



# Pursue Financial Independence



# Define What Financial Independence Means to You

What does financial independence mean to you? A comfortable retirement? Starting your own business? Leaving a legacy? Having the means to travel and explore? Whatever your goals, we want to help you reach them.

A solid investment strategy can help you pursue financial independence. But to be truly effective, any investment strategy must be customized to your unique situation. We use the Strategic Wealth Management investment platform to build a strategy designed just for you, keeping your specific financial situation and goals in mind. You define financial independence. We want to help you make it happen.



# The Power of Advice

We're committed to your success and finding the right strategy for you. We pair our advice and knowledge with the dynamic offerings of Strategic Wealth Management to help us craft this strategy. Through Strategic Wealth Management, we can offer you access to a wide variety of investments to increase your portfolio's diversification. In addition, investments you already own can be combined with those we select to complete your customized portfolio and add to the potential success of your plan. But your unique circumstances and personal objectives dictate the method of investing, as well as the types of investments we choose.

## **Fee-based guidance**

By virtue of using the Strategic Wealth Management platform, we can work under a fee-based model. Fee-based asset management allows us to share a common goal with you: to grow the value of your assets. A holistic approach to investing, fee-based asset management ties our compensation directly to the performance of your account. Instead of commissions, we earn an annual fee based on the market value of the account.<sup>1</sup> This allows us to concentrate on what matters most – building an investment portfolio that seeks to address your specific needs.

## **Ongoing advice and oversight**

As an investment fiduciary under the Investment Advisers Act of 1940, we're obligated to act in your best interest and provide you with full and fair disclosure of material conflicts of interest. In a Strategic Wealth Management account, we monitor your investment portfolio on an ongoing basis and continue to offer you advice as needed. These services are provided on a discretionary basis, which means you don't need to direct us to make trades, rebalance your portfolio, or make other investment decisions for your account. This discretionary trading capability in a Strategic Wealth Management account gives us the ability to react to changes in economic conditions on your behalf.

<sup>1</sup> The Strategic Wealth Management maximum advisory charge is 3.00%

# The Value of Asset Allocation

Throughout all cycles of the financial markets, an asset allocation strategy that is well devised and executed – and tailored to your investment objective – is central to helping you pursue your long-term goals. Asset allocation is at the core of Strategic Wealth Management. This involves spreading your investments across several asset classes – such as stocks, bonds, and cash equivalents – to reflect your particular goals. Asset allocation allows your portfolio to participate in a variety of market sectors while potentially minimizing overall volatility. Keep in mind that asset allocation doesn't ensure a profit or protect against a loss.

The goal of a custom-designed portfolio is to potentially achieve an optimal blend of investments tailored to your personal goals, time horizon, and risk profile. This process encompasses setting investment objectives, establishing weightings for various asset classes, choosing specific investments, and making adjustments as circumstances dictate.





### **The Benefits of Simplicity**

One account. One statement. One fee. Strategic Wealth Management allows you to have all your investments under one roof, making it easy to monitor, manage, and make changes to your portfolio when necessary.



# Spreading Your Investments

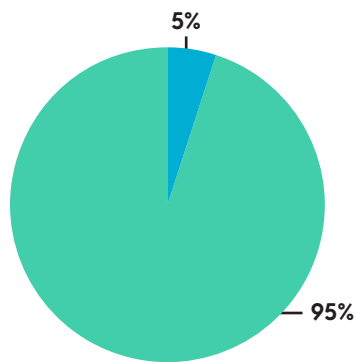
Strategic Wealth Management spreads your investments across several asset classes, taking into consideration your investment objectives, time horizon, and risk profile.



## Sample Asset Allocation by Investment Objective

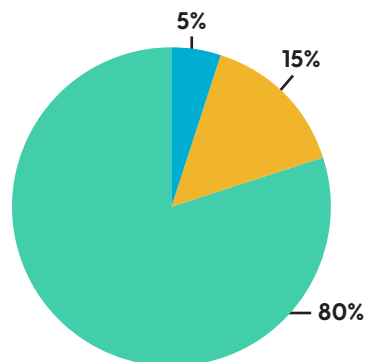
■ Cash
 ■ Bonds
 ■ Equity

### Aggressive Growth



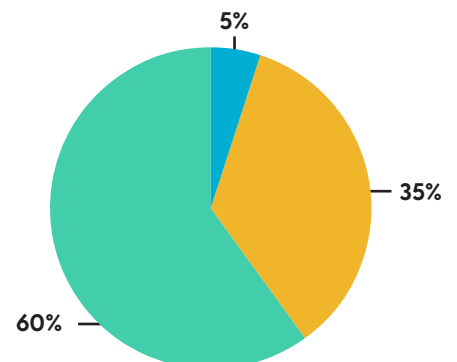
- No need for current income
- Focus on aggressive growth
- Highest tolerance for risk
- Long investment horizon

### Growth



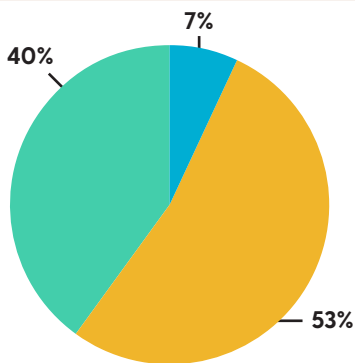
- Little need for current income
- Focus on growth
- High tolerance for risk
- Intermediate/long investment horizon

### Growth with Income



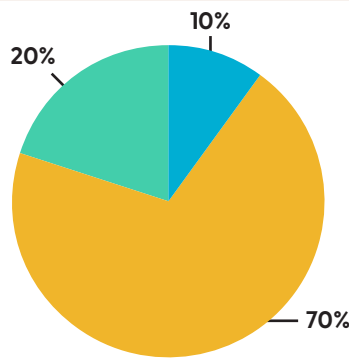
- Equal focus on growth and current income
- Moderate tolerance for risk
- Intermediate investment horizon

### Income with Moderate Growth



- Need for current income
- Moderate focus on growth
- Low tolerance for risk
- Short/intermediate investment horizon

### Income with Capital Preservation



- Need for capital preservation and current income
- No focus on growth
- Lowest tolerance for risk
- Shortest investment horizon

More aggressive portfolios carry greater risk. No strategy assures success or protects against loss.



# Discover

## Your Goals and Objectives

Based on your goals and objectives, together we'll determine what your customized financial strategy should be, taking into consideration your:

- Investment goals
- Time horizon
- Income needs
- Tax considerations
- Retirement dreams
- Charitable giving desires
- Risk tolerance
- Performance expectations
- Liquidity requirements
- Current investments
- Legacy creation

We'll construct your portfolio to reflect your personal goals, time horizon, and risk parameters, as well as other considerations.

# Build

## Your Investment Strategy<sup>2</sup>

With Strategic Wealth Management, we have access to a breadth of investment types and choices to construct custom-tailored portfolios. Supported by the expertise of experienced research strategists, we'll identify the most appropriate investment strategies by considering the following:

- Asset allocation models
- Correlation between asset classes
- Investment types
- Risk/reward characteristics of asset classes
- Diversification
- Investment platforms
- Investment managers

Based on the combined attributes of the individual asset classes and your goals, we'll formulate an asset allocation plan just for you. Your portfolio may include, but is not limited to, mutual funds, stocks, bonds, exchange-traded products, alternative investments, options, fee-based variable annuities, cash equivalents, or a combination of these investments.

<sup>2</sup> Investment vehicles carry investment risks, including the potential for the loss of principal, and may have additional fees, charges, and restrictions. Alternative investments may not be suitable for all investors and involve special risks such as leveraging the investment, potential adverse market forces, regulatory changes and potentially illiquidity. The strategies employed in the management of alternative investments may accelerate the velocity of potential losses. There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification and asset allocation do not ensure a profit or protect against loss.

# Implement

## Your Portfolio

Once we're ready to bring your portfolio to life, we'll discuss your expectations and review what we want to accomplish through your customized strategy. To get your portfolio up and running, we'll:

- Transition your existing securities
- Determine the type of account ownership and beneficiaries
- Discuss the source of funds
- Complete and sign all paperwork

# Review

## and Manage Your Portfolio

Once your investments are in place, we'll continue to review and manage your portfolio on an ongoing basis. Portfolio rebalancing<sup>3</sup> is a critical component of the strategic asset allocation process and essential to the long-term success of your portfolio. Rebalancing is designed to ensure that the allocation of your assets remains in line with your stated investment objectives. Because the relative performance of various asset classes will vary, portfolios that aren't reviewed on a regular basis tend to drift from their target allocations.

A portfolio that isn't regularly rebalanced could assume a risk/reward profile that isn't consistent with your investment objectives. Your portfolio will be reviewed on a periodic basis and adjusted when needed to help maintain the optimal allocation of your investments.

The ongoing management of your portfolio will include:

- Regular meetings and discussions so you can feel comfortable with your continued strategy
- Active, ongoing portfolio reviews
- Periodic reexamination of your investment strategy to make sure it continues to stay aligned with your situation and objectives
- Rebalancing decisions<sup>3</sup>
- Year-end statements including annual advisory account performance

3. Rebalancing a portfolio may cause investors to incur tax liabilities and/or transaction costs and does not assure a profit or protect against a loss.



## The Importance of Security

### Account protection

Strategic Wealth Management is offered through LPL Financial, whose membership with the Securities Investor Protection Corporation (SIPC) provides account protection up to a maximum of \$500,000 per customer, of which \$250,000 may be claims for cash. For an explanatory brochure, please visit [www.sipc.org](http://www.sipc.org).

LPL accounts have additional securities protection to cover the net equity of customer accounts up to an overall aggregate firm limit of \$750 million, subject to conditions and limitations.

The account protection applies when an SIPC member firm fails financially and is unable to meet its obligations to securities clients, but it doesn't protect against losses from

the rise and fall in the market value of investments. This extensive coverage reflects a strong commitment to serving your investment needs.

### FDIC-insured bank deposit sweep programs

LPL offers two multi-bank deposit programs that provide you the option to "sweep" uninvested cash balances in your Strategic Wealth Management account to an interest-bearing FDIC-insured deposit account, allowing your account to earn a return on these cash balances. The primary benefit of sweeping uninvested cash balances to a bank deposit program is to obtain insurance from the FDIC, an independent agency of the U.S. government, which protects your

cash against losses in the event of a bank failure (up to \$250,000 per bank per account type).

Through the LPL multi-bank deposit sweep programs, deposits are eligible for up to \$2.5 million of deposit insurance for individual accounts, and for up to \$5 million of deposit insurance for joint accounts through the FDIC. Depending upon your account type, you may be eligible for either the Insured Cash Account (ICA) or Deposit Cash Account (DCA) program. To learn more about either the ICA or DCA program and whether you qualify, please contact us. If you have any questions about FDIC insurance coverage, visit [www.fdic.gov](http://www.fdic.gov).

**You define  
financial  
independence.**

**We want to  
help you make  
it happen.**



### About LPL Financial

LPL Financial Holdings Inc. (Nasdaq: LPLA) was founded on the principle that LPL should work for advisors and enterprises, and not the other way around. Today, LPL is a leader in the markets we serve, serving more than 22,000 financial advisors, including advisors at approximately 1,100 enterprises and at approximately 560 registered investment advisor (RIA) firms nationwide. We are steadfast in our commitment to the advisor-mediated model and the belief that Americans deserve access to personalized guidance from a financial professional. At LPL, independence means that advisors and enterprise leaders have the freedom they deserve to choose the business model, services, and technology resources that allow them to run a thriving business. They have the flexibility to do business *their way*. And they have the freedom to manage their client relationships because they know their clients best. Simply put, we take care of our advisors and enterprises so they can take care of their clients. For more information about LPL Financial, visit [www.lpl.com](http://www.lpl.com).

LPL is ranked the #4 custodian based on Cerulli Associates' 2022 U.S. RIA Marketplace Report; No. 1 Independent Broker-Dealer in the U.S. (Based on total revenues, *Financial Planning* magazine 1996-2023); among third-party providers of brokerage services to banks and credit unions, No. 1 in AUM Growth from Financial Institutions; No. 1 in Market Share of AUM from Financial Institutions; No. 1 in Market Share of Revenue from Financial Institutions; No. 1 on Financial Institution Market Share; No. 1 on Share of Advisors. (2021-2022 Kehler Bielan Research & Consulting Annual TPM Report). Fortune 500 as of June 2023.

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