

# TAX EFFICIENT MODEL



## ABOUT THE FREEDOM DYNAMIC<sup>®</sup> ELEMENT

*Tactical asset allocation with concentrated positions for potentially higher returns*

The Freedom Dynamic<sup>®</sup> Element of Freedom Capital Management Strategies<sup>®</sup> utilizes tactical asset management and concentrated portfolios in an effort to achieve higher rates of return with less attention to levels of risk. This Element incorporates economic, quantitative, and fundamental analysis of capital markets to identify the most compelling investment opportunities globally and allows portfolio managers the flexibility to make concentrated investments across asset classes, geographies, economic sectors, and investment styles.

## INVESTMENT OBJECTIVE

Investors choosing the Dynamic Tax Efficient Model seek moderate, tax-efficient growth and appreciation of their assets through a diversified portfolio of domestic equity and fixed income exchange traded funds (ETFs) that is actively managed to reduce taxable investment income and realized capital gains through a loss harvesting strategy.

## ABOUT DYNAMIC TAX EFFICIENT

The Dynamic Tax Efficient Model is a diversified portfolio of equity and fixed income exchange traded funds (ETFs). The portfolio is designed to generate moderate, tax-efficient growth and appreciation of investor assets over time. The Dynamic Tax Efficient Model typically targets the following asset allocation: two-thirds equity and one-third fixed income. The portfolio is actively managed in an effort to reduce taxable investment income and realized capital gains through a loss harvesting strategy.

### Target Asset Allocation

Asset Class	Allocation
<i>Domestic Equity</i>	
Large Cap	40%
Mid Cap	20%
Small Cap	5%
<i>Total Domestic Equity</i>	<i>65%</i>
<i>Domestic Fixed Income</i>	
Taxable Bonds	20%
Municipal Bonds	15%
<i>Total Domestic Fixed Income</i>	<i>35%</i>

## REASONS TO CONSIDER THIS PORTFOLIO

- You seek moderate, tax efficient growth and appreciation potential of your investable assets.
- You desire a strategy that attempts to reduce taxable investment income and realized taxable gains through an active loss harvesting strategy.
- You can tolerate a moderate level of risk that is typically lower than global equity markets but higher than traditional fixed income markets.
- You prefer a diversified portfolio comprised of domestic equities of large, medium, and small sized companies and fixed income assets of varied duration and credit quality.
- You prefer a portfolio comprised solely of exchange traded funds (ETFs).

## FACTS:

Manager	Team Managed
Portfolio Holdings	Exchange Traded Funds (ETFs)
Portfolio Minimum	\$500