software for advisors. Envestnet | Retirement Solutions provides an integrated platform that combines leading practice management technology, research, data aggregation and fiduciary managed account solutions.

More than 90,000 advisors and 2,900 companies, including 16 of the 20 largest U.S. banks, 39 of the 50 largest wealth management and brokerage firms, over 500 of the largest Registered Investment Advisers, and hundreds of Internet services companies, leverage Envestnet technology and services. Envestnet solutions enhance knowledge of the client, accelerate client onboarding, improve client digital experiences and help drive better outcomes for enterprises, advisors and their clients.

For more information on Envestnet, please visit www.envestnet.com and follow @ENVintel.

New business contact:
John Phoenix, Managing Director, Advisory Solutions
Phone: (866) 924-8912
E-mail: envestnetplatform@envestnet.com

Brand of program: Envestnet
Type of program: Mutual Fund Wrap, traditional SMA, Model-only SMA, UMA/UMH, third-party strategists
Total assets in program: More than $149 billion in AUM and $509 billion in AUA (Total AUM/AUA $2.7 trillion including licensing) as of 6/30/18
Year program began: 1999
Managers on platform vetted: Yes
Managers GIPS compliant: Not required
Type of products available: Advisor-directed UMA/UMH, Mutual Fund Wrap, ETF Models, SMAs, Model-only SMA, fund strategist portfolios
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Brokerages, RIAs, Trusts, Dually Registered and Self-custody
Program optimized for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: By asset class, by sub-asset class, by suitability, by risk tolerance
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: Fidelity IWS, National Financial, Schwab, Pershing, TD Ameritrade, JP Morgan, RBC, First Clearing, Sterne Agee and others
Marketing support offered: Yes
EQIS provides simple, elegant investment management strategies that are carefully curated to differentiate your business and your clients’ experiences.

The average investor has typically been able to achieve broad diversification primarily through the use of pooled investment vehicles such as mutual funds and ETFs, while the high net worth investor has had a different, more exclusive set of options.

That changes with EQIS. Our strength is to provide investors, large and small, access to the same high-caliber institutional money manager sub-advisers, both strategic and tactical, that have formerly been reserved for only the wealthiest individuals. With institutional account minimums generally starting at $500,000 or more, smaller investors have been barred from entry to this investment management style. EQIS makes it possible for investors with $25,000 to access the same sophisticated investment strategies as high net worth investors.

We vet and partner with boutique and specialty institutional sub-advisers. We’re able to provide our clients with access to these sub-advisers at lower minimums through the use of fractional shares. We, or the adviser, then mix and match these managers’ models across a spectrum of portfolios designed around different strategies and risk profiles, creating the EQIS unified managed account. This advantage is unique, scalable across your entire book of clients, and can help differentiate you in the marketplace.

New business contact:
Tim Parkinson, SVP, Chief Distribution Officer
Phone: (800) 949-9936 ext. 740
E-mail: tim.parkinson@eqis.com

Brand of program: EQIS Capital Management, Inc.
Type of program: UMA/SMA and ETF Wrap
Total assets in program: $2 billion
Year program began: 2007
Portfolios on platform vetted: 200+
Managers GIPS compliant: Some
Type of products available: Advisor-directed SMAs, UMAs, and managed ETF programs
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Broker-Dealers, IBDs, RIAs
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: No
Program links to a trust accounting system: No
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: By risk tolerance, asset class, equity style, geographic region, and investment philosophy
Rebalancing: Available
Aggregation of held-away accounts: No
Custodians supported: Folio Institutional
Marketing support: Yes
Flexible Plan Investments, Ltd.
Your partner in active wealth management

Flexible Plan Investments, Ltd. • 3883 Telegraph Road, Suite 100, Bloomfield Hills, MI 48302 • www.flexibleplan.com

A Financial Times Top 300 Money Management firm headquartered in Michigan, Flexible Plan Investments delivers effective money management, client communication and back-office solutions to financial advisors, while our professional asset managers direct client portfolios, enabling advisors to grow their practices. For over 35 years, our focus has been on preserving and growing capital while responding to shifting market environments in real time to provide investors with competitive returns while reducing risk.

“Active management is at the core of everything we do,” Jerry Wagner, founder of FPI, explains. “Beating the market is not what active management is about; rather, it is an underutilized, defensive tool. If you can reduce losses, performance will usually take care of itself over a full market cycle, because the investor will have more money to invest when the market comes back.”

Along with active management, FPI employs strategic diversification as a defensive tool. By bringing a mix of active strategies to the average investor, we make it more likely that a portion of a client’s portfolio is correctly positioned to weather market storms. FPI’s OnTarget Investing process improves client retention rates by monitoring where a client’s portfolio is in relation to their personalized benchmark.

New business contact:
Patrick Cahill
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E-mail: pcahill@flexibleplan.com

Brand of program: Strategic Solutions/Schwab/Folio Institutional/Various VAs and white labels
Type of program: Mutual Fund Wrap, ETF Wrap, Model Manager
Total assets in program: Over $1.75 billion
Year program began: 1981
Managers on platform vetted: Yes
Managers GIPS compliant: Yes
Type of products available: Mutual Funds, ETFs, SMAs, UMAs, VAs, VULs
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: RIAs, Registered Reps, FPs
Program optimized for tax and trading efficiency: No
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Principal custodian is a trust company; limited support for third-party software
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: Dynamic Risk Management, MPT, Non-MPT proprietary systems
Rebalancing: Yes
Aggregation of held-away accounts: No, but some BD connectivity available
Custodians supported: Trust Company of America, Schwab, Envestnet, Fidelity, Folio Dx, Folio Institutional, TD Ameritrade and various VAs and retirement platforms
Marketing support offered: A 25+ sales support department plus separate marketing department
FTJ FundChoice helps improve advisor-client relationships with simplified investment, reporting and service solutions. Our primary focus is to give advisors the flexibility and freedom to focus on what's really important—developing and cultivating positive client relationships. We do that with investment tools and resources that are designed to be intuitive, useful and comprehensive.

Accessible service is the backbone of our platform and greatest asset to the advisors who use it. Our service team is built around accessibility, and provides comprehensive back-office solutions for your business.

We also aim to give advisors access to flexible investment options to help them easily accommodate a wide range of clients. Through our platform, advisors can deliver their own unique investment philosophy through self-directed portfolios. And, they can use a unique investment story—Market Movement Strategies—to help diversify client portfolios with a network of vetted and monitored investment strategists.

We also help advisors attract and serve high net worth investors through a dedicated Separately Managed Account (SMA) offering. The SMA provides direct access to a select list of investment strategists who will partner with the advisors to craft tailored investment portfolios that cater to the more complex needs and expectations of high net worth investors.

Our platform is also positioned to help advisors serve investors in search of next-gen investment services. Portfolio Target, an advisor-led digital advice solution, combines client-facing investment technology with an advisor's financial expertise in a unique, private-labeled portal.

We invite you to learn more about our investment, reporting, and service solutions, available in one, simplified platform. Please contact us at (859) 426-2000, or sales@ftjfundchoice.com to learn more today.
Lindner Capital Advisors, Inc. (LCA) has been a federally Registered Investment Advisor based in suburban Atlanta, Georgia since 1996, with representation throughout the United States. We work with RIAs, Broker-Dealers, CPAs via a Direct, Sub-Advisor or Platform relationship. Our investment platform provides access to fund strategies and exclusive money managers that are not readily available to the retail market.

We can help you:
- Leverage your time to increase productivity
- Run portfolio analytics for new and existing clients
- Reduce account processing time by preparing client paperwork
- Make selling your business easy and maximize your valuation

About LCA:
- 20+ year track record
- 11 years certified by the Center for Fiduciary Excellence (CEFEX) http://www.cefex.org/
- First CEFEX-certified TAMP
- No phone trees – we actually answer the phone and are highly responsive
- Portfolios focused on probability vs speculation/predicting
- Traditional (DFA centric), Income, Tax Managed, Alternative and Custom Portfolios

For access to performance, portfolio fact sheets, videos and marketing ideas, click here: https://lindnercapital.com/new-relationship-managers/

“Big enough to deliver, small enough to care.”
Sawtooth Solutions is a market-leading investment firm dedicated to providing a flexible enterprise investment platform featuring a robust UMA framework and comprehensive operational services for wealth advisors to acquire and maintain client relationships as well as outfit all aspects of an advisory practice.

Sawtooth’s SPARC Platform, which is delivered on a Salesforce.com chassis (including Salesforce Financial Services Cloud) enables wealth advisors, trust officers and portfolio managers to easily implement their wealth management offerings while embedding the pillars of an institutional framework: definable and repeatable investment management, sales and operational processes including research, billing, trading, proposing, account opening and performance reporting.

Sawtooth’s SPARC Platform is an open-architecture investment solution, with over 1,000 vetted strategies including turnkey strategist programs as well as a multitude of individual model-delivered SMA strategies which can be thoughtfully combined to form comprehensive UMAs. The Research Center, a prominent feature of SPARC, is a great tool for advisors and their investment committees to research, evaluate, compare and select investment strategies for their respective practices. Advisor-directed programs may also be implemented alongside the strategies provided.

Client base segmentation can be easily achieved with SPARC’s Portfolio Designer, which automatically suggests a range of portfolio options that match client risk and asset levels and are ready to be deployed. Sawtooth’s operational team handles the fulfillment and ongoing account rebalancing, trading billing and performance reporting to free the advisor to face more clients and prospects. Additionally, a flexible risk-tolerance assessment process captures pertinent financial and goal information from a household to drive the proper portfolio selections and further assist to rapidly open accounts with selected custodians.

Our top priority is providing the ideal solution for your business and providing a way for advisors to maximize client-facing time.

New business contact:
Rich Conley, EVP, Head of Sales
Phone: (952) 831-0039, ext. 9
E-mail: richc@sawtootham.com

Brand of program: SPARC (Sawtooth Proposal and Research Center)
Type of program: TAMP, SMA, UMA, Advisor Directed, Strategist Models
Total assets in program: $8.1 billion
Year program began: 2009
Managers on platform vetted: Yes
Managers GIPS compliant: Yes
Type of products available: Advisor-directed, UMA/UMH, Mutual Fund Wrap, ETF Models, SMAs, Model-only SMAs, Alternatives, Tax Overlay, SRI, Outsourced CIO and Fiduciary Solution
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: RIAs, Trust Firms, Independent BDs, Bank Wealth, Insurance Advisory
Program optimized for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: FIS (SunGard) AddVantage, GlobalPlus, Charlotte, SGN enabled
Private branding or white labeling possible: Yes
Proposal generator: Yes, extensive Illustrator with Account Open Wizard
Generates investment policy statements: Yes
Asset allocation methodologies: Yes, extensive portfolio allocation modeling
Rebalancing: Yes, Extensive
Aggregation of held-away accounts: Yes
Custodians supported: TD Ameritrade, Schwab, Pershing, Fidelity, Stifel, US Bank, NFS, PAS, Reliance Trust, BNY
Marketing support offered: Extensive relationships with Investment Strategists, Outsourced Chief Investment Officers and Investment Research Firms which offer commentary and content, much of which can be white labeled to support the advisor’s brand.
After 50 years in business, SEI is a leading, global provider of investment management business outsourcing solutions, investment processing, and fund processing that help corporations, financial institutions and financial advisors. As of September 30, 2018, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers $920 billion in hedge, private equity, mutual fund and pooled or separately managed assets, including $339 billion in assets under management and $576 billion in client assets under administration.

With a history of financial strength, stability and transparency, the SEI Advisor Network, now Independent Advisor Solutions by SEI, has been serving the independent financial advisor market for more than 25 years with $67.1 billion in advisors’ assets under management (as of September 30, 2018). The SEI Advisor Network is a strategic business unit of SEI.

The 7,500 independent advisor clients who work with SEI leverage our core competencies to run more efficient and scalable businesses. This expertise is focused on providing financial advisors with flexible business solutions that include outsourced investment strategies, administration and technology platforms, and practice management programs. It is through these services that SEI helps advisors save time, grow revenues and differentiate themselves in the market.

SEI is ranked as one of the top U.S. Advisory Third-Party Managed Account Providers (Cerulli Associates, 2Q 2018).

SEI received the iPIPELINE® 2018 Industry Leadership Award (March 2018). SEI was named a finalist in the 2017 Wealth Management Awards in the following categories: “ETF Strategies in Asset Management” and “Value of Time Custodian Thought Leadership” (November 2017).

SEI is a publicly traded company and is listed on the NASDAQ exchange under the symbol SEIC.

New business contact:
Phone: (888) 734-2679
E-mail: AdvisorInfo@seic.com

Brand of program: Integrated Wealth Management Program
Type of program: No-load, Mutual Fund Wrap, Style-Specific Mutual Funds, ETF Wrap, Managed Account Solutions
Total assets in program: $67.1 billion
Year program began: 1993
Managers on platform vetted: Yes
Managers GIPS compliant: Yes, some managers
Type of products available: Traditional and Tax-Managed investment solutions including Mutual Fund Models,Managed Account Solutions, ETF Strategies, Goals-Based Strategies and Distribution-Focused Strategies. All strategies are implemented using institutional, best-in-class, specialist money managers. SEI provides ongoing oversight and dynamic asset allocation.

Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Brokerages, Trusts, RIAs
Program optimized for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes: SEI Wealth Platform™, Trust 3000
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: By asset class, by sub-asset class, by suitability, by goal, by objective
Rebalancing: Yes, multiple rebalancing options
Aggregation of held-away accounts: Yes
Custodians supported: SEI Private Trust Company, Pershing, Fidelity, Schwab, TD Ameritrade
Marketing support offered: Yes
SMArtX Advisory Solutions provides independent advisors and Broker-Dealers a turnkey asset management solution. The platform combines traditional, alternative and direct indexing strategies with online account opening, advisor as a portfolio manager, proposal generator, trading, rebalancer, and drift management tools to help users effectively scale their business model and manage their client portfolios.

The UMA structure enables all individual securities and strategies to be invested in one account, offering a single source of information, while the real-time performance reporting and intra-day allocations/liquidations promote flexibility to negotiate fast-moving markets.

To be part of the broad SMArtX platform, all strategies must have a third-party-audited track record. For long only managers, this is typically GIPS compliant. All hedge fund strategies require fund audits, and direct index providers require verified index procedures. Any strategy not qualifying under these specifications will be made available exclusively to clients who request them.

New business contact:
Alex Smith-Ryland
Phone: (561) 578-4439
E-mail: alex@smartxadvisory.com

Brand of program: SMArtX
Type of program: Turnkey Asset Management Platform
Total assets in program: $1 billion
Year program began: 2017
Managers on platform vetted: Yes
Managers GIPS compliant: Yes, majority are
Type of products available: Clients can build UMA portfolios of individual securities (equities, ETFs, mutual funds, ADRs) and third-party investment strategies
Program uses platform to track reporting of client holdings: Yes, client can see holdings in each account through the SMArtX platform
Program is compatible for: RIAs, Broker-Dealers, Family Offices, Corporations, Trust Companies
Program optimizes for tax and trading efficiency: No
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: SMArtX is a trade execution and order management system
Program links to a trust accounting system: No
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: No
Asset allocation methodologies: Methodologies are dictated by the client
Rebalancing: Yes
Aggregation of held-away accounts: No
Custodians supported: TD Ameritrade, Charles Schwab, Fidelity Custody & Clearing, Interactive Brokers, APEX Clearing, COR Clearing
Marketing support offered: Twice monthly newsletters, social media, press releases and co-branding sponsorship opportunities.
Sowell Management provides its financial advisors with the tools that allow them the freedom to grow their practices based on individualized goals. They have more than $1.6 billion in Assets Under Management (AUM), and advisors across the United States. The firm’s goal, which has been the same since it opened its doors almost two decades ago, is to offer advisors individualized, tailored solutions to grow their business. Sowell boasts a unique approach to how it does business, coupled with a keenly talented, growing pool of employees.

Located in North Little Rock, AR, Sowell provides a focused solution that includes the best technologies, services and resources in the market. The foundation of its technology suite includes Black Diamond Wealth Platform, Salesforce CRM, Microsoft SharePoint secure, cloud-based document storage and management and Riskalyze. Their open architecture allows integration with most financial planning, aggregation and other industry software.

Sowell also offers succession and mergers and acquisition planning, trading services, Advisors Choice multi-manager asset management platform, comprehensive mid- and back-office services and access to a complete array of insurance carriers. They also provide in-house marketing and branding services. For its RIA partners, Sowell offers an array of compliance consulting services to help them navigate the ever-increasing regulatory environment. Sowell recently launched Sowell Financial Advisors and now offers outsourced financial planning for advisors.

As a partner, Sowell provides advisors a clean, smooth and seamless on-boarding to its platform, one that utilizes their combined resources. They have a clearly defined on-boarding process and dedicated staff to achieve a positive transition experience. Their experienced team works with the advisor to develop a roadmap and timeline to achieve a successful transition.

Advisory Services offered through Sowell Management Services, a Registered Investment Advisor.

New business contact:
Chuck Hicks or Matt Estes
Phone: (501) 219-2434 or (800) 399-2391
E-mail: chuck@sowellmanagement.com; mestes@sowellmanagement.com

Brand of program: Sowell Advisor Choice Platform
Type of program: Customized Multi-Strategy; Multi-Manager; Multi-Methodology, SMA/UMA Portfolios
Total assets in program: $1.6 billion
Year program began: 2001
Managers on platform vetted: Yes - By Sowell Management Investment Committee
Managers GIPS compliant: Yes, some managers
Type of products available: UMA/SMA, Equity, ETFs, Mutual Funds, 401(k), 403(b), Variable Annuity
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Brokerages, Trusts, RIAs, IARs
Program optimizes for tax and trading efficiency: Yes
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: Yes
Asset allocation methodologies: Asset classes, objective, risk premia, investment methodology, style
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: Fidelity, TD Ameritrade, Schwab, Pershing, Trust Company of America, SEI
Marketing support offered: Yes
TownSquare is an independent, outsourced CIO / Investment Team for family offices, wealth advisors, corporations, governments, and foundations.

**Powerful and Flexible Suite of Services**
- Full spectrum of investment management and back-office services including:
  - Money manager vetting and ongoing evaluation
  - Portfolio construction, monitoring, and re-balancing
  - Prospective client portfolio audits via our proprietary program
  - Case design, proposals and point-of-sale presentation
  - Full-service trading desk including tax-optimization services and strategies
  - Back-office services including fee-billing, reporting and compliance functions
- Our services are offered either a-la-carte or as a turnkey investment and operations team.

**Experienced Team / Institutional Knowledge**
- Investment committee professionals average 25 years asset management and capital markets experience at top Wall Street firms.
- Current and past clients include Fortune 500 companies, governments, banks, foundations, endowments, and high-net-worth families.

**Investments Built for Performance and Understanding**
- We add alpha with a fundamental, bottoms-up investment process and engage the industry’s best institutional money managers.
- We strive for 100% cost and investment transparency.
- Our process allows clients to understand and have confidence in the high-quality assets they own.
- We keep costs as low as possible while optimizing for tax efficiency.

**Best of Breed Money Managers**
TownSquare arms its advisors and clients with a focused platform of best-of-breed investment strategies. Every investment strategy passes a rigorous due diligence process and strict set of criteria prior to approval including:
- A 10-year minimum track record
- Semi-concentrated portfolios with high active-share
- Tax-friendly management (lower excess trading and turnover)

**New business contact:**
Michael Folker  
Phone: (385) 375-8619  
E-mail: michael.folker@townsquarecapital.com

**Brand of program:** TownSquare Capital  
**Type of program:** TAMP; Sub-Advisory  
**Total assets in program:** $1.1 billion  
**Year program began:** 2017  
**Managers on platform vetted:** Yes  
**Managers GIPS compliant:** Most  
**Type of products available:** SMAs  
**Program uses platform to track reporting of client holdings:** Yes  
**Program is compatible for:** Independent RIAs, Independent Wealth Advisors, Institutions, Family Offices  
**Program optimizes for tax and trading efficiency:** Yes  
**Sleeve-level reporting:** Yes  
**Program links to a trade execution or order management system:** Yes  
**Program links to a trust accounting system:** Yes  
**Private branding or white labeling possible:** Yes  
**Proposal generator:** Yes  
**Generates investment policy statements:** No  
**Asset allocation methodologies:** Institutional Style Management via SMAs; Low-Cost ETF Asset Allocation  
**Rebalancing:** Yes  
**Aggregation of held-away accounts:** No  
**Custodians supported:** TD Ameritrade Institutional; Charles Schwab  
**Marketing support:** Hands-on training, proposal generation, point-of-sale
Formally launched in 2017 by its parent company USA Financial, USA Financial Exchange aims to make the everyday lives of investment advisors and their clients easier to manage by providing a unique, open-architecture solution allowing financial advisors to have greater control over how wealth is managed in their practice. Since 1988, USA Financial and its subsidiaries have been serving the comprehensive, independent financial advisor market with over $5.3 billion of assets at partnering custodians.

USA Financial Exchange allows for greater flexibility and choice by providing a unified managed account (UMA) that places dozens of investment strategies at advisors’ fingertips. The platform allows three different investment management paths, each of which can be used alone or integrated alongside one another. Advisors can choose to manage their own strategies, outsource the professional management to a host of third-party strategists within the same account, and/or use the composite portfolios that simplify the asset management aspect of their practice.

USA Financial has spent over 30 years challenging the conventional approach to financial planning and investment management by building a comprehensive organization that includes a full-service registered investment advisor, broker-dealer, asset manager, insurance wholesaler, consulting firm, TAMP, and multimedia marketing and technology provider. As a multi-year member of Inc. 5000’s list of America’s Fastest-Growing Private Companies, USA Financial’s status as an independent firm is integral to helping us adhere to our motto, “Plan First, Invest Second.”

New business contact:
Kevin Roskam
Phone: (888) 919-0125 ext. 470
E-mail: kroskam@usafinancial.com

Brand of program: USA Financial Exchange
Type of program: SMA, UMA, Rep as Portfolio Manager
Total assets in program: $525 million
Year program began: Formal launch in 2017
Managers on platform vetted: Yes
Managers GIPS compliant: Many
Type of products available: Mutual Funds, ETFs, SMAs, UMAs, Multi-Manager composites
Program uses platform to track reporting of client holdings: Yes
Program is compatible for: Broker-Dealers, RIAs, Hybrid RIAs
Program optimizes for tax and trading efficiency: Available
Sleeve-level reporting: Yes
Program links to a trade execution or order management system: Yes
Program links to a trust accounting system: Yes
Private branding or white labeling possible: Yes
Proposal generator: Yes
Generates investment policy statements: To be released in 2019
Asset allocation methodologies: All methodologies supported. Ability to integrate rep as portfolio manager alongside third-party strategists (within same account).
Rebalancing: Yes
Aggregation of held-away accounts: Yes
Custodians supported: E*TRADE Advisor Services
Marketing support offered: Private brand development, digital marketing strategies (web development, social media, lead gen), direct response marketing (lead gen, turnkey seminars), corporate video