

# Creating New Opportunities in Wealth Management



**Tactical. Risk-Managed. Time-Tested.**





**Through our unique and proprietary strategies—and all the operational support your practice needs—CAN advisors will be able to build client portfolios that seek to deliver long-term, risk-adjusted growth by limiting downside risk and capturing gains opportunistically.**

## Tactical portfolios for modern markets

At Capital Advisor Network (CAN), we look at portfolio construction in a completely different way. We believe the best way to manage risk during volatile, unpredictable markets is to diversify among trading strategies, not just assets.

We call this Enhanced Modern Portfolio Theory, which embraces the application of tactical investments as part of an overall progressive diversification strategy. Our main goal will suit most of today's investors—to achieve the highest rate of compounded return while assuming the least amount of risk possible.

When attempting to strike this kind of balance between risk and reward during market cycles, it's critical to consider the negative effects large downturns can have on long-term results. Our strong bias toward volatility reduction and downside protection is designed to mitigate market fluctuations so that investors can take better advantage of the benefits of compounding.

As an advisor with the CAN turn-key asset management platform (TAMP), you will be provided with all the resources necessary to help illustrate the importance of tactical strategies as part of any portfolio. You'll be able to assure your clients that each aspect of our investment selection process is dependent upon rigorous research and active management to help manage risk and capture gains opportunistically.

CAN advisors will be able to impact each client's portfolio with all the operational and intellectual support needed to:

- Diversify across multiple risk management dimensions
- Combine distinct tactical strategies
- Emphasize Trend Following, Momentum/Relative Strength, Global Multi Asset Hedge and Risk Budgeting
- Monitor portfolio managers to ensure legitimacy of their strategy
- Implement a combination of operational, qualitative and quantitative perspectives

## Taking the emotion out of investing

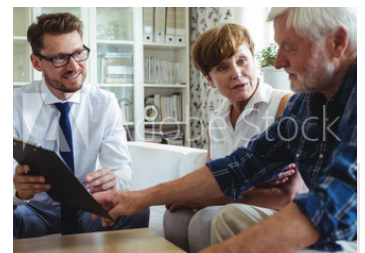
Our CAN investment platform offers advisors the ability to choose from pre-determined models that are based on a conceptually sound decision-making framework, designed to be competitive throughout changing investment environments.

By employing risk-appropriate diversification benchmarks, our Models are meant to help investors emphasize a patient, long-term perspective across all market cycles based

on their tolerance for risk. Engineered using a range of equities and fixed income vehicles, our aim is to provide advisors a disciplined yet diversified portfolio construction process that helps them choose the portfolio that best aligns with their client's risk profile.

Professionally designed and monitored by our Investment Committee, CAN Models provide structured oversight, due diligence, ongoing management, and systematic re-balancing.

### Pillars of The CAN Approach



We'll help you develop and implement investment strategies specifically geared toward your clients' unique investment goals and tolerance for risk. The key is our methodology of diversification across multiple risk-controlled strategies to manage wealth for both performance and protection.

# In today's turbulent markets, the flexibility to adapt is crucial

**Our immediate access to some of the most innovative, proven minds in asset management—who generate some of the most unique, effective investment opportunities available today—is what separates CAN from other money managers.**

Staying tactical in all markets can be a complicated endeavor, but our investment solutions are able to condense the complexities of the markets into simplified, pre-determined solutions. As a Registered Investment Advisor (RIA), we provide our advisors with easy access to a broad range of tactical investment solutions—Conservative, Moderate, and Aggressive—each designed to simplify the challenging investment management process.

We've built our investment platform based on the intelligence and thorough research we gather. Our immediate access to some of the most innovative, proven minds in money management—who generate access to some of the most unique, effective investment

opportunities available today—is what separates CAN from other money managers.

Our strength is in finding the right recommendations and the right strategies for each individual portfolio, then implementing them effectively to continually maintain a track record of excellence. The investment research we perform is extensive, thorough and ongoing:

- We focus on tactical investment strategies that exhibit low correlation to volatility.
- We provide portfolio risk diversification, with clearly defined risk management parameters.
- We continue to innovate, always developing risk-appropriate responses to changing markets.

## Models that skip the drama

Financial markets are imperfect places that produce imperfect results. That's why the CAN Investment Committee is constantly applying its methodology, experience, and discipline to develop investment solutions intended to create a smoother ride for investors.

### CAN Conservative Portfolio

- Seeks to achieve a liquid, broadly diversified investment portfolio designed to achieve a more consistent rate of return with a lower degree of risk.
- Significantly underweights exposure to equities and over weights exposure to tactical fixed income funds, liquid alternative funds and ETF strategies.
- May be appropriate for investors with a high sensitivity to short-term volatility, a relatively short time horizon, and a need for more predictable income.

### CAN Moderate Total Portfolio

- Seeks a comprehensive, broadly diversified total portfolio that participates in favorable market trends but also protects from extreme market declines.
- Combines a blend of strategic and tactical methodologies, utilizes multiple money managers, and incorporates technical, fundamental, and quantitative analysis.
- May be appropriate for investors with a time horizon of five to ten years who are looking to achieve moderate growth while simultaneously dampening volatility.

### CAN Aggressive Portfolio

- Seeks to achieve a higher long-term return by taking on a higher degree of risk by participating in favorable market trends (trend following) while allocating to equity investment strategies that incorporate a systematic risk management process.
- Significantly overweights exposure to equities and underweights exposures to fixed income and liquid alternatives.
- May be appropriate for investors with a long-term horizon that are comfortable with the short-term volatility that can come with high-return asset classes.

Unlike conventional portfolio managers that may rely on a static, buy-and-hold approach to portfolio construction, we choose to utilize an array of innovative, actively managed investment strategies, each with its own built-in risk management methodology. We want to make sure CAN advisors can stay as nimble as possible to suit modern investors in modern markets.

With the depth and breadth of our intellectual and operational support behind them, we think CAN advisors are well-equipped to meet the demands of clients investing in unpredictable markets. Our unique platform is a considerable advantage when advising on investors' current financial picture and future financial goals—and their tolerance for risk.

<p><b>Flexible portfolios for volatile markets</b></p> <p>Our experienced, innovative money managers actively assess global market conditions to make real-time adjustments based on market trends.</p>	<p><b>Next-level diversification</b></p> <p>We utilize proprietary diversification tactics in attempts to limit severe losses and offer investors long-term opportunities through compounding.</p>	<p><b>Return potential across markets</b></p> <p>Our investment goals reflect what today's investors are seeking—a steady, disciplined approach to generating returns while navigating market turbulence.</p>
---	--	---

Being able to combine these powerful traits of our portfolio management system gives our advisors a savvy, next-level measure of diversification and risk management that is very attractive to today's investors.

## Constant monitoring is mandatory

Because our main goal is to minimize risk and limit large-scale losses while being able to readily customize client portfolios, our investment process strategically tilts portfolio asset class exposure based on valuation conditions.

For example, when price-to-earnings (PE) ratios are low and stocks are inexpensively priced, we increase equity exposure and decrease exposures to bonds and liquid alternatives. Conversely, when PE ratios are high and stocks are expensively priced, we decrease equity exposure and increase exposures to bonds and alternatives.

