





# Investment Strategies

Our investment strategies are built specifically to match your financial plan. Starting with your goals, cash flow needs and time-horizon, we create a customized portfolio that seeks to provide pension-like predictable cash flows and growth that will supplement your income in later years.



## Defined Income Portfolios

The Defined Income Portfolio takes lessons from the pension world to engineer income matching portfolios that generate predictable cash flows to meet your future spending needs.



Matched to Cash Flow Needs



Protects Principal



Dynamically Rebalances



## Growth Portfolios

The Growth Portfolio portfolio links investments to your time horizon while utilizing modified Von Neumann algorithms to find the global asset allocation that seeks to provide you with better downside performance during tumultuous markets.



Income Aligned Time Targeting



Globally Diversified



Minimax Principles



## Critical Path® System

The Critical Path® is a decision making framework and reporting system that intuitively reflects the progress your defined income portfolio and the growth portfolio are making towards the goals laid out in your financial plan.



Client Specific Benchmarking



Goals-based Reporting



Intuitive Decision Making



# Defined Income Portfolios

At some point, we will all have to replace the income from our jobs. We take lessons from the pension world to engineer income matching portfolios that seek to deliver a predictable set of cash flows to meet your future spending needs.



## Matched to Cash Flow Needs

We don't fit you into a few generic model portfolios. Instead, we analyze your financial plan and construct a customized portfolio that is directly linked to your future cash flow needs.

### Key Benefits:

- Links directly to the financial plan
- Creates a "retirement paycheck"
- Establishes a deferred income strategy



## Protects Principal

Individual bonds can protect principal in a way bond funds cannot. Bond funds are susceptible to lower returns and even losses when interest rates rise. By using individual bonds, we can protect principal by holding them to maturity.

### Key Benefits:

- Manages interest rate risk
- Keeps you in control of your assets
- Less susceptible to market pressures



## Dynamically Rebalances

Using your customized benchmark (the Critical Path<sup>®</sup>) to drive the decision to extend your income portfolio, we can be opportunistic and take money off the table when the stock market has done well or ride through rough markets without being forced to sell at the wrong time.

### Key Benefits:

- Creates a perpetual income stream
- Unique goals-based benchmarking
- Ability to adjust with circumstances



# Growth Portfolios

We structure the growth portfolio so that you have better downside performance during tumultuous markets. From our research, we believe in three underlying principles that seek to provide you with the predictability you desire during uncertain times.



## Income Aligned Time Targeting

We select investments for the growth portfolio that align with your time horizon and Income Portfolio. Doing so, we seek to improve your probability of success during periods of significant market turmoil.

### Key Benefits:

- Built to meet time-based goals
- Synchronizes with the Income Portfolio
- Uses time to define portfolio risks



## Global Diversified Asset Classes

We weight asset class allocations to improve the probability of success and manage for downside risk and inflation. We adjust your portfolio's exposure to domestic, developed and emerging equity markets and select alternative assets to fit when you plan on spending out your portfolio.

### Key Benefits:

- Seeks to manage downside risk and inflation
- Targets specific asset class exposure
- Provides broad diversification at a low cost



## Minimax Principles

We utilize mathematical formulas derived from the "minimax" principle created by John Von Neumann. By seeking to improve the worst case returns, our approach looks to help your portfolio go down less when markets are bad so that you can hopefully recover sooner and get your plan back on track.

### Key Benefits:

- Aligns downside risk with your time horizon
- Reduces drawdown in poor markets
- Uses time to improve long-term prospects



# Critical Path® System

The Critical Path® is all about you. Your financial goals, your time horizons, your portfolio. The decision making framework and reporting system is specific to your unique situation and is flexible enough to reflect all the changes along the way.



## Client Specific Benchmarking

Using the goals laid out your financial plan and their corresponding investments, we create your Critical Path® that uniquely benchmarks your success in relation to your long-term financial goals.

### Key Benefits:

- Links your investments to your goals
- Tracks progress in relation to your plan
- Creates a benchmark for a lifetime



## Goals-based Reporting

The Critical Path's® goals-based reports keeps you focused on your progress towards your long-term goals. Instead of reporting your portfolio's performance relative to benchmarks like the S&P 500 that have nothing to do with the specific goals in your financial plan, the Critical Path® reports how you are doing relative to your plan.

### Key Benefits:

- Keeps the focus on long-term goals
- Helps reduce your short-term anxiety
- Provides powerful historical context



## Intuitive Decision Making

The Critical Path® isn't just about reporting where you are relative to your goals. Its main purpose is to help you make decisions about where you are going and what you need to do in order to improve your chances of reaching your goals. It is an ongoing process to help steer you out of trouble and get them most you can out of retirement.

### Key Benefits:

- Brings clarity to decision making
- Aligns your investments with your goals
- Shows the impact of financial choices