

# Transition Report

Scott & Samantha Client

Advisor:

Valued Advisor



Manage Your Goals  
Using Time-Tested  
Principles

# TRANSITION EXECUTIVE SUMMARY

## A. CURRENT

### HOUSEHOLD RISK ALLOCATION

Broad	\$	%
Cash	300,000	25.0
Fixed Income	48,280	4.0
Equity	835,391	69.6
Real Assets	16,329	1.4
<b>Totals</b>	<b>1,200,000</b>	<b>100.0</b>

### HOUSEHOLD ACCOUNTS

Registration	\$
401k Account	500,000
IRA Account	400,000
Brokerage Account	300,000

### HOUSEHOLD ASSET ALLOCATION

Asset Class	\$	%
Cash Equivalents	300,000	25.0
Investment Grade Bonds	39,266	3.3
High Income Bonds	9,014	0.8
Large Cap Equity	389,597	32.5
Small-Mid Cap Equity	175,924	14.7
International Equity	248,523	20.7
Emerging Market Equity	21,347	1.8
Real Estate	16,329	1.4
<b>Totals</b>	<b>1,200,000</b>	<b>100.0</b>

## B. TARGET

Strategy	Pure Gamma Domestic Core
Allocation	Growth (80E / 20F)

## C. TRANSITION TRADE-OFFS

### PROJECTED FEE SAVINGS

Horizon	Beginning Market Value	Current Portfolio Cost (%)**	GDXi Portfolio Cost (%)*
	1,200,000	0.55	0.07
1 years		5,898	
3 years		20,145	
5 years		38,223	
7 years		60,921	
10 years		105,718	
15 years		219,308	
20 years		404,417	
30 years		1,160,511	

### TAX COSTS

Assumptions: Short-Term rate 39% : Long term rate 20%

Target Portfolio	Liquidation Strategy	Realized Gain/Loss	Total Tax Cost*	Retained Securities
<b>Option 1</b>				
A.Pure Gamma Domestic Core	Liquidate All	10,000	2,000	0
<b>Option 2:</b>				
B.Pure Gamma Domestic Core	Liquidate Now but do not sell Security Substitutes and Retain Securities (see details)	-25,000	-9,750	1

The table reflects potential cost savings if the Wealthcare portfolio has a cost of .07%, and the current portfolio has a cost of .55%. In 5 years time assuming a portfolio return of 7%, the savings of transitioning to the Wealthcare portfolio will be \$38,223.

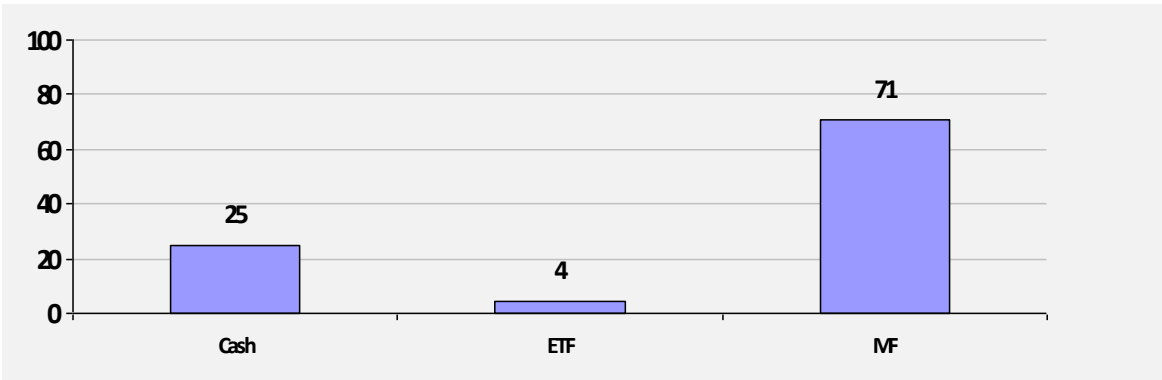
See Underlying Fee page for additional details. GDXi refers to Goals Driven Experience Investments. GDXi is the brand of the investment solutions managed by Wealthcare Capital Management.

\* Total Tax Cost: Approximates the additional amount owed in taxes as result of liquidating. Negative numbers assume that losses can be used to offset other capital gains or income.

# Assets By Accounts

Account Type	Name	\$	%
401K	401k Account	500,000	41.7
		<b>500,000</b>	<b>41.7</b>
IRA	IRA Account	400,000	33.3
		<b>400,000</b>	<b>33.3</b>
Taxable	Brokerage Account	300,000	25.0
		<b>300,000</b>	<b>25.0</b>
	Total	<b>1,200,000</b>	<b>100.0</b>

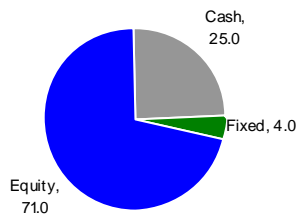
# Current Holdings By Product



Product Type	\$	%
Cash	300,000	25.0
ETF	50,000	4.2
MF	850,000	70.8
	<b>1,200,000</b>	<b>100</b>

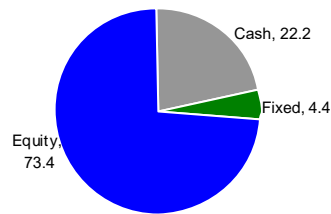
# Current Holdings

## Total Portfolio



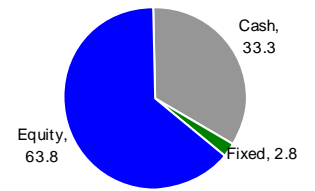
Total : 1,200,000

## Tax Deferred



Tax Deferred: 900,000

## Taxable

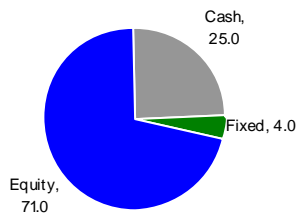


Taxable: 300,000

Description	Ticker	Account Name	Acct Type	Percent	Market Value
<b>Cash Equivalents</b>					
Cash	CASH	xxxx1	Taxable	8.33	100,000
Cash	CASH	xxxx3	IRA	8.33	100,000
Cash	CASH	xxxx2	401K	8.33	100,000
Cash Equivalents Totals				25.00	300,000
<b>Small-Mid Cap Equity</b>					
ARK Innovation ETF	ARKK	xxxx1	Taxable	4.17	50,000
Small-Mid Cap Equity Totals				4.17	50,000
<b>Balanced</b>					
T. Rowe Price Retirement 2045	TRRKX	xxxx1	Taxable	12.50	150,000
T. Rowe Price Retirement 2045	TRRKX	xxxx3	IRA	25.00	300,000
T. Rowe Price Retirement 2045	TRRKX	xxxx2	401K	33.33	400,000
Balanced Totals				70.83	850,000
Portfolio Totals				100.00	1,200,000

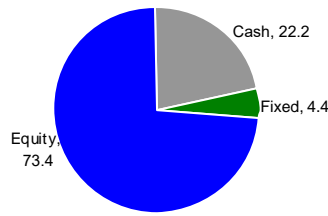
# Option 1: Liquidate All

## Total Portfolio



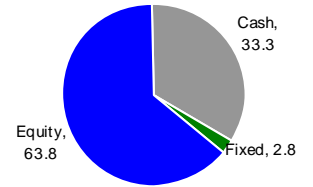
Total : 1,200,000

## Tax Deferred



Tax Deferred: 900,000

## Taxable



Taxable: 300,000

Description	Ticker	Acct Type	Percent	Market Value	Short Term	Long Term	Total
<b>Cash Equivalents</b>							
Cash	CASH	Brokerage Account-Taxable	8.33	100,000	0	0	0
Cash	CASH	IRA Account-IRA	8.33	100,000	0	0	0
Cash	CASH	401k Account-401K	8.33	100,000	0	0	0
Cash Equivalents Totals			25.00	300,000	0	0	0
<b>Small-Mid Cap Equity</b>							
ARK Innovation ETF	ARKK	Brokerage Account-Taxable	4.17	50,000	0	35,000	35,000
Small-Mid Cap Equity Totals			4.17	50,000	0	35,000	35,000
<b>Balanced</b>							
T. Rowe Price Retirement 2045	TRRKX	Brokerage Account-Taxable	12.50	150,000	0	-25,000	-25,000
T. Rowe Price Retirement 2045	TRRKX	IRA Account-IRA	25.00	300,000	0	0	0
T. Rowe Price Retirement 2045	TRRKX	401k Account-401K	33.33	400,000	0	0	0
Balanced Totals			70.83	850,000	0	-25,000	-25,000
Portfolio Totals				1,200,000	0	10,000	10,000

**Option 1: Liquidate All -Assumes no carryforwards as all net losses deducted at short term rates.**

Capital Gains Rates 39.0% 20.0%

Dollar Effect 2,000

**Option 1A: Liquidate @ Long Term Rates**

Dollar Effect 0 2,000 2,000

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Above given options on liquidating the portfolios are only for discussion purpose and actual numbers may differ from the given above.

Sources include Morningstar and MPI Stylus

# Option #2 : Liquidate with Constraints

Model: Pure Gamma Domestic Core

Description	Ticker	Acct. Type	Current %	Current \$	Like Sec	Retain All	Retain 2%	Sell %	Liquidate %	Liquidate \$	Short Term	Long Term	Total	
<b>Cash Equivalents</b>														
Cash	CASH	Taxable	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0	
Cash	CASH	IRA	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0	
Cash	CASH	401K	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0	
Cash Equivalents Totals									24.99	300,000	0	0	0	
<b>Small-Mid Cap Equity</b>														
ARK Innovation ETF	ARKK	Taxable	4.17	50,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		0	0	0	0	0	
Small-Mid Cap Equity Totals									0.00	0	0	0	0	
<b>Balanced</b>														
T. Rowe Price Retirement 2045	TRRX	Taxable	12.50	150,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		12.5	150,000	0	-25,000	-25,000	
T. Rowe Price Retirement 2045	TRRX	IRA	25.00	300,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		25	300,000	0	0	0	
T. Rowe Price Retirement 2045	TRRX	401K	33.33	400,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		33.33	400,000	0	0	0	
Balanced Totals									70.83	850,000	0	-25,000	-25,000	
Portfolio Totals											0	-25,000	-25,000	
											Capital Gains Rate	39.0%	20.0%	
<b>Option 2: Liquidate with constraints</b>											Tax Effect	0	-5,000	-5,000
											Tax Effect -at long term rates			-5,000

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Sources include Morningstar and MPI Stylus

# Holdings to Retain

Description	Ticker	Account Name	Acct Type	Percent	Market Value
<b><u>Small-Mid Cap Equity</u></b>					
ARK Innovation ETF	ARKK	xxxx1	Taxable	4.17	50,000
Small-Mid Cap Equity Totals				4.17	50,000
Retained Security Totals				4.17	50,000



# Holdings to Sell

Model: Pure Gamma Domestic Core

Description	Ticker	Acct. Type	Current		Like Sec	Retain All	Retain 2%	Sell %	Liquidate		Short Term	Long Term	Total
			%	\$					%	\$			
<b>Cash Equivalents</b>													
Cash	CASH	Taxable	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0
Cash	CASH	IRA	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0
Cash	CASH	401K	8.33	100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		8.33	100,000	0	0	0
Total:									24.99	300,000	0	0	0
<b>Balanced</b>													
T. Rowe Price Retirement 2045	TRRKX	Taxable	12.50	150,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		12.5	150,000	0	-25,000	-25,000
T. Rowe Price Retirement 2045	TRRKX	IRA	25.00	300,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		25	300,000	0	0	0
T. Rowe Price Retirement 2045	TRRKX	401K	33.33	400,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		33.33	400,000	0	0	0
Total:									70.83	850,000	0	-25,000	-25,000
Total to Sell									95.82	1,150,000	0	-25,000	-25,000

Planner Name

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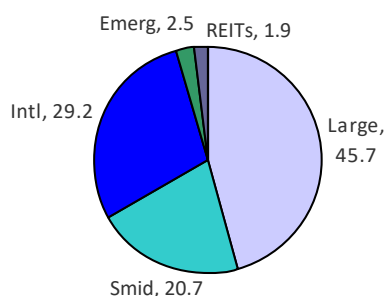
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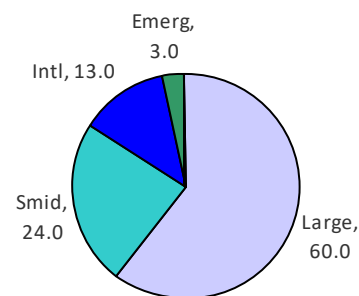
# Equity Asset Allocation

## Current Allocation vs GDxi Model

Current Growth Allocation



GDxi Model



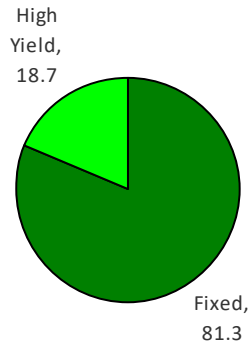
Asset Class	Current		GDxi Model
	%	\$	%
Real Estate	1.9	16,329	0.0
Large Cap Equity	45.7	389,597	60.0
Small-Mid Cap Equity	20.7	175,924	24.0
International Equity	29.2	248,523	13.0
Emerging Market Equity	2.5	21,347	3.0
Commodities	0.0	0	0.0
Alternative Strategies	0.0	0	0.0
	<b>100.0</b>	<b>851,720</b>	<b>100.0</b>

GDxi Model=ETF DOMESTIC CORE 3ETF D TD

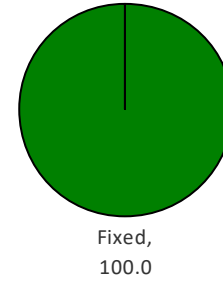
# Fixed Income Asset Allocation

## Current Fixed Income Asset Allocation vs GDXi Portfolio

Current



Model



Asset Class	Current		GDXi Model
	%	\$	%
TIPs	0.0	0	0.0
Investment Grade Bonds	81.3	39,266	100.0
High Income Bonds	18.7	9,014	0.0
	<b>100</b>	<b>48,280</b>	<b>100</b>

GDXi Model ETF DOMESTIC CORE 3ETF D TD

# Underlying Expense Ratios

excluding advisory fees

Description	Ticker	Vehicle	MV	%	Expense Ratio
Brokerage Account-xxxx1					
T. Rowe Price Retirement 2045	TRRKX	MF	150,000	12.5	0.71
ARK Innovation ETF	ARKK	ETF	50,000	4.2	0.75
		Account Total	200,000	16.7	0.72
401k Account-xxxx2					
T. Rowe Price Retirement 2045	TRRKX	MF	400,000	33.3	0.71
		Account Total	400,000	33.3	0.71
IRA Account-xxxx3					
T. Rowe Price Retirement 2045	TRRKX	MF	300,000	25.0	0.71
		Account Total	300,000	25.0	0.71
		Total	900,000	75.0	
				% Securities With Expense Data :	75.0
				Portfolio Costs - this assumes that securities without expense ratios (such as individual stocks and closed end funds) have the same cost as those that had recorded expense ratios.	0.72
				Portfolio Costs - this assumes that securities without expense ratios (such as individual stocks and closed end funds) have zero investment costs.	0.54

# Disclosures

All investments carry a degree of risk of loss of principal and there is no assurance that an investment will provide positive performance over any period of time.

Investors should consider the investment objectives, risk, charges and expenses of an investment carefully before investing. A rise/fall in the interest rates can have a significant impact on bond prices and the NAV (net asset value) of a fund. Funds that invest in bonds can lose their value as interest rates rise and an investor can lose principal. High yield bonds (lower rated or junk bonds) experience higher volatility and increased credit risk when compared to other fixed income investments.

Past performance is not necessarily indicative of future returns and the value of an investment may decrease as well as increase, an investor may not receive the amount initially invested, and income, if any, may fluctuate. The value of an investment may be affected by a variety of factors, including economic and political developments, interest rates and foreign exchange rates, as well as issuer-specific events. Returns do not reflect the deduction of advisory fees, brokerage fees or any other expenses that the accounts would have or actually paid.

Small-Mid Cap stocks may be subject to a higher degree of risk than more established companies' securities. The liquidity of the small-cap market may adversely affect the value of these investments so that shares, when redeemed, may be worth more or less than their original cost.

International stocks may be subject to a higher degree of risk than stocks of established domestic companies because of currency fluctuations, political instability and other uncertainties. Shares when redeemed may be worth more or less than their original cost.

Exchanged Traded Funds (ETFs) are designed to track an assigned index or strategy. ETFs are structured so that the shareholder owns an portfolio of securities. There is no guarantee that an investor in an ETF will earn the return of the target index. ETF fees, bid/offer spreads, deviations from net asset value and tracking risk to the target portfolio can reduce the return earned by the investor.

Exchanged Traded Notes (ETNs) are designed to track an assigned index or strategy. ETNs are structured so that the issuer guarantees the return of the target index less fees. There is no guarantee that an investor in an ETN will earn the return of the target index less fees. ETN bid/offer spreads, deviations from net asset value and default risk of the issuer can reduce the return earned by the investor.

Please note that programs providing tax aware investment management should not replace your consultation with a professional advisor regarding your tax situation. Municipal bond income may be subject to state income tax if issued by a state other than your domicile state, and may be subject to the Alternative Minimum Tax. This information should not be construed as specific tax or investment advice. A prospective client should review their investment objectives, risk tolerance, tax situation, and liquidity needs before choosing an investment.

Investors should note that there are frequently material differences between hypothetical, back-tested or simulated performance results and actual results subsequently achieved by any investment strategy. Unlike an actual performance record based on trading actual client portfolios, simulated results are achieved by means of the retroactive application of a back-tested model itself designed with the benefit of hindsight. Simulated performance does not necessarily reflect the impact that material economic or market factors might have on an adviser's decision making process if the adviser were actually managing a client's portfolio. The back-testing of performance differs from actual account performance because the investment strategy may be adjusted at any time, for any reason and can continue to be changed until desired or better performance results are achieved. No representation is made that any index or account will or is likely to achieve profits or losses similar to those shown. Alternative modeling techniques or assumptions might produce significantly different results and prove to be more appropriate. Past hypothetical, back-test or simulated results are neither indicators nor guarantees of future returns.