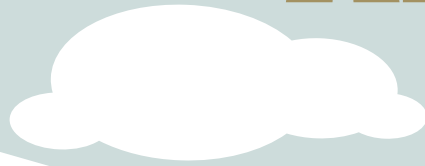
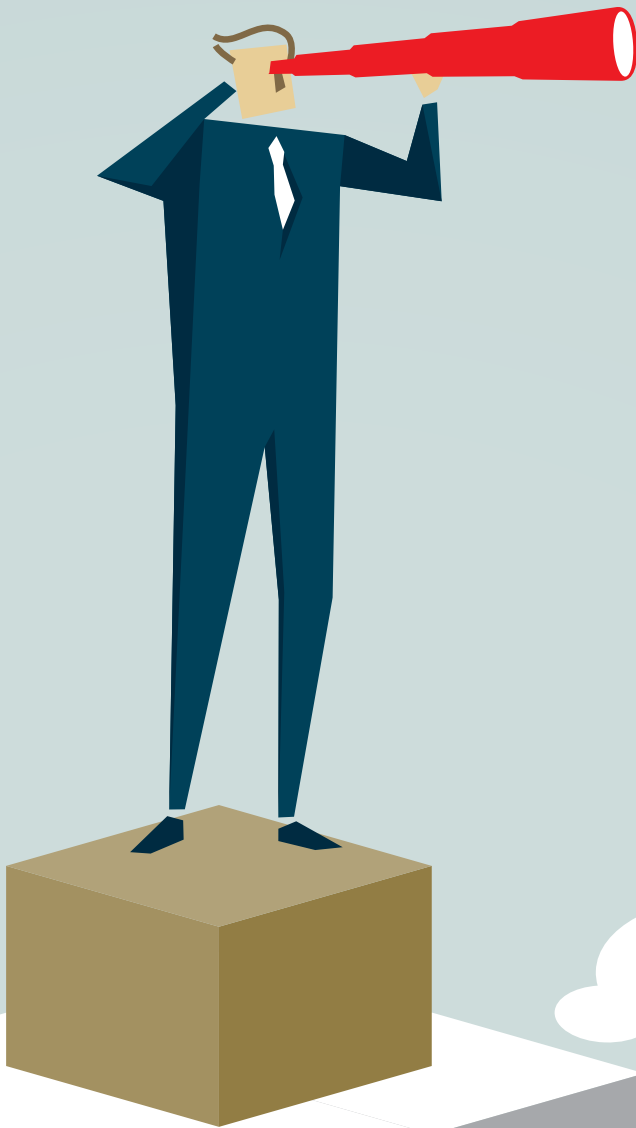


SYNERGY INVESTMENT MANAGEMENT

THE VALUE OF A SIM ADVISER





The value proposition of advice is changing. The nature of what investors expect from advisers is changing. And fortunately, the tools available to advisers are evolving as well. So what is the value of an adviser to your portfolio?

Below is a brief breakdown of what our value can mean for you.*

BEHAVIORAL COACHING
The discipline and guidance that an adviser provides through behavior coaching could be the largest potential value-add of the adviser tools. Research and studies have concluded that behavior coaching can increase net return.*

SUITABLE ASSET ALLOCATION
The adviser's value in determining a suitable asset allocation is deemed significant by many investors, but too unique to each investor to quantify based on varying time horizons, risk tolerance, and financial goals.

ASSET LOCATION
An optimal portfolio may be constructed to help minimize the impact of taxes by holding tax efficient broad-market equity investments in taxable accounts and holding taxable bonds and tax inefficient assets (real estate investment trusts, commodities, etc.) in tax advantaged accounts.

WITHDRAWAL ORDER STRATEGY
Value is greatest when the value of taxable and tax advantaged assets are approximately equal and the client is in a high marginal tax bracket.

COST EFFECTIVE IMPLEMENTATION
An adviser looks at all costs associated with investment implementation including expense ratios, transaction, trading and tax costs, and works to reduce these costs where appropriate.

REBALANCING
The reason why we regularly rebalance is to get your portfolio back to its original risk target. Disciplined rebalancing can help take emotion out of investing and help ensure you remain on path to reach your long-term financial goals.

TOTAL RETURN vs "INCOME ONLY"
Value may be deemed significant by many investors, but too unique to each investor to quantify, based on desired level of spending and portfolio composition. Whether an investor seeks total return or income only, a SIM adviser will attempt to enhance the return.

TFO-TDC, LLC framework incorporates all of these principles, making it possible for advisers to add value for their clients. The Vanguard study states that this value add may be as much as 3% while Wealthfront and Betterment state this may be as high as 4.3-4.6% respectively. This figure should not be viewed as an annual add, however, Vanguard's research emphasizes that it is more likely to be intermittent, as some of the most significant opportunities to add value occur during periods of market duress or euphoria that tempt clients to abandon their well-thought-out investment plans.

*Sources

1. Vanguard "Putting a value on your value: Quantifying Vanguard Advisor's Alpha" – March 2014, Francis M. Kinniry Jr., CFA, Colleen M. Jaconetti, CPA, CFP®, Michael A DiJoseph, CFA, and Yan Zilbering.

2. Wealthfront and DALBAR, Inc. study (www.wealthfront.com) – April 2013

3. Betterment LLC and "A Case for Index Fund Portfolios" – June 2013, Richard Ferri, CFA, Alex Benke, CFP® (www.betterment.com)

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