THE RIA PROCESS

Working with a Registered Investment Advisor (Adviser) is a step above what many investors are familiar with. When working with an Adviser, you establish a long-term partnership to work together to reach your financial goals and objectives. Further, Federal and State regulations require that Advisers act as Fiduciaries, requiring the Adviser to always act and recommend only what they feel is in the best interest of the client even if that recommendation is not in their or their firms' best interest. This helps establish a productive ongoing relationship instead of the typical transactional, product-oriented, sales relationship that many investors experience.

CLIENT

INVESTMENT ADVISOR REPRESENTATIVE

Regal Investment Advisors™

Integrity • Innovation • Independence

Fidelity Investments | charles SCHWAB | TD Ameritrade | Pershing® A BNY MELLON COMPANY

REGAL FOLIOS

STOCKS	BONDS	ETFs	MUTUAL FUNDS	ANNUITIES	ALTERNATIVE INVESTMENTS

Investment Advisor Representatives must disclose any conflict, or potential conflict, to the client prior to and throughout a business engagement. Investment Advisor Representatives must adopt a code of ethics and fully disclose how they are compensated. Above is a simplified schematic on how your advisor will bring leading institutional levels to manage your portfolios. Your advisor has multiple checks and balances to ensure that your funds are handled in accordance with your objectives.

REGAL PRINCIPLES
OF SOUND INVESTING

Historically, over the long term, the stock market reflects the objective performance of the macro-economy and individual companies within that economy. There are universal principles which will ultimately govern your success and guide all of your wealth management and investment decisions. Adhering to principles of consistency, courage, and balance helps keep you on course and can provide a buffer from the constant drone of crisis and fear provided by the vast majority of news and media outlets, and the contrarian asset movers. Working together, we seek to build a trusted professional business relationship to help you achieve your objectives.

THE PRINCIPLE OF **CONSISTENCY**

Over the short term, the stock market often reflects human emotion, perceptions and misconceptions that frequently lead to consumer under-performance compared to broad market indices. We believe management helps provide consistency in the application of investment principle that can be difficult for the individual investor to sustain. Maintaining appropriate levels of risk, avoiding emotional reactions to inevitable market fluctuations, and staying focused on the long-term objectives, help provide a more stable and successful approach to achieving those objectives. Consistency and focus, as opposed to performance chasing, are critical elements of success.

THE PRINCIPLE OF **COURAGE**

Faith or fear can govern our lives.

While a historical perspective often informs and guides all of our investment decisions, maintaining that disciplined perspective often requires that we exercise the principle of courage during times of uncertainty and fear. The stock market crash of 1929, World wars, the oil crisis, the Dot-Com crash, 9/11, the Financial Crisis of 2008-2009, and more recently, a global pandemic have all had significant impacts on market returns. We believe with the courage to maintain have historically been rewarded with success as the markets recovered and continued their relentless climb forward.

THE PRINCIPLE OF **BALANCE**

Balance is a universal principle that works wherever it is applied. For example, a balanced nutritional program is better than an unbalanced one; a balanced exercise program is better than an unbalanced one; and a balanced life is better than an unbalanced one.

This same principle of balance has worked over time in portfolio management. Performance year-over-year is remarkably inconsistent over the multiple sectors of the market. Market sectors that are top performers one year are often under-performers the next. Maintaining a balanced, risk-appropriate allocation across market sectors is a method of achieving attractive market returns at lower levels of risk.

Adding diversity of style, geography and asset class has the ability to potentially mute volatility and make it easier for our clients to remain “buckled in.”

THE REGAL PORTFOLIO
MANAGEMENT PROCESS

Your Adviser and your Investment Advisor Representative (IAR) will work with you to establish an investment strategy that is consistent with your stated risk tolerance to assist you in reaching your financial objectives. When appropriate, we will establish an investment policy statement to further define the investment management framework. The following outline illustrates the general process we employ when helping you achieve your unique wealth management goals:

1 CLIENT FOCUS

The process begins with the determination of your unique objectives and constraints.

2 CAPITAL MARKET EXPECTATIONS

We formulate our capital market expectations which are the basis of the long-term asset allocation of our portfolio models.

3 STRATEGIC ASSET ALLOCATION

Your client profile determines which portfolio model is selected as your strategic asset allocation.

4 PORTFOLIO CONSTRUCTION

Our proprietary process is used to select holdings to represent the desired asset class exposures in our portfolio models.

5 ACTIVE RE-BALANCING

We actively monitor our re-balancing strategy to ensure the portfolio is consistent with changes in your client profile and the market environment.

Our investment philosophy remains one of broad-based diversification to help minimize downside risk and maximize risk-adjusted returns. Our key investment principles include:

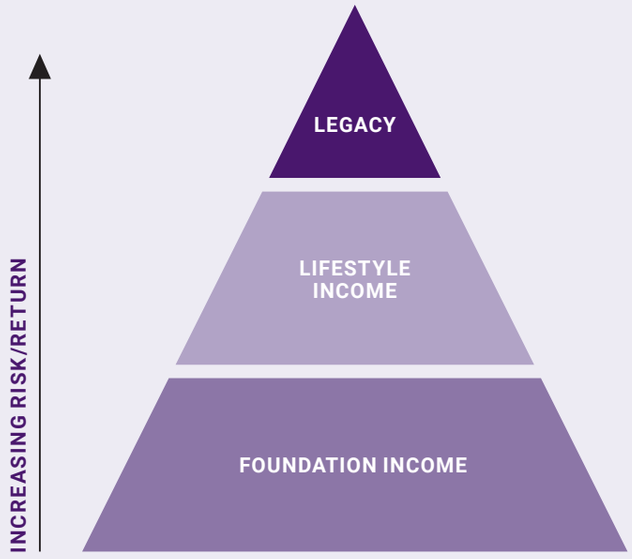
DIVERSIFICATION

The returns of the various asset classes rotate over time because of varying exposures to market, economic, and political factors. Therefore, it is not possible to consistently predict, with absolute certainty, the best-performing asset classes. Also, it is well-documented that asset allocation is the primary determinant of portfolio returns. For these reasons, it is critical to utilize an extremely diverse group of traditional and alternative asset classes to maximize the risk-adjusted returns of the portfolio. The continued development of the financial markets and the evolution of new asset classes have significantly increased the availability and number of asset classes, requiring continuous market research to ensure each portfolio maintains proper diversification.

ACTIVE MANAGEMENT

We believe that active management should be incorporated into every investment approach and philosophy because judgments and assumptions need to be formulated in order to construct and manage each portfolio. Prudent investment management requires consistent and clearly-defined active management objectives, which are the goals of our portfolio management process. Research indicates that short-term market timing strategies rarely, if ever, generate consistent excess return. However, it is our belief that a disciplined research and management approach can identify opportunities for improved returns over the long term.

STRUCTURING A PORTFOLIO
TO MATCH INVESTOR GOALS



CONSIDERATIONS

- What is the timing and appropriate planning vehicle for your heirs and your estate-planning goals?
- What are your desires/wants?
- How much risk are you willing to take?
- What are your basic needs?
- What income sources do you have or will you need to create?

POTENTIAL SOLUTIONS

- Equities
- Alternatives
- Equities
- Extended sector bonds
- Social Security
- Pension
- Annuities
- High-quality bonds
- Cash and cash alternatives

BUILDING YOUR PLAN

It may be useful to match dependable income sources with fixed retirement expenses, while coordinating other investments with more discretionary expenses.

2.01.2104.regalfolios_insert.1