



# **Personalized Wealth Management at Scale: The WMP Advantage**

Presented by Chad Edwards & Dru Ashcraft

# Agenda

- Book of Business Review
  - Uncover Opportunities
- Segmenting your practice
  - Personalization at Scale
- Tax Solutions
  - How to get there

# How can we best support your business?

## A partner for growth

What are your top 3 priorities for your business this year?

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What does success look like?

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Are there WMP capabilities or solutions you'd like to learn more about?

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What's the best way for us to stay connected with you and your team?

# The broadening role of the advisor

Clients have raised their expectations



**Investment  
Manager**



**Financial  
Planner**



**Tax  
Advice**



**Insurance &  
Protection**



**High Net Worth  
Services**



**Alternative  
Investments**



# Organization

A simple way to start to grow the value of your business



# Top Opportunities in 2026

Advisor conversations we're having today

Optimization

Consolidation

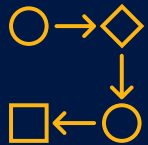
Automation

# Unlock Hidden Potential with a Book of Business Review

# Why do a Book of Business Review?

## Help us help you

- A strategic exercise that can help you uncover hidden opportunities and more effectively align your efforts with your business goals
- ***In an hour or less***, we will sit alongside you to:



**Review Platform  
Capabilities**



**Spot Gaps &  
Inefficiencies**



**Identify Actionable  
Insights**



**Outline Next  
Steps**

# What we typically find

## Common themes



**Structural  
Issues**



**A-Share  
Problems**



**Brokerage to  
Managed  
Opportunity**



**TAMP  
Consolidation  
Opportunity**

# Segmentation by Account Size

# Exploring your options

## Practice-Level Solutions

## Client-Specific Solutions

< \$250k

Strategist or AMP

Genesis Model Portfolios

\$250k min

Strategist UMA

Portfolios built and managed by industry leading asset managers to fit the needs of high net worth clients

\$250k – 1 million

Custom UMA or AMP

Portfolios for larger accounts personally created and customized for clients with the assistance of an investment specialist

Discretion?

Advisor

PMC

\$1 million+

Private Wealth

Fully outsourced service that includes completely customized portfolio design and ongoing implementation for larger client relationships

Discretion?

Advisor

PMC

Level of Customization

Performance results will be reduced by fees including, but not limited to, investment management fees and other costs such as custodial, reporting, evaluation and advisory services. A description of all fees, costs and expenses are found in a financial advisor's Disclosure Brochure. Past performance is not indicative of future results.

# Top GMP Strategists

Blackrock

Fidelity

Capital Group / American Funds

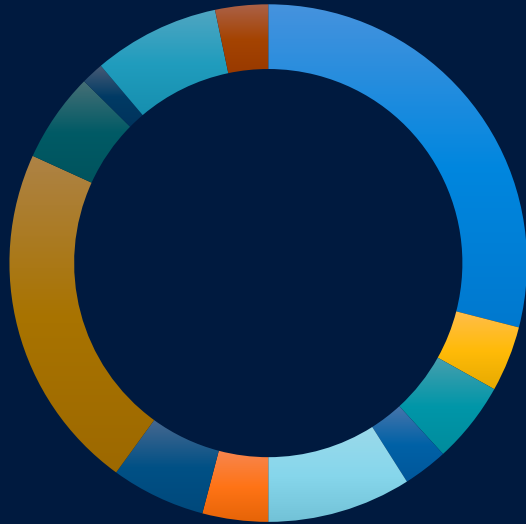
Ladenburg

# Integrated and comprehensive support



\*Some solutions are available only through partner single sign-on integrations. Please see important end disclosures for more information.

# Custom UMA or Private Wealth



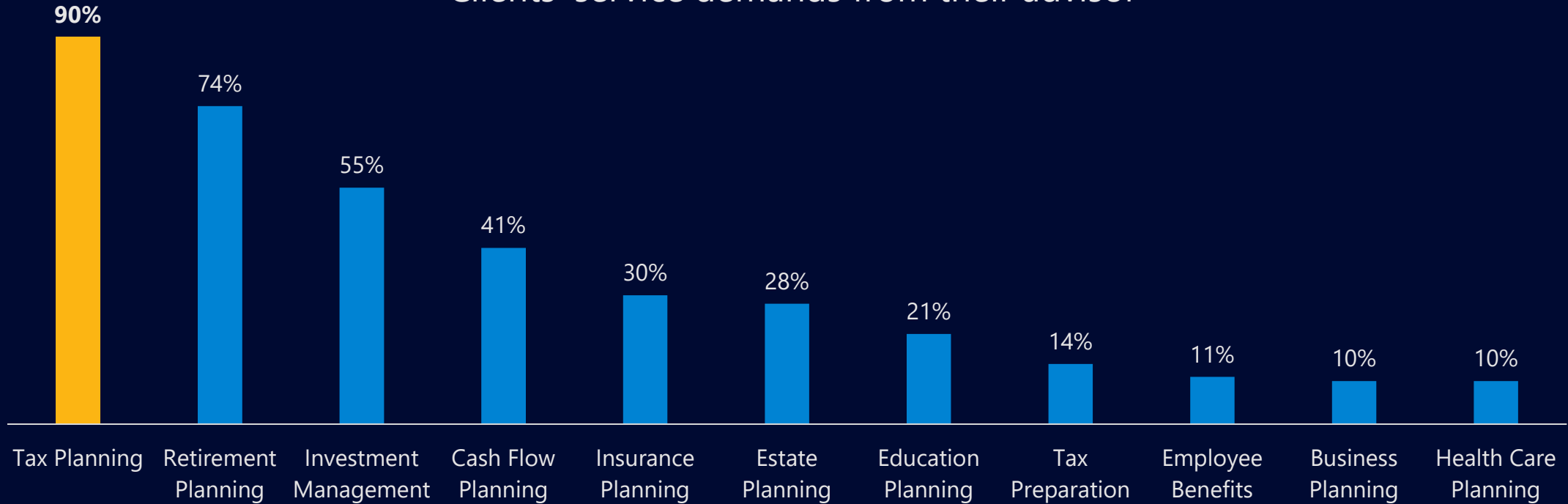
Allocation of Hypothetical Qualified \$2M Moderate 60/40 Portfolio		
Asset Class	Holding	Allocation
<b>Equity</b>		
Large-Cap Core	Quantitative Portfolio: Market Series Large Cap Core	29.00%
Mid-Cap Growth	Congress Mid Cap Growth	4.10%
Mid-Cap Value	Earnest Partners Mid Cap Value Managed Account	5.10%
Small-Cap Core	Eastern Shore Small Cap Equity Managed Account	2.80%
Foreign Large Cap Core	Quantitative Portfolio: Market Series Intl ADR	9.00%
Foreign Large Cap Growth	Clearbridge International Growth ADR Portfolios	4.10%
Int'l Emerging Mkts	Avantis EM Equity ETF	5.90%
<b>Fixed Income</b>		
Intermediate Bond	Belle Haven Taxable Ladder PLUS Managed Account UMA	21.80%
Intermediate Bond	Invesco Total Return Bond ETF	5.60%
High Yield	PGIM Active High Yield Bond ETF	1.40%
International Bond	Vanguard Total International Bond ETF	7.90%
Bank Loan	First Trust Senior Loan ETF	3.30%

# What about Taxes?

# Your clients want tax management

Tax planning is the most demanded service among consumers with more than \$250,000 in household assets

Clients' service demands from their advisor



2023 Herbers & Company Service Market Growth Study

# Top performing advisors are offering tax management

Top organic growing advisory firms are more comprehensive in their service offerings, and most are providing their clients with tax planning.

**97%**

of top organic growers are offering tax planning to their clients



Of the rest of the advisory firms that were **NOT** the top organic growers, only

**49%**

are offering tax planning to their clients

2023 Herbers & Company Service Market Growth Study

# Tax Overlay

## Client Use Cases

Strategic Tax  
Management

Inevitable  
Portfolio Changes

Advisor Migration

Responding to  
Outside Taxable Events

Firm Wide  
Manager Changes

Diversifying  
Concentrated Equity  
Portfolios

# Available programs at Osaic

Solutions across the evolving advisory spectrum



AMP



Genesis Model  
Portfolios



Advisor Directed UMA



Strategist  
UMA



Direct Indexing



HNW  
Consulting

Access to Fund Strategist  
Tax Management

Unified Managed Account Eligibility  
Access to Tax and Value Overlay

# Fund Strategist Tax Management

# The Advisor Experience

## Step 1: Select Tax Overlay Services within the proposal

**PLATFORM ACCOUNTS** ⓘ  
This section contains the accounts that you are proposing and/or managing as part of this investment strategy. [Hide Analysis](#) [+ Add new solution](#) ▾

**NEW** Joe Sample | Individual ⓘ

Proposal amount: \$ 749,691.00  
Registration type: Individual ▾  
Owners: Joe Sample ▾  
Custodian: National Financial Services LLC ▾

Funding Amount: ⓘ \$749,691.00 [Edit](#) [Remove](#)

Choose the services that you would like to enable on this account:

- Tax management** Fund Strategist Tax Management ⓘ  
Tax management is a premium service that helps manage tax consequences. Select this option to manage and potentially reduce capital gains taxes.

Long-term tax rate: 20% [Edit tax overlay](#)

**Investment products**  
BlackRock 70/30 Target Allocation Tax-Aware ETF Portfolio ⓘ  
Fund Advisory Portfolio  
[Change product](#) [Remove program](#)

**Product cost**  
0.32%  
\$2,424.07 based on current proposal amount

**Risk assessment**  
Less risk More risk  
1 58 71 100  
■ Target: Moderately Aggressive (58-71) ////// Allowed Range: (1-71)  
● Product Risk: Moderately Aggressive (70)

**When building the proposal, the advisor can select "Tax Management" if their account is eligible, which includes all FSP models in FSP programs**

# The Advisor Experience

## Step 2: Select a Portfolio

**Account Strategy**

- Tax management
- Proposal amount: \$749,691.00
- Registration type: Individual
- Owners: Joe Sample
- Custodian: National Financial Services LLC
- Target risk range: Moderately Aggressive

Target: Moderately Aggressive (58-71) Product Risk: Moderately Aggressive (62)

Filter by name Filter Risk class: Moderately Aggressive Tax appropriate X

34 product matched of 229

**The advisor will select the account's portfolio appropriate with their Risk Class**

Product Name	Risk Class	Product Cost
American Funds Retirement Income Model: Enhanced Strategy (F2)	Moderately Aggressive	0.32%
American Funds Tax-Aware Growth and Income Model Portfolio (F2)	Moderately Aggressive	0.32%
Ategenos Moderate Growth Strategy	Moderately Aggressive	0.42%
Ategenos Moderate Growth Tax-Aware Strategy	Moderately Aggressive	0.42%
BlackRock 60/40 Global Allocation (GA) Selects Portfolio	Moderately Aggressive	0.32%
BlackRock 60/40 Global Allocation (GA) Selects Tax Aware Portfolio	Moderately Aggressive	0.32%
BlackRock 60/40 Target Allocation ESG ETF Portfolio	Moderately Aggressive	0.32%
BlackRock 60/40 Target Allocation ETF Portfolio	Moderately Aggressive	0.32%
BlackRock 60/40 Target Allocation Tax-Aware ETF Portfolio	Moderately Aggressive	0.32%

# The Advisor Experience

## Step 3: Input Tax Rates

**Tax Overlay Optimization**

Assumed Tax Rates

Long-Term: % 20      Short-Term: % 37

The tax rates you enter are combined with other details from this proposal to provide representative options for you and your client to choose from to guide portfolio transition and ongoing tax costs.

**IMPORTANT NOTE:** The analysis results are hypothetical only, and are not guaranteed. Actual trading and actual tax results will differ due to

**The advisor may input the client's specific tax rates if known, or rely on the default tax rate values, to calculate the potential benefit of the service**

Proposal amount: \$ 749,691.00

Registration: Individual

Funding Amount: \$749,691.00

Target Portfolio:

- International: 22.80%
- Equity: 50.20%
- Fixed Income: 27.00%

Proposed:

- Equity: 48.5%
- International Equity: 15.5%
- Fixed Income: 34.0%

# The Advisor Experience

## Step 4: Select Client Tax Sensitivity

The advisor will see the Forecasted Tracking Error and Estimated Tax Cost of funding the account without Tax Management, as well as with Tax Management with a Very High, High or Moderate Tax Sensitivity

New Proposal for Ostiguy Family ⓘ  
Sandra L Snyder - Ostiguy Individual Tax Managed Proposal

**Current Portfolio**

Estimated tax cost --  
Estimated tax savings --  
Tracking Error ⓘ 2.26%

**No tax management service**

Estimated tax cost \$12,548.75  
Estimated tax savings \$0  
Tracking Error ⓘ 0.07%

**Very high sensitivity**

Estimated tax cost \$-184.86  
Estimated tax savings \$12,733.61  
Tracking Error ⓘ 1.73%

**High sensitivity**

Estimated tax cost \$854.75  
Estimated tax savings \$11,694.00  
Tracking Error ⓘ 1.2%

**Moderate sensitivity**

Estimated tax cost \$3,337.15  
Estimated tax savings \$9,211.60  
Tracking Error ⓘ 0.81%

**Representative Portfolio for very high tax sensitivity**  
You prefer minimizing tax consequences by accepting meaningful deviation between your portfolio and the target portfolio.

Investment	Current (%)	BlackRock 80/20 Target Allocation Tax-Aware ETF Portfolio (%)	Optimized (%)	Ineligible Funds ⓘ
<b>Large-Cap Growth</b>	35.44	7.5	35.44	
IVW -- iShares S&P 500 Growth ETF	3.51	3.5	3.51	--
FNITX -- Fidelity Advisor® New Insights M	13.56	--	13.56	--
FAEGX -- Fidelity Advisor® Equity Growth M	18.37	--	18.37	--
IYW -- iShares US Technology ETF	--	4	0	--

Proposal Actions

ANALYSIS

BlackRock 80/20 Target

View full product

Statistics Composi

29.32 capital  
38.31

EPS growth (5Y) Curren  
11.95% 1.87%

Model weighted Model  
average gross averag  
expense ratio ⓘ expend

0.15% 0.15%

# The Advisor Experience

## Step 4: Select Client Tax Sensitivity

The screenshot displays a user interface for selecting client tax sensitivity. At the top, there are five radio button options: 'Current Portfolio', 'No tax management service', 'Very high sensitivity', 'High sensitivity', and 'Moderate sensitivity'. The 'Very high sensitivity' option is selected. Below these options, a table compares the 'Current Portfolio' with the 'BlackRock 80/20 Target Allocation Tax-Aware ETF Portfolio' across four categories: Current (%), Target Allocation (%), Optimized (%), and Ineligible Funds. The 'Very high sensitivity' option shows an estimated tax cost of \$-184.86 and estimated tax savings of \$12,733.61. A callout box points to the 'Optimized (%)' column, stating: 'As the advisor toggles different Tax Sensitivities, they will see the hypothetical resulting holdings of the account'. To the right, an 'ANALYSIS' panel shows the 'BlackRock 80/20 Target Allocation T...' with a 'View full product analysis' button and a 'Composition' tab. The composition includes U.S. Equity (62.0%), International Equity (20.0%), Fixed Income (16.0%), and Cash (2.0%).

Investment	Current (%)	BlackRock 80/20 Target Allocation Tax-Aware ETF Portfolio (%)	Optimized (%)	Ineligible Funds
<b>Large-Cap Growth</b>	35.44	7.5	35.44	
IVW -- iShares S&P 500 Growth ETF	3.51	3.5	3.51	--
FNITX -- Fidelity Advisor® New Insights M	13.56	--	13.56	--
FAEGX -- Fidelity Advisor® Equity Growth M	18.37	--	18.37	--
IYW -- iShares US Technology ETF	--	4	0	--
<b>Int'l Emerging Mkts</b>	0.79	5.5	0	
IEMG -- iShares Core MSCI Emerging Markets ETF	0.79	--	0	--
EMXC -- iShares MSCI Emerging Mkts ex China ETF	--	5.5	0	--
<b>Inflation-Protected Bond</b>	0.44	--	0	
TIP -- iShares TIPS Bond ETF	0.44	--	0	--
<b>Large-Cap Value</b>	17.25	1	17.25	
IVE -- iShares S&P 500 Value ETF	2.17	--	2.17	--
FDGTX -- Fidelity Advisor® Dividend Growth M	15.08	--	15.08	--
IYC -- iShares Global Energy ETF	--	1	0	--
<b>Large-Cap Core</b>	21	53.5	21	

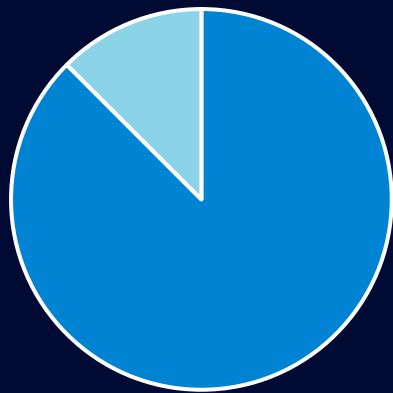
As the advisor toggles different Tax Sensitivities, they will see the hypothetical resulting holdings of the account

# Example: Transitioning AMP to GMP

## With Slight Change to Asset Allocation

### Current Portfolio

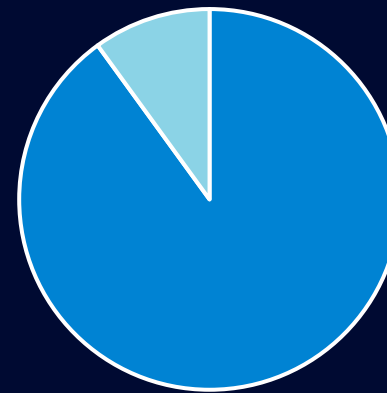
A client currently holds a portfolio heavily invested in equities (mostly individual stocks) and little fixed income. They are comfortable with their allocation, but worry about the risks of holding individual stocks.



**Equity: 87.5%**  
**Fixed Income: 12.5%**

### Target Portfolio

The client is comfortable with their allocation but wants to diversify their equity holdings and follow a professionally managed 90/10 model so they are better positioned to navigate market volatility.



**Equity: 90.0%**  
**Fixed Income: 10.0%**

## Tax Consequences of Transition

Portfolio Value  
\$213,000

Cost Basis  
\$163,000

Capital Gains  
\$50,000

Potential Taxes  
(\$8,700)

This is a hypothetical example for illustrative purposes only and not based on actual account information.

# Example: Transitioning AMP to GMP

## With Slight Change to Asset Allocation

### Analysis

The risk engine found the current portfolio's risk is in line with the model, but Forecasted Tracking Error is 5.0%

### Options

<b>Current Portfolio</b> Tracking Error: 5.0%	<b>No Management</b> Tracking Error: 0.0% Taxes (est.): \$8,700	<b>Very High Tax Sensitivity</b> Tracking Error: 2.6% Taxes (est.): \$1,700	<b>High Tax Sensitivity</b> Tracking Error: 1.3% Taxes (est.): \$3,100	<b>Moderate Tax Sensitivity</b> Tracking Error: 0.5% Taxes (est.): \$5,900
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### Outcome

Since the client is comfortable with their allocation and wants to follow a professional model, they chose the High Tax Sensitivity option as it balances the transition's tax impact while also providing professional investment management

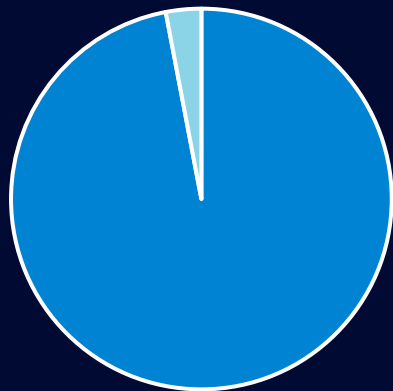
This is a hypothetical example for illustrative purposes only and not based on actual account information.

# Example: Transitioning AMP to GMP

## With Meaningful Change to Asset Allocation

### Current Portfolio

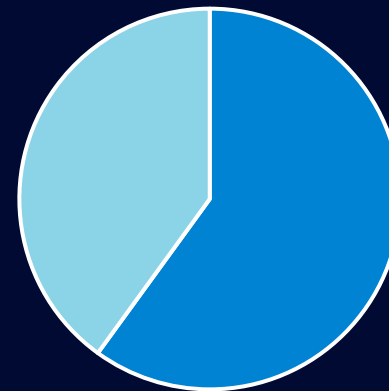
A client currently holds a portfolio heavily invested in equities and little fixed income. The client has become uncomfortable with the significant run up in the market and wants to reduce their risk by following a professional model that includes more fixed income.



**Equity: 97.0%**  
**Fixed Income: 3.0%**

### Target Portfolio

After engaging with a financial advisor, the client found that a Moderate risk profile would be more appropriate for their investment portfolio and they were advised to follow a professionally managed 60/40 model.



**Equity: 60.0%**  
**Fixed Income: 40.0%**

### Tax Consequences of Transition

Portfolio Value  
\$500,000

Cost Basis  
\$270,000

Capital Gains  
\$230,000

Potential Taxes  
(\$48,000)

This is a hypothetical example for illustrative purposes only and not based on actual account information.

# Example: Transitioning AMP to GMP

## With Meaningful Change to Asset Allocation

### Analysis

The risk engine found that the current portfolio's risk level was almost double that of the model, and Forecasted Tracking Error is very high at 9.1%.

### Options

<b>Current Portfolio</b> Tracking Error: 9.1%	<b>No Management</b> Tracking Error: 0.0% Taxes (est.): \$48,700	<b>Very High Tax Sensitivity</b> Tracking Error: 2.1% Taxes (est.): \$18,700	<b>High Tax Sensitivity</b> Tracking Error: 1.7% Taxes (est.): \$20,500	<b>Moderate Tax Sensitivity</b> Tracking Error: 0.8% Taxes (est.): \$29,500
--	--	--	---	---

### Outcome

The client chose to go with the Very High Tax Sensitivity option given their primary goal was to bring their overall risk level down while realizing a reasonable tax cost. They also decided to review their tax sensitivity option a year later to determine if they'd like to move closer to the model and evaluate the potential tax cost of doing so.

This is a hypothetical example for illustrative purposes only and not based on actual account information.

# UMA Tax Overlay w/Direct Indexing

# Direct indexing maximizes personalization

## Direct Indexing

- Building a portfolio to track a benchmark in a vehicle that allows the investor to directly own the underlying securities.
  - Mutual funds and ETFs pool investors' money together to build portfolios, meaning the investor owns a share in the fund rather than the fund's securities.

**Direct ownership  
of securities  
=  
Greater  
personalization**

- By owning the underlying securities, the investor can customize the portfolio's holdings to their personal preferences

# Addressing unique tax management needs



## Tax transitions

- Tax-averse client transitioning assets
- Beneficiary of estate



## Liquidity events

- Lifelong business owner
- Real estate holder



## Concentrated stock

- Corporate executive
- Longtime employee with stock options
- Buy & hold investor

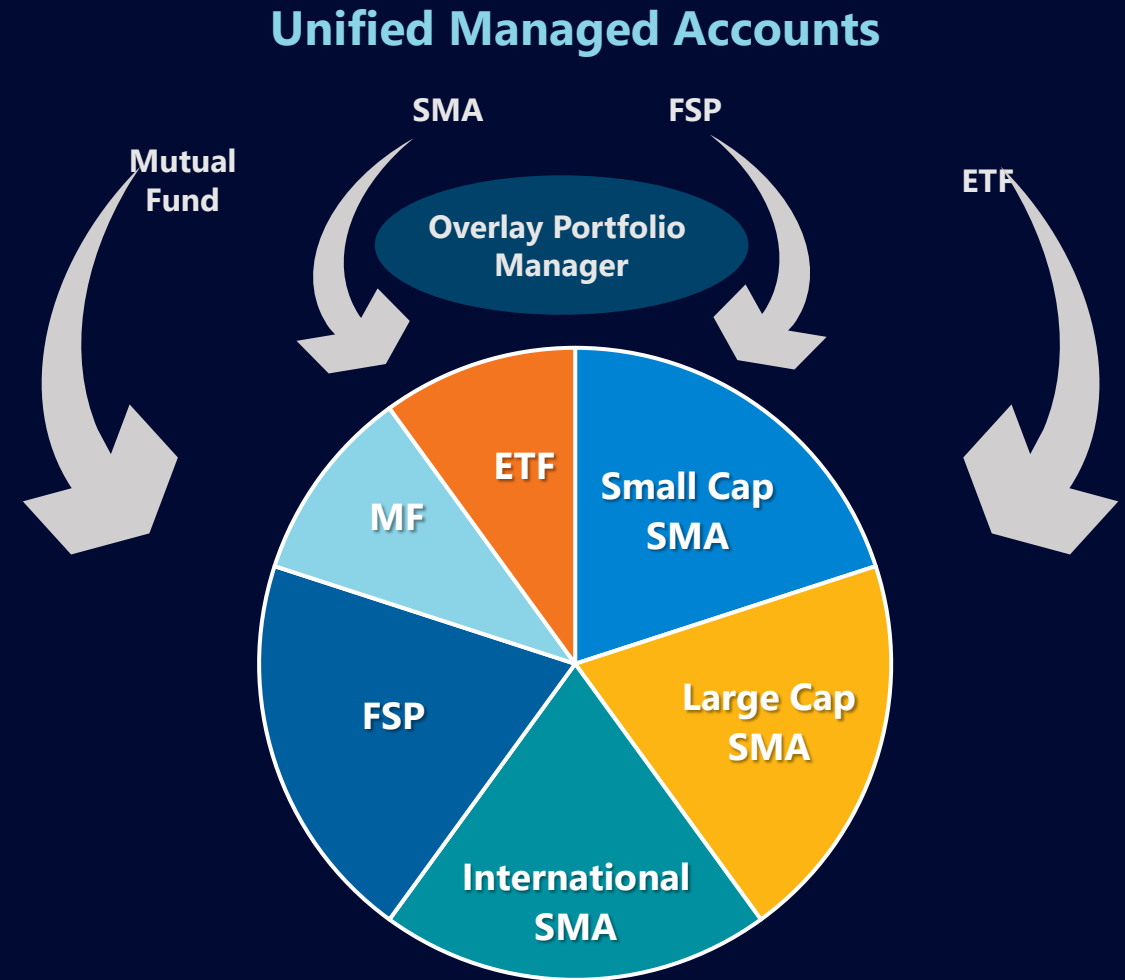


## ETF or mutual fund

- Client has large unrealized gain in a mutual fund or ETF

# Overlay Services

- Financial advisor determines allocation, investment selection, and rebalancing frequency
- Money managers communicate model portfolio to Envestnet
- Client can benefit from coordinated solution with robust customization capabilities



# Next Steps

# Next Steps

## A little homework goes a long way

- In advance, **share what you hope to accomplish or achieve** during the book of business review



I want to find opportunities to reduce the number of holdings and number of asset managers I utilize within an asset class.”



I’m committed to consolidating assets & want to review what I’d like that to look like on-platform.”

# How can we help you take action?



**Book of Business  
Review**



**Client Portfolio  
Analysis**



**Deeper Dive with the  
Dru & Chad**

# Disclosure

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Exchange Traded Funds (ETFs) and mutual funds are subject to risks similar to those of stocks, such as market risk. Investing in ETFs may bear indirect fees and expenses charged by ETFs in addition to its direct fees and expenses, as well as indirectly bearing the principal risks of those ETFs. Income (bond) ETFs and mutual funds are subject to interest rate risk which is the risk that debt securities in a fund’s portfolio will decline in value because of increases in market interest rates.

Investors should consider the investment objectives, risks, and charges and expenses of mutual funds carefully before investing. A prospectus or summary prospectus which contains this and other information about these funds can be obtained by contacting your Financial Advisor or the fund company directly. Please read the prospectus carefully before investing.

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ESG and impact focused strategies are identified with the support of third-party research. Certain asset classes may not have an ESG or impact focused strategy that goes through our ESG due diligence standards. In this case, the portfolios will generally utilize alternative strategies that have been vetted by the PMC Research Team. Funds that incorporate ESG characteristics into the investment process may limit their exposure to certain types of investments. As a result, an investment in an ESG focused fund may be less diversified relative to funds with similar strategies that do not have an ESG focus.

The portfolios incorporate the impact and/or ESG criteria on a best-efforts basis. QRG utilizes several ESG research and ratings providers for portfolio management and reporting purposes. All ESG data, including impact scores, are believed to be from reliable sources; however, we make no representation as to its accuracy or completeness. The scores, ratings, and assessments are subjective by nature, and may or may not be accurate, complete, or reflect the beliefs of some investors.

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# Appendix