



FOCUS
FINANCIAL®

Breaking Down Barriers to Growth

Efficiency, Scale, Capacity Growth

May, 2026

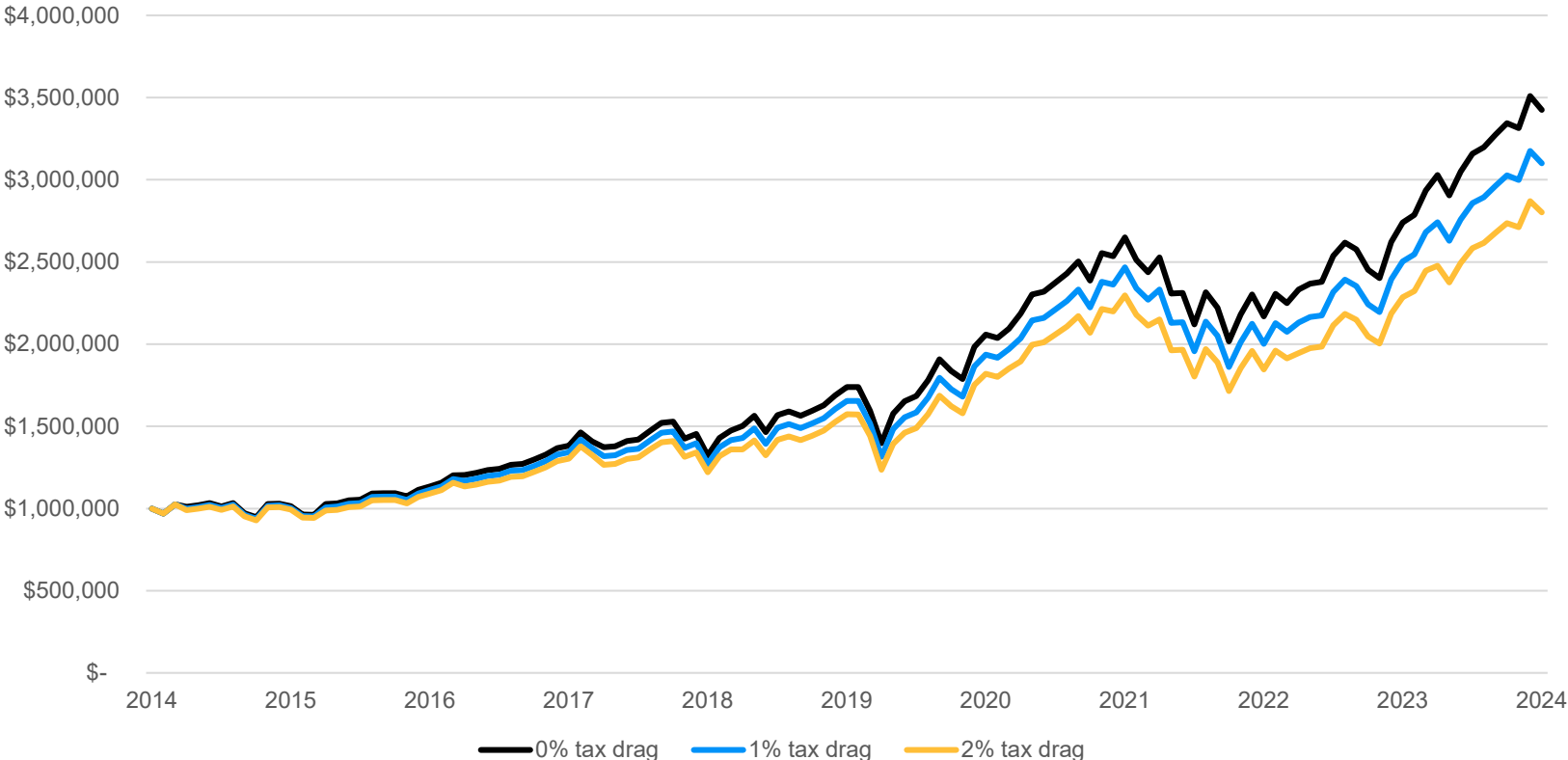
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Evaluation of Tax Harvesting

Tax management is ranked as the #1 financial need for households with \$5+ million in investible assets.

Potential impact of taxes

Potential impact of taxes assuming a \$1 million investment in US large cap equities²



The cost of "tax drag"

-\$326k

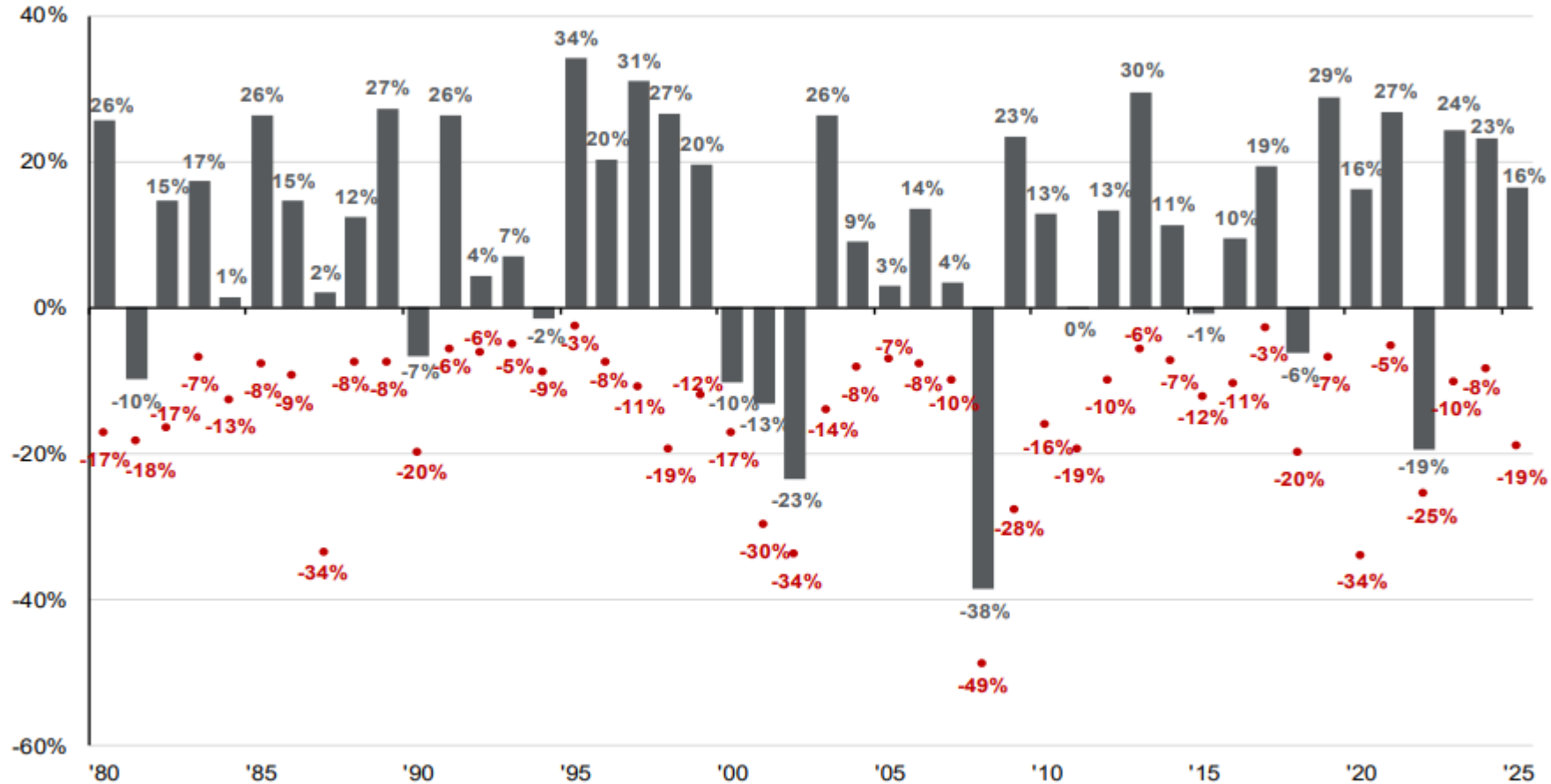
-\$625k



Source: ¹Cerulli Associates, The Case for Direct Indexing: Differentiation in a Competitive Marketplace, December 2022. ²J.P. Morgan Asset Management, Factset, as of December 2024; US large cap equities represented by the S&P 500 index. For illustrative purposes only. You cannot invest directly in an index.

S&P 500 intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.2%, annual returns were positive in 35 of 46 years



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest peak-to-trough decline during the year. Returns shown are calendar year returns from 1980 to 2025, over which the average annual return was 10.7%. Past performance is no guarantee of future results.

Guide to the Markets – U.S. Data are as of December 31, 2025.

Managing taxes is not scalable for individual Client Accounts.

- 68% of clients say tax management is important to them
- 70% of tax managed assets are managed **ad hoc**¹; there is **no time** for on-going tax management



A Business Solution

55ip is an automated, custom tax-smart investment platform that improves efficiency and capacity, with the mission to improve financial outcomes.

Qualified Accounts:

Trade Execution, Rebalancing, Cash Management

Ticket Based Solution

Live Service Desk

Non-Qualified Accounts:

Execution, Rebalancing, Cash Management (tax-smart distributions)

Automated Account Level Tax Loss Harvesting – 31 Days

New Account Onboarding – Tax Transition

AT SCALE

By the numbers

Advisors utilizing our platform gain time savings while controlling tax-smart, tailored investment portfolios that drive better client outcomes



1478 hours

Est. average time saved per advisory firm in 2024



5.4mm

2024 trade orders on behalf of advisors

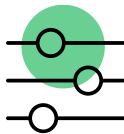
All other data as of 12/31/24. Source is 55ip.

55ip Custom, tax-smart management scale



Automated, Customized Tax-smart transitions

- Find opportunities to reduce taxes and enhance long-term wealth
- Tailored tax transition plan in minutes
- Across all major asset types



Systematic tax-smart management

- Ongoing tax loss harvesting
- Simplify account management with tax-smart rebalancing & withdrawals
- On-demand tax benefit reporting to show progress & tax savings



Selected tax liability summary

Estimated tax liability (% of total tax liability):
\$5,001 (8.11%)

Tax liability % of total portfolio value
0.70%

Estimated transition amount * (% of portfolio value):
\$330,645 (46.00%)

Estimated tracking error
± 1.87%

Short term capital gains tax rate
40.80%

Long term capital gains tax rate
23.80%

Estimated tax transition scenarios

	MINIMUM TAX LIABILITY	MODERATE TAX LIABILITY	MAX TRANSITION	CUSTOM
Estimated tax liability	\$0	\$30,833	\$61,661	\$5,001
% of total portfolio value	0.00%	4.31%	8.62%	0.70%
Estimated Realized Gain/Loss				
Short Term	+\$0	+\$0	+\$0	+\$0
Long Term	+\$3	+\$129,554	+\$259,083	+\$21,015
Estimated transition amount *	\$274,246	\$530,450	\$715,226	\$330,645
% of portfolio value	38%	74%	100%	46%
Estimated tracking error	± 2.09%	± 1.02%	± 0%	± 1.87%
Current is ± 3.31 %				

Quarterly Tax Savings

Tax Savings Summary

Mr & Mrs Client Name
Account #XXXXX6789

End of Quarter (EOQ) Date: **March 31, 2023**

EOQ Account Value	\$1,318,444	Long Term Tax Rate:	23.8%	Short Term Tax Rate:	40.8%
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Tax Savings Details - YTD

EOQ Account Value:
\$1,318,444

Est. Tax Savings YTD
1.0%

Est. Realized Gains/Loss	without Tax Management	with Tax Management
	<i>What it would have been</i>	<i>What we delivered</i>
Long Term	\$87,612	\$80,057
Short Term	(\$17,370)	(\$70,576)
Est. Tax Liability		
	\$16,718	\$2,257
Est. Tax Savings		
Tax Savings (\$)		\$14,461
Tax Savings (%)		1.00%



55ip Scale, Capacity

- Empower the aggregator, 55ip takes on initial onboarding trades, model rebalances, cash management activity, and Tax Harvest trades in a tax efficient manner. Lets' review the activity from 2024:

Firm	Assets	Days to Stage	Transition
RIA Book of Business Transition	Full transition of model and Rep as PM	Discovery, Segmentation, Quality Control	55ip Transition & Onboarding

40 Teams
9 Offices

14,000
Accounts
\$2.8B

60 days

90%
6 Trading
Days

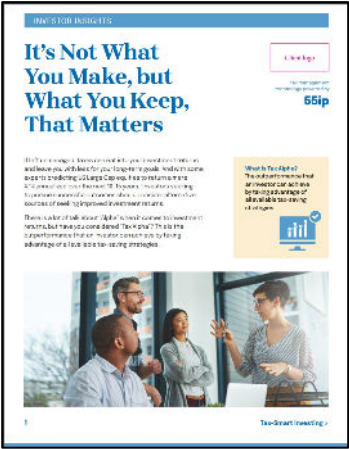
* Avg. Inception Date: 7/1/2024



Customizable Client Education Collateral

Tax Smart Investing

General Overview of the approach



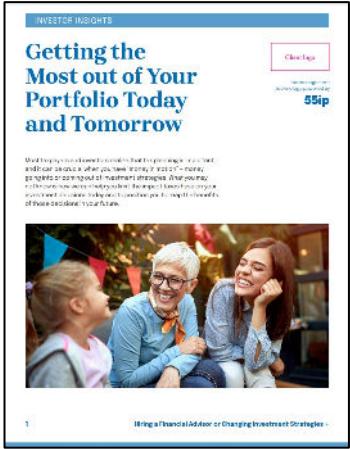
Silver Linings

A detailed explanation of Tax Loss Harvesting



Money In Motion

Prospecting piece that illustrates tax transition



Appendix

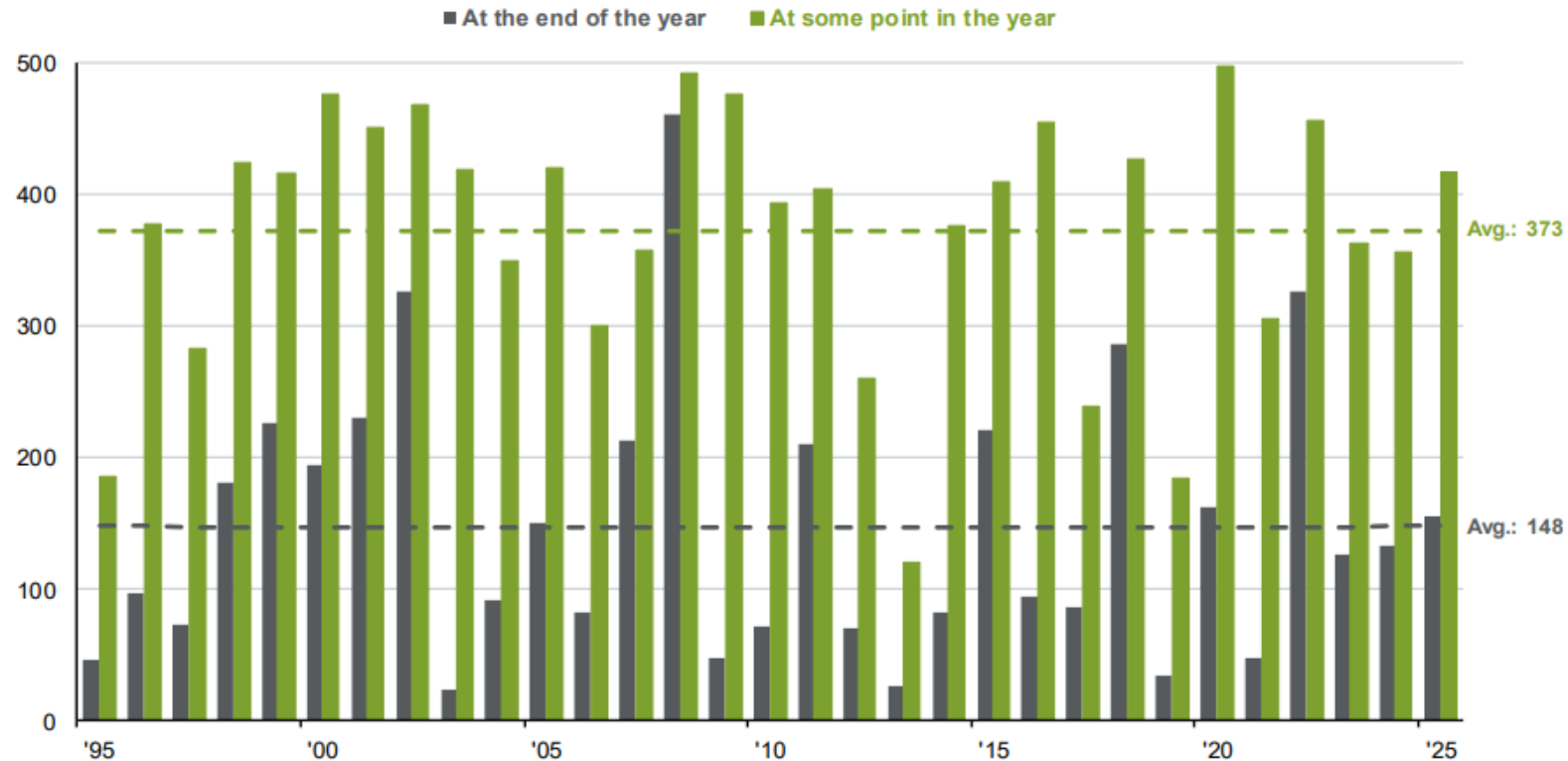
YE Tax Harvest ?

GTM U.S. 65

A look at tax-loss harvesting throughout the year and at the stock level

Number of S&P 500 stocks with a drawdown of 5% or more

Despite positive index returns in 22 of 30 years, roughly 75% of stocks experienced a drawdown of 5% or more in any given year



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

A 5% drawdown is calculated from each stock's start-of-year price. If a stock declines by 5% or more at any point during the year, it is counted exactly once – even if it later recovers and declines by 5% again.

Guide to the Markets – U.S. Data are as of December 31, 2025.