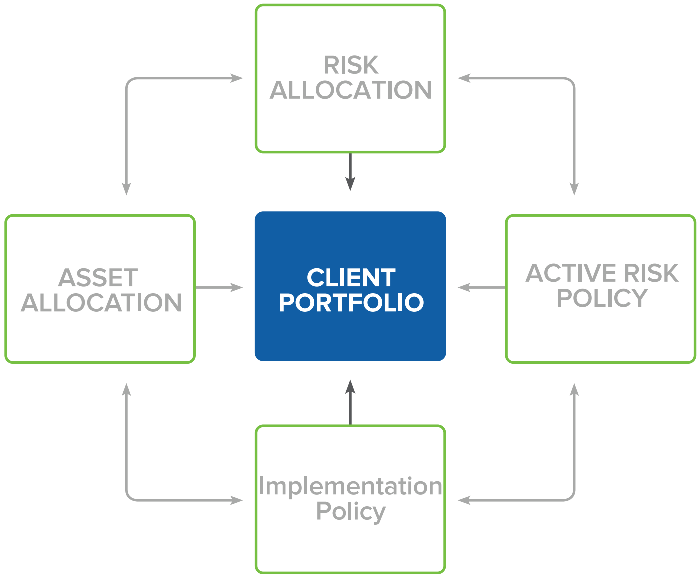
GDX360 | Investment Choice

At Wealthcare we focus on a framework of investment choices and implementation that provides principles-based, risk-managed, cost-effective investment solutions designed to improve investor success in reaching their life goals. Our aim is to maximize the compensation for bearing risk within a framework that considers client preferences. There are four key policy decisions that drive these preferences: risk allocation, asset allocation, active risk policy, and implementation policy.

The GDX360 Investment Choice process encourages better investing behavior. Our framework helps advisors better match the investment experience with client preferences and expectations. This helps keep emotions in check and strengthens client commitment to their chosen investment policy over market cycles and helps them focus on their goals and the strategy implemented to help them get there.



Risk Allocation refers to a portfolio's overall target equity to fixed income mix. It is selected based on client goals, resources, and risk tolerance. Risk allocation is a primary driver of risk and return over time[1] for diversified portfolios.

Asset Allocation refers to the asset classes and target weights used to implement a client's risk allocation. GDX360 provides a framework to guide clients through making asset allocation decisions including geographic orientation, degree of diversification, and asset class selection (core stock/bonds, REITs, commodities, alternatives, etc.)

Active Risk Policy - Is the decision to employ active management strategies in an attempt to generate additional value. There are two ways to introduce active risk: to employ active managers using security selection strategies or by adjusting your asset class exposure dynamically.

Implementation Policy includes model implementation and client level customization. Through GDX, models can be implmented on a household-based level. Household-based management enables the use of asset location in an effort to increase after-tax returns, reduce taxes and reduce transaction costs. Client level customization includes the establishment of tax budgets as well as security level restrictions such as do not buy and do not sell.

1. "The Equal Importance of Asset Allocation Management, " Xiong, Ibbotson, Idzorek Chen, Financial Analysts Journal, March/April 2010. CFA Institute

Investment Consulting Team

Our investment consulting team, made up of industry professionals with decades of experience, provides our advisors with assistance and services across three key areas:

Client/Prospect Conversion:

- Identify an appropriate Wealthcare strategy for your client/prospect through the use of our Transition Analysis Report.
- Diagnose the client/prospects current portfolio through Comparative Analysis
- Use our Tax Alpha Report to compare traditional account-based rebalancing to our household-based rebalancing technique and quantify the value add in basis points.

Investment Strategy Consultation:

We offer a wide range of investment choices to advisors and their client/prospects with our 500+ investment strategies. While risk level often needs to change over the course of a plan, our goal is to help you select a strategy that puts the clients investments within the context of their goals.

Wealthcare's investment consulting team is here to help! We have a consultative process in place through which you can leverage our expertise to help you further define the investment strategy and prepare investment proposals for client/prospect meetings.

To learn more about the services we provide, contact us at investmentconsulting@wealthcarecapital.com.

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