

# discover financial independence

Through Powerful Advice



envision your  
financial  
future



## Set Your Expectations High

Whatever your destination, a solid investment program can help speed your progress. Strategic Asset Management is an investment strategy that is customized by your financial advisor and driven by your unique set of investment goals.

## What Does Financial Independence Mean to You?

- A comfortable retirement
- Funding a child's education
- Starting your own business
- Leaving a legacy



## The Power of Advice

Keeping up with increasingly complex financial markets demands a high level of expertise and extensive resources. Your financial advisor has access to superior research, state-of-the-art technology and comprehensive investment tools.

### A Relationship Built to Last

Your financial advisor is committed to your long-term success. By working with your advisor to develop and execute a strategy tailored to your goals, you can be confident that your sound investment plan will be designed to help increase your wealth over time.

### Flexible Solutions

There is no “one-size-fits-all” solution. Your unique circumstances and personal objectives dictate the method of investing, as well as the types of vehicles chosen to help achieve them. Your financial advisor has the flexibility to offer you the investments best suited to meet your financial goals. Investments you already own can be combined with those selected by your advisor to complete your customized portfolio and help ensure the success of your long-term plan.

### Fee-Based Guidance

Fee-based asset management allows you and your financial advisor to share a common goal—to grow the value of your assets. A long-term approach to investing, fee-based asset management ties your advisor’s compensation directly to the performance of your account. Instead of commissions, your advisor earns an annual fee based on the market value of the account. You and your advisor concentrate on what matters most—building an investment portfolio designed to help meet your specific needs.

## The Consultative Process: A Comprehensive Methodology

Strategic Asset Management leverages an extensive consultative process that focuses on understanding and meeting your needs. This goal-oriented process follows a comprehensive, four-step approach.

### Step 1: Discover Your Goals and Objectives

Together, you and your financial advisor will work to determine your customized financial strategy, taking into consideration the following:

- Investment goals
- Time horizon
- Income needs
- Tax considerations
- Retirement dreams
- Charitable giving
- Risk tolerance
- Performance expectations
- Liquidity requirements
- Current investments
- Creating a legacy

### Step 2: Recommend Your Investment Strategy

Accessing the expertise of experienced research strategists, your financial advisor will identify the most appropriate investment solution by taking into account the following considerations:

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

### Step 3: Implement Your Portfolio

Next, your financial advisor will begin building a portfolio of investment vehicles designed to meet your specific needs. This process includes the following action items:

- Set realistic expectations
- Transition existing securities
- Determine type of ownership and beneficiaries
- Discuss source of funds
- Complete and sign all paperwork

Investment vehicles carry investment risks, including the potential for the loss of principal, and may have additional fees, charges and restrictions.

### Step 4: Review and Manage Your Portfolio

Once your investments are in place, the process of reviewing and managing your portfolio begins, which includes:

- Regular meetings and discussions
- Active ongoing portfolio reviews
- Periodic re-examination of your investment strategy
- Rebalancing decisions
- Consolidated quarterly performance reports

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not ensure against market risk.



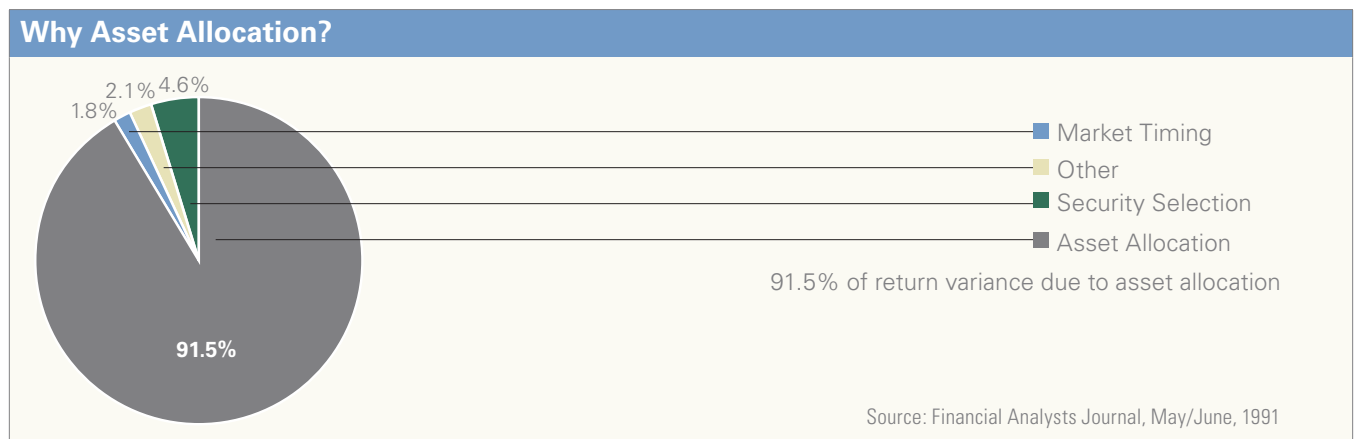
Take advantage of this time-tested approach to building an investment portfolio designed to help you reach your destination.

## The Value of Asset Allocation

Throughout all cycles of the financial markets and regardless of your investment objectives, a well-devised and executed asset allocation strategy is central to helping you achieve your long-term goals.

At the core of Strategic Asset Management is asset allocation. 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, asset allocation does not ensure a profit or protect against loss.

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



**Diversify Your Portfolio Across Multiple Asset Classes**

Asset Class											
■ Highest Return ■ Lowest Return	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
Large Co. U.S. Growth Stocks	-22.4	-20.4	-27.9	29.9	6.3	5.3	9.1	11.8	-38.4	37.2	
Large Co. U.S. Value Stocks	7.0	-5.6	-15.5	30.0	16.5	7.1	22.3	-0.2	-36.9	19.7	
Small Co. U.S. Growth Stocks	-22.4	-9.2	<b>-30.3</b>	48.5	14.3	4.2	13.4	7.1	-38.5	34.5	
Small Co. U.S. Value Stocks	<b>22.8</b>	<b>14.0</b>	-11.4	46.0	22.3	4.7	23.5	<b>-9.8</b>	-28.9	20.6	
International Stocks	-14.0	<b>-21.2</b>	-15.7	39.2	20.7	14.0	26.9	11.6	-43.0	32.5	
Emerging Market Stocks	<b>-30.6</b>	-2.4	-6.0	<b>56.3</b>	<b>-25.9</b>	<b>34.5</b>	<b>32.6</b>	<b>39.8</b>	<b>-53.2</b>	<b>79.0</b>	
U.S. Bonds	11.6	8.4	10.3	<b>4.1</b>	<b>4.3</b>	2.4	<b>4.3</b>	7.0	5.2	5.9	
International Bonds	-2.6	-3.5	<b>22.0</b>	18.5	12.1	<b>-9.2</b>	6.9	11.4	<b>10.1</b>	<b>4.4</b>	

Source: FactSet. Large Company U.S. Growth Stocks: Russell 1000® Growth Index; Large Company U.S. Value Stocks: Russell 1000® Value Index; Small Company U.S. Growth Stocks: Russell 2000® Growth Index; Small Company U.S. Value Stocks: Russell 2000® Value Index; International Stocks: MSCI EAFE; Emerging Market Stocks: MSCI Emerging Markets Free; U.S. Bonds: Barclays Capital U.S. Aggregate; International Bonds: Citigroup WGBI ex US.

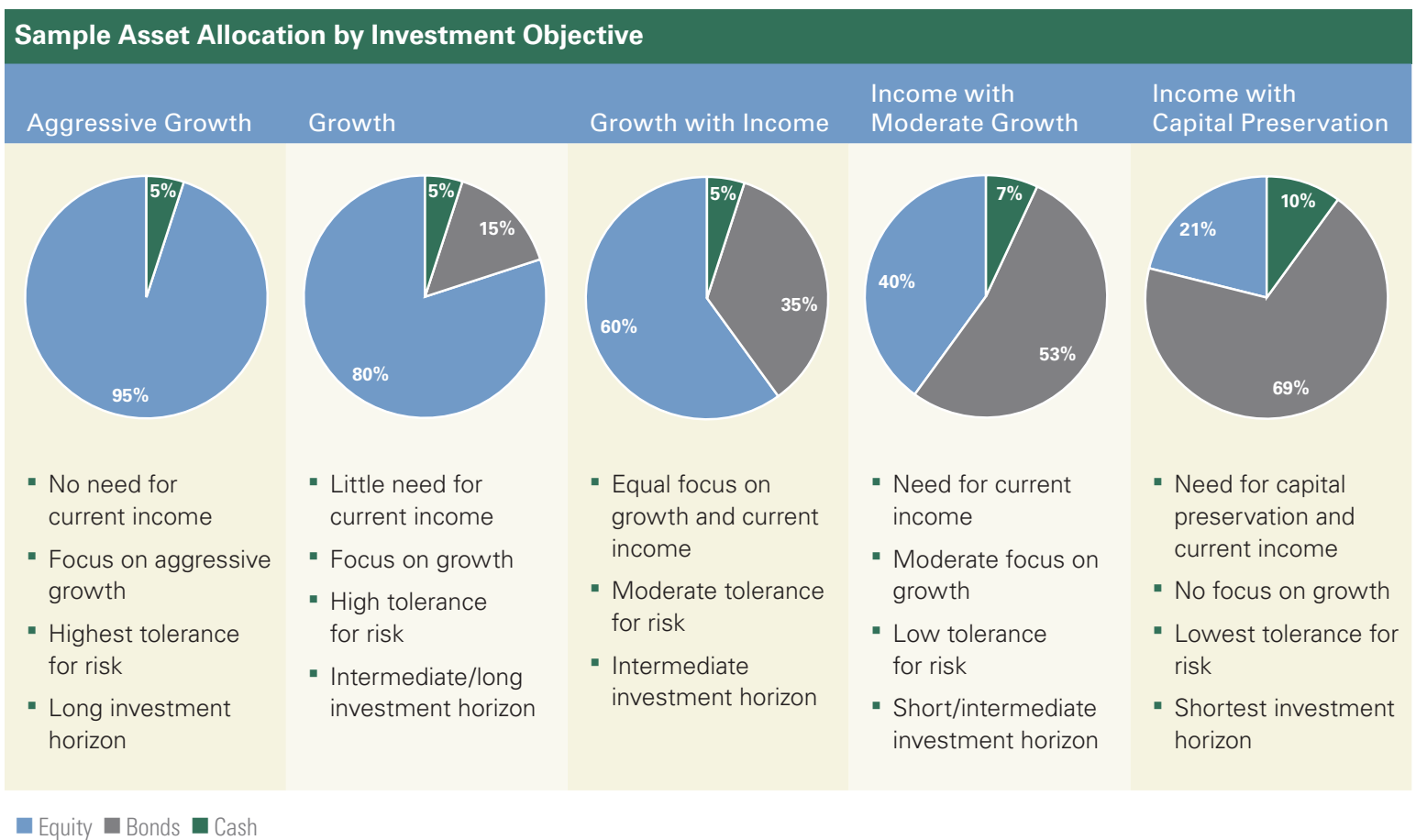
Treasury bonds and bills are backed by the full faith and credit of the United States. Please note that the value of bonds generally have an inverse relationship to interest rates. Stocks will experience market fluctuations which can include loss of principal value while bonds offer a fixed-rate of return. Small cap stocks may be subject to a higher degree of market risk than large cap stocks, and the illiquidity of the small cap market may adversely affect the value of these investments so that when redeemed, shares may be worth more or less than their original cost. High yield securities inherently have a higher degree of market risk and there are credit risks associated with the underlying issuers. In addition, the lack of liquidity associated with high yield securities may impair their value. International and emerging market securities are also subject to additional risk such as currency fluctuations and political instability. Indices are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results.

## Asset Allocation Strategy

By enlisting a financial advisor in support of your investment goals, you benefit from extensive expertise and resources. You can take comfort in the fact that your experienced financial advisor is supported by LPL Financial Research, which is noted for its independent, unbiased research.

### Approach

Your financial advisor will deliver full-time investment advice and ongoing services tailored to your situation. The knowledge that your investment program will reflect your changing needs over time gives you the freedom to focus on life's other important pursuits.



More aggressive portfolios carry greater risk.

## Your Customized Investment Solution

### Independent Research

Your financial advisor is supported by LPL Financial Research, one of the largest independent research organizations in the industry. With access to timely, detailed information, computer-modeling tools and market intelligence, your financial advisor makes informed decisions on your behalf. No conflicts of interest are imposed by the constraints of proprietary products, investment banking relationships or other activities that may be inconsistent with your needs. Your financial advisor will thoroughly analyze the unbiased research provided by an extensive team of full-time investment professionals and select those investments best suited to your unique financial situation.

### Customization

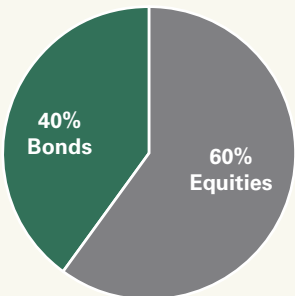
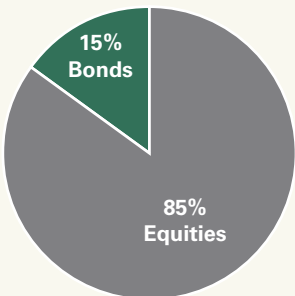
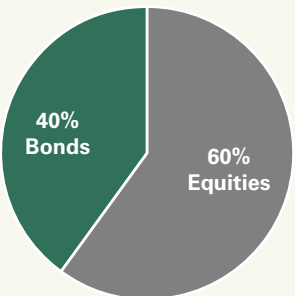
With Strategic Asset Management, your financial advisor has the breadth of investment types and choices to construct custom-tailored portfolios. Portfolios can be created to minimize the tax consequences of investing, address current income needs, protect your retirement assets or seek capital appreciation. Regardless of your investment objectives, your portfolio will be constructed to reflect your personal goals, time horizon and risk parameters, as well as other considerations.

### Investment Types

Your financial advisor will formulate an asset allocation plan based on the combined performance attributes of the individual asset classes. Your portfolio may include, but is not limited to, mutual funds, stocks, bonds, ETFs, alternative investments, conservative option strategies, a no-load variable annuity, cash equivalents or a combination of these vehicles. What's more, you have the ability to include investments you already own and may have held for years.

### Ongoing Management and Rebalancing

Portfolio rebalancing 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 are not reviewed on a regular basis tend to drift from their target allocations. A portfolio that is not regularly rebalanced could assume a risk/reward profile that is not 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.

Portfolio Rebalancing Example: Growth with Income Portfolio		
Original Allocation	Non-Rebalanced Portfolio	Rebalanced Portfolio
 <p>In the example above, an investor begins with an asset allocation of 60% equities and 40% bonds.</p>	 <p>If the performance of the investments pushed that mix to 85% equities and 15% bonds, the investor now has a portfolio that is not in line with their risk/return parameters.</p>	 <p>By rebalancing, the investor could avoid this type of market-driven change and keep their investments in line with their objectives.</p>



## Simplicity

One account. One statement. One fee. Strategic Asset 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.

Quarterly performance reports provide clear, concise information about your investments and give you and your financial advisor the opportunity to review your investments and determine whether your current portfolio correctly reflects your long-term financial goals.

## Account Protection

The LPL Financial SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. For an explanatory brochure, please visit [www.sipc.org](http://www.sipc.org). Additionally, through London Insurers, LPL Financial accounts have additional securities protection to cover the net equity of customer accounts up to an overall aggregate firm limit of \$575,000,000, 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 does not protect against losses from the rise and fall in the market value of investments. This extensive coverage reflects a strong commitment to serving your investments needs.

## FDIC Insured Cash Accounts

Through the LPL Financial multi-bank Insured Cash Account Program, deposits are eligible for up to \$1.5 million of deposit insurance for individual accounts, and for up to \$3 million of deposit insurance for joint accounts through the FDIC. At each bank, your Insured Cash Account deposits are insured by the FDIC to a maximum amount of \$250,000 (including principal and accrued interest) when aggregated with all other deposits held by you in the same recognized legal capacity (e.g., individual, joint, IRA, etc.) at the same bank. For example, if you have an individual brokerage account, you would be eligible for up to \$250,000 of FDIC deposit insurance per bank. If you and your spouse have a joint account, your account would be eligible for up to \$500,000 of FDIC deposit insurance per bank. Keep in mind that other investment holdings are subject to loss.

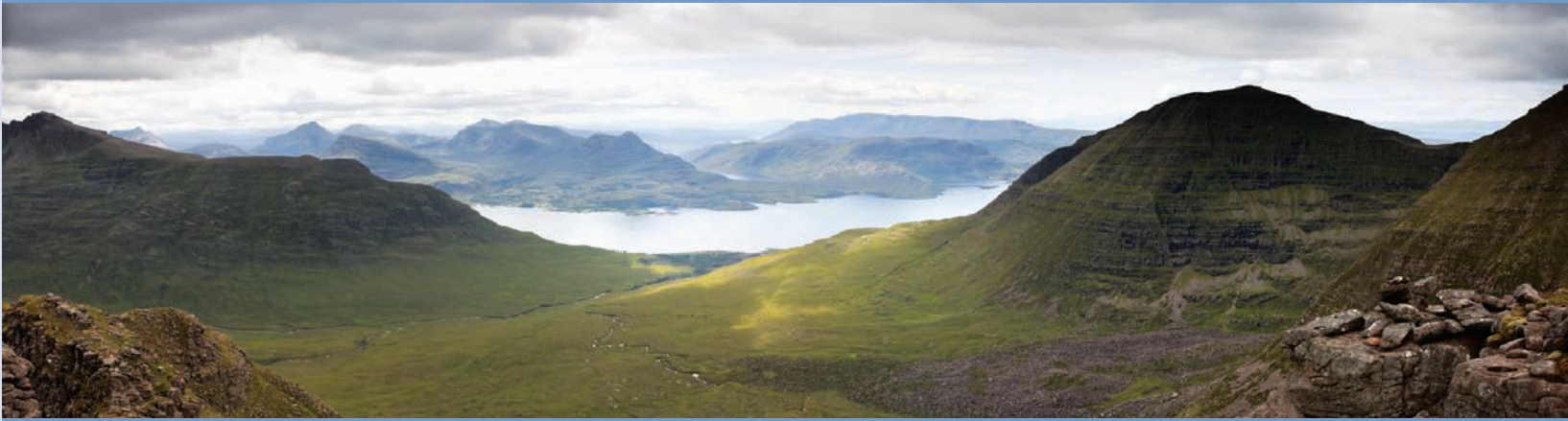
If you have any questions about FDIC insurance coverage, visit [www.fdic.gov](http://www.fdic.gov).

Define what financial independence means to you. Achieve your goals through customized strategic asset management.



Define what financial independence means to you and enjoy the flexibility of an investment account that can change with your needs.





## About LPL Financial

LPL Financial is the leading independent broker/dealer in the country,\* with a history of helping individuals and businesses achieve their financial goals for more than 40 years. LPL Financial offers independent, non-proprietary investment products, which are intended to serve the client's best interests. With headquarters in Boston, San Diego and Charlotte, LPL Financial provides premier service and support to financial advisors nationwide.

\*As reported by *Financial Planning* magazine, June 1996-2009, based on total revenue.

The LPL Financial family of affiliated companies includes LPL Financial and UVEST Financial Services Group, Inc., each of which is a member of FINRA/SIPC.

Not FDIC/NCUA Insured	Not Bank/Credit Union Guaranteed	May Lose Value	Not Guaranteed by any Government Agency	Not a Bank/Credit Union Deposit
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Member FINRA/SIPC

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