

# CAPITAL MANAGEMENT

CULTURE OF EXCELLENCE,  
EMPHASIS ON PROCESS  
AND INDEPENDENT RESEARCH



The Level Four Capital Management Investment Committee is dedicated to bringing our advisors and clients the highest level of professionalism, persistent commitment to excellence, and focus on the client first. Our investment committee believes that buying high quality companies at a discount to the present value of the future cash flows or intrinsic value, will result in superior portfolios. We believe that our repeatable and data driven process offers return potential without taking unneeded risk and will offer a durable investment solution for years to come.



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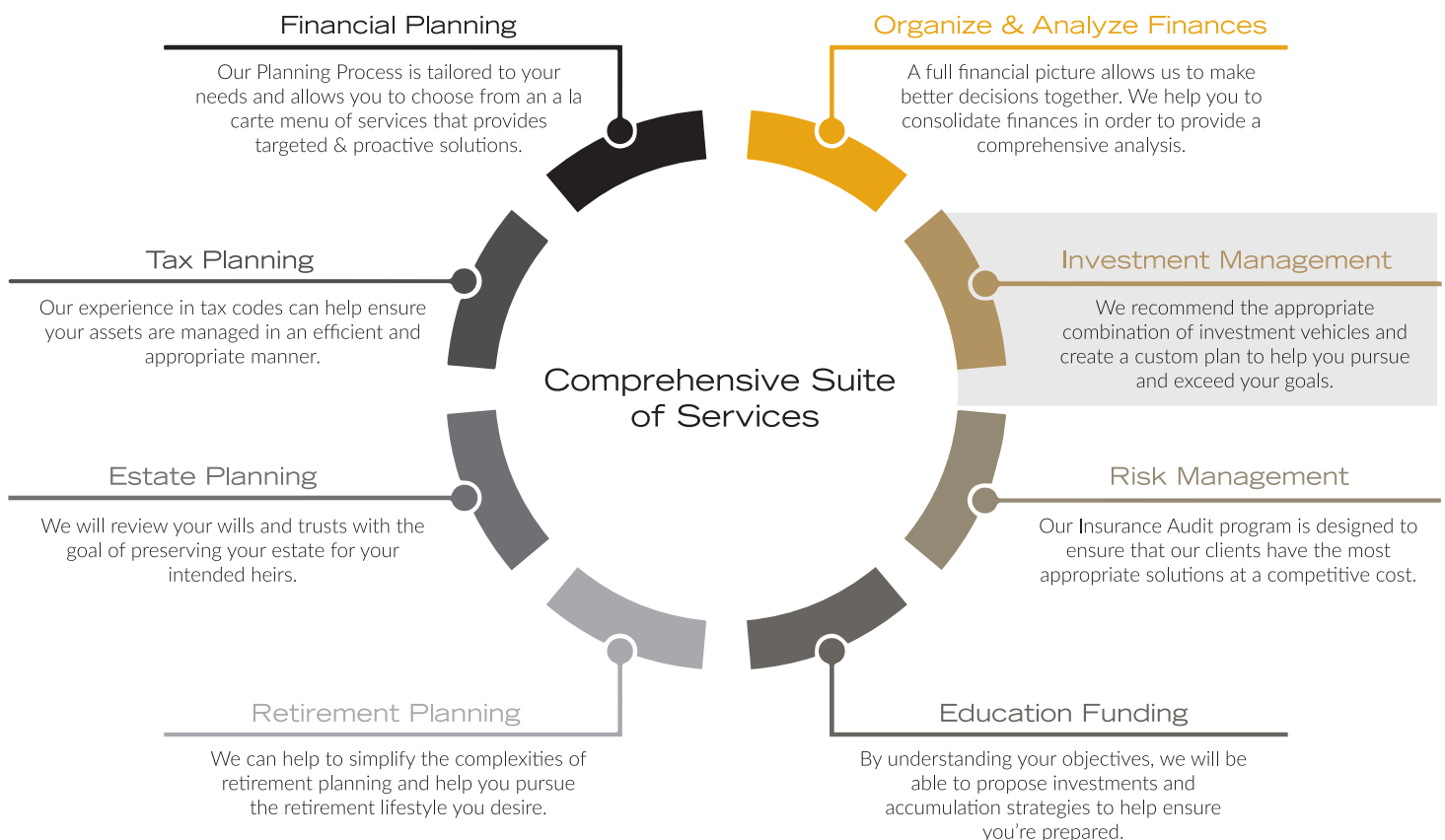
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# ABOUT US

Today's market complexity and volatility demand specialized attention and a holistic approach to investment management. At Level Four Capital Management, we combine the expertise of dedicated portfolio management professionals with decades of experience managing assets across the client spectrum, from ultra-high net worth, to large public plans. This team-approach to management helps to ensure that clients receive truly comprehensive advice and solutions for their unique objectives. The investment process that we have in place, rooted in science and research, is disciplined and repeatable and is supported by extensive research tools and access to proprietary and street information to identify securities possessing superior financial characteristics.

In addition, Level Four is able to leverage the full range of capabilities from our parent company and affiliated organizations. When viewed collectively, these value propositions competitively position our firm to offer what we believe to be best in class investment solutions.



# CONSULTATIVE APPROACH

All investors have a unique investment objective. We employ a consultative approach to help you to create a custom investment plan designed with the goal to help achieve your needs. From understanding your goals and objectives, to determining your risk tolerance and growth expectations, we work with you to construct a holistic investment plan. Our approach begins with in-depth discovery to explore income requirements, wealth transfer circumstances, taxes and anticipated capital changes. This process initiates a comprehensive review that results in a solution to help you realize your goals. Through ongoing monitoring and communication, we will continually evaluate your portfolio relative to your investment objectives and make recommendations and suggestions for potential improvement based on your changing needs and/or market dynamics.

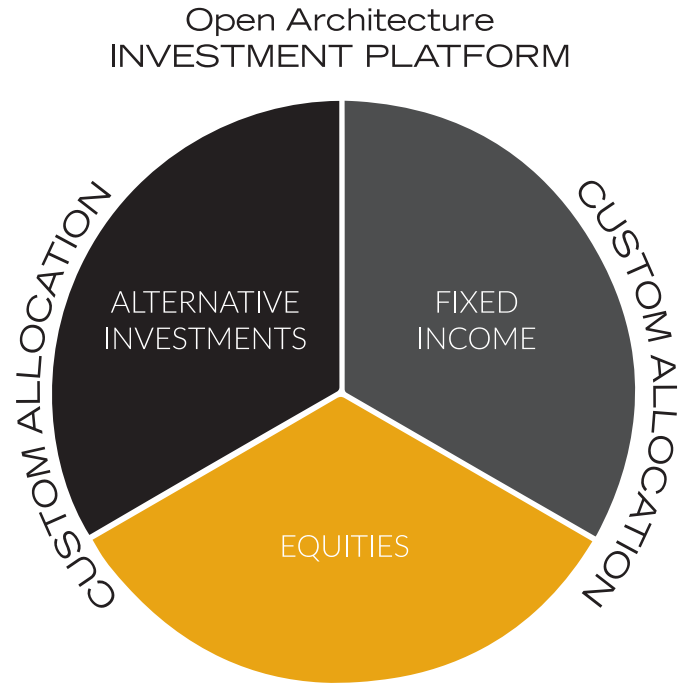



# OUR APPROACH TO INVESTING

Our approach to investment management employs a blend of internal, proprietary investment portfolios managed by our team of professionals, as well as externally sourced investment solutions to compliment a client's target allocation. It is this mix of capabilities that allows us to access the most comprehensive solution on behalf of clients.

We believe this approach offers us the best of both worlds in high caliber separately managed accounts, and industry leading capabilities in the mutual fund and exchange traded fund space to maximize the growth and protective features of client portfolios. This unbiased approach guides us to a tailored investment solution designed to meet the unique needs of investors in a demanding and ever-changing market environment.

Our ultimate objective is to deliver upon a disciplined investment philosophy and create custom solutions to help clients grow the wealth they have worked so hard to accumulate, and importantly, protect that wealth in volatile market conditions.

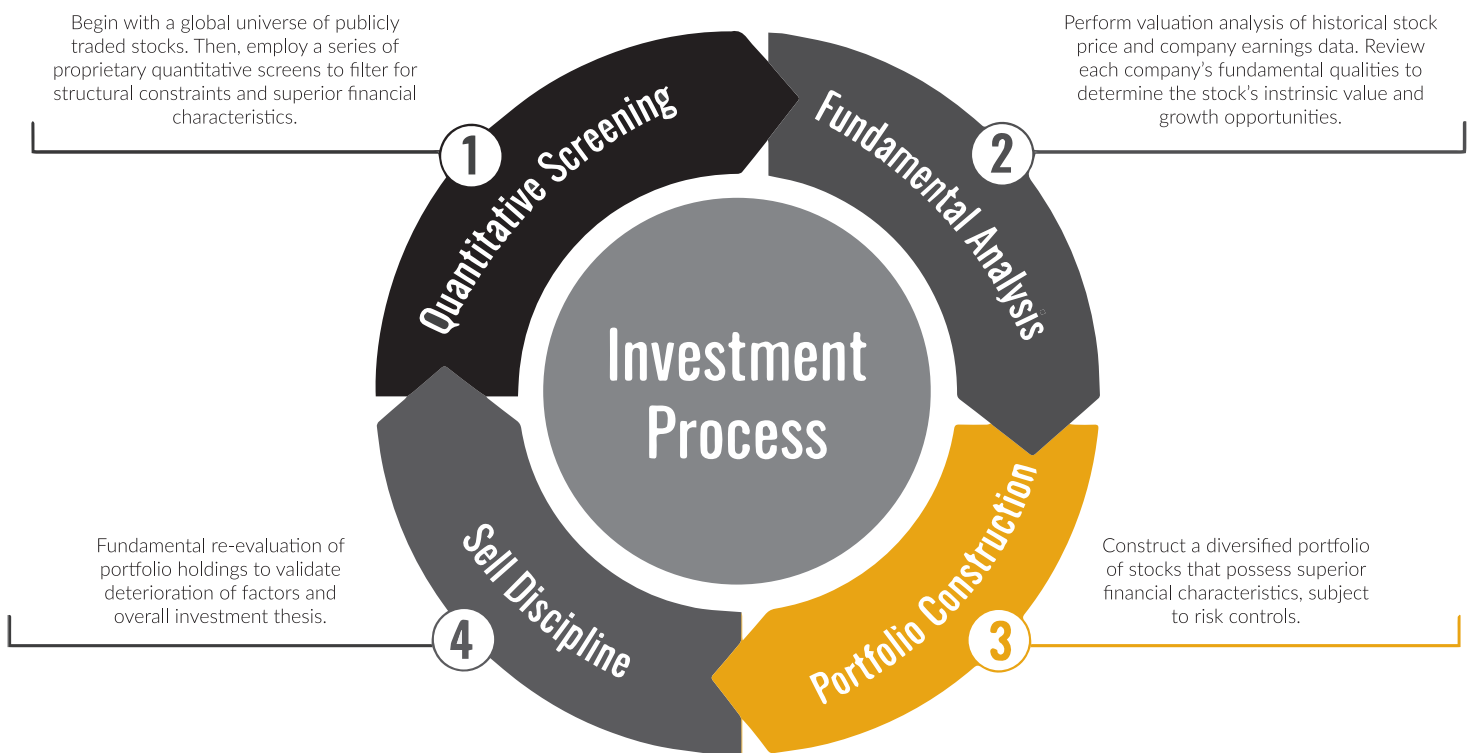


		
EQUITY SMAs	FIXED INCOME SMAs	ASSET ALLOCATION MODELS
<ul style="list-style-type: none"> <li>• Large Cap Growth</li> <li>• International</li> <li>• Dividend Growth</li> <li>• Small Cap Core</li> </ul>	<ul style="list-style-type: none"> <li>• Taxable - Corporates</li> <li>• Tax-Exempt Municipal               <ul style="list-style-type: none"> <li>• Managed Municipal Long</li> <li>• Managed Municipal Intermediate</li> <li>• Managed Muni Short</li> </ul> </li> <li>• High Yield Muni</li> </ul>	<ul style="list-style-type: none"> <li>• Capital Preservation</li> <li>• Income with Preservation</li> <li>• Income with Moderate Growth</li> <li>• Growth with Income</li> <li>• Moderate Growth</li> <li>• Growth</li> <li>• Defensive</li> <li>• Yield Plus</li> <li>• Crypto</li> </ul>

# PHILOSOPHY & PROCESS

# EQUITY PORTFOLIOS

Level Four Capital Management offers actively managed equity portfolios across a range of investment styles. Our individual security portfolios deliver to clients a customized solution designed to achieve a client's objective. Our professional team of portfolio managers employs a disciplined investment process, applying both quantitative analysis and fundamental research to construct diversified portfolios.



## Equity Portfolios

- Large Cap Growth
- Large Cap Value
- International
- Dividend Growth
- Small/Mid Growth
- Completion
- Cash/Funding

Stock investing involves risk including loss of principal. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Value investments can perform differently from the market as a whole. They can remain undervalued by the market for long periods of time.

# PHILOSOPHY & PROCESS

## FIXED INCOME

Level Four Capital Management offers actively managed fixed income portfolios for taxable and tax-exempt investors. These strategies can be customized to meet the individual investment goals of our clients, with particular emphasis on capital preservation and competitive total returns. Client portfolios can be customized to address tax status and state of residence, credit quality, target duration, and cash flow requirements.

### Tax-Exempt Portfolios

Quantitative analysis and fundamental research seeks to find higher yielding undervalued bonds within the municipal market. The investment process begins by applying total return scenario analysis using multiple interest rate assumptions over different time horizons to help select bonds with the most favorable total returns over multiple interest rate scenarios (i.e. movements). This method takes advantage of the inefficiencies within the municipal market through an investment process that combines diligent credit analysis of individual borrowers coupled with a thorough understanding of the major opportunities and risks within municipal sectors.

### Investment Process

Key elements of the investment process include the following:

#### TOTAL RETURN SCENARIO ANALYSIS

Individual bonds and portfolios of securities are quantitatively exposed to interest rate, yield curve, and credit spread movements or “shocks”.

#### SECTOR ANALYSIS

Top-down review of core sectors is performed based on bottom-up analysis of individual credits to determine which municipal sectors should be overweighted, neutral weighted, and underweighted.

#### NEW ISSUE CREDIT ANALYSIS

New bond offerings are evaluated to determine portfolio suitability based on fundamental credit research on each borrower and individual bond security features.

#### SURVEILLANCE

Holdings are analyzed on a systematic basis to monitor any changes in credit trend. Credit rating momentum is monitored for each borrower (bond).





# PHILOSOPHY & PROCESS

# FIXED INCOME

## Taxable Portfolios

We evaluate the core and unconventional fixed income universe. Asset classes include, but are not limited to, government securities, investment grade and high yield corporate bonds, floating rate senior loans, emerging market debt, mortgage-backed securities, and ultra-short duration securities. The process systematically evaluates relative strength, investment outlook, and relative valuation among asset classes to determine allocations that best capture market trends and near-term opportunities. This approach seeks to manage interest rate risk and credit exposure to arrive at optimal asset class allocations. The core framework is designed around seeking total return as a primary objective with preservation of capital as a secondary objective. Risk management is a critical component of the entire process and is embedded in both the fundamental credit analysis and portfolio construction.

## Investment Process

*Key elements of the investment process include the following:*

### PORTFOLIO CONSTRUCTION

- Relative Value Assessment
- Portfolio Diversification
- Liquidity
- Risk Management & Monitoring

### FUNDAMENTAL CREDIT ANALYSIS

- Consistency of Cash Flow Generation
- Collateral Assessment
- Management Quality
- Credit Agreement/Bond Indenture Review (legal analysis)

# ASSET ALLOCATION PORTFOLIOS

For clients seeking a comprehensive solution, our Asset Allocation models seek to provide the highest rate of return for a given level of risk. Our investment selection and allocation is based on our forward-looking capital market assumptions and in-depth investment screening process to optimize the appropriate mix of equity, bond, and alternative investments.

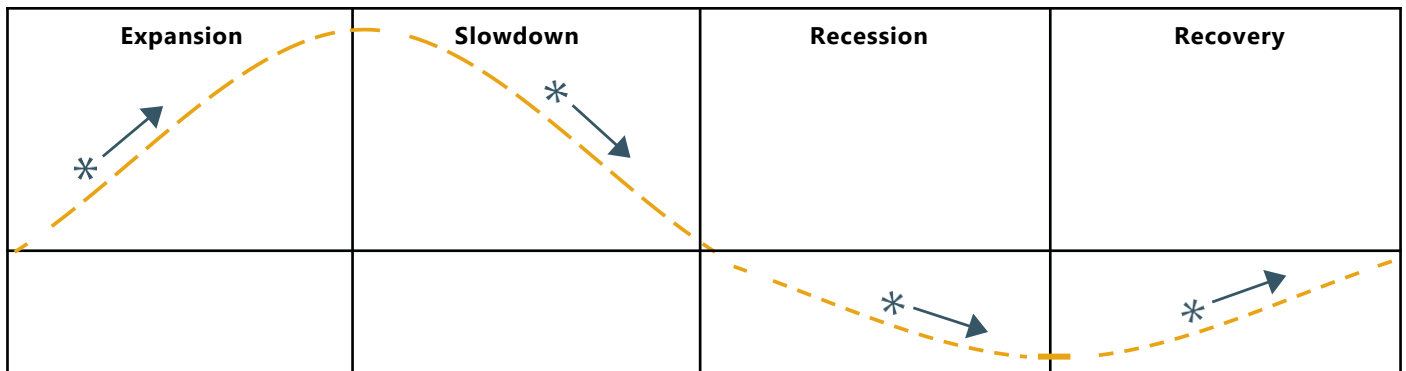
The investment process employed utilizes a combined Top-Down and Bottom-Up approach to formulate the Strategic Models:

- Macro Analysis to determine capital market assumptions
- Asset Allocations and model establishment
- Security Selection

## 1 MACRO ANALYSIS TO DETERMINE CAPITAL MARKET ASSUMPTIONS

Macro Analysis employs both internal and externally sourced research. Internal research tools include our quarterly Economic Strategy Workbook, historical market data, and analysis of the current Economic and Business Cycle. Externally, we source and leverage high quality street research.

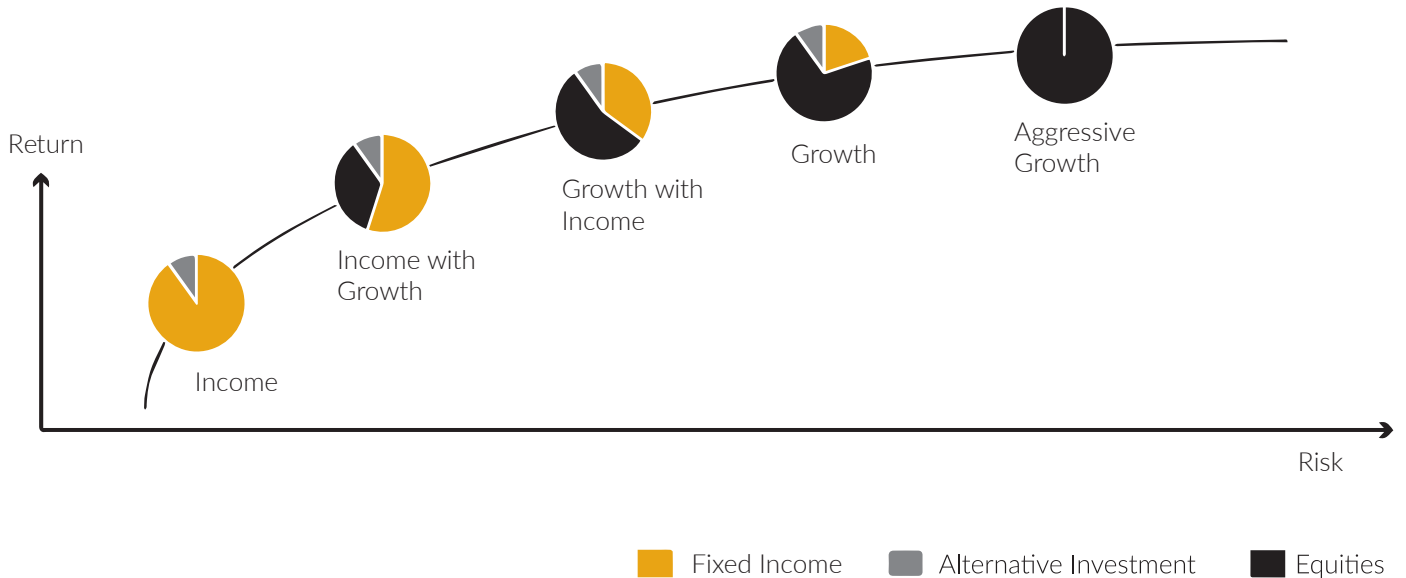
### Style Factor Performance across the Economic Cycle



## 2 ASSET ALLOCATIONS AND MODEL ESTABLISHMENT

Current model allocations are determined and established based on the application of the investment committee's research and analysis work within the confines of the investment process.

### Risk & Return Investment Objective



## 3 SECURITY SELECTION

Using our security selection process, we build the model portfolios bottom-up, employing a multi-factor scoring system to identify investment vehicles that exhibit robust risk and return characteristics.

*We score each applicable universe on multiple different weighted statistical factors, and determine which investment fit is the best. These factors analyze:*

- Efficiency
- Tradability
- Fit
- Raw & Risk-Adjusted Performance
- Downside/Tail Risk



# WHO WE ARE BIOGRAPHIES

## Edmon “Jake” Tomes - Chief Executive Officer & Private Client Wealth Advisor

Jake Tomes serves as the Chief Executive Officer of the Level Four Group of Companies including Level Four Capital Management, LLC. As the CEO, he is dedicated to building the firm of the future and driving its vision. His goal is to disrupt the financial services industry and to lead and embrace change. Level Four has tasked itself with the mission of “changing the way financial advice is delivered to you.” When many traditional firms were still focused on product sales and asset management services and only had limited ways to engage with financial professionals, Jake was focused on offering a truly fiduciary client experience. Today, Level Four’s clients have access to a diverse team of specialists focused on the delivery of independent financial advice, not exclusively nor dependent upon assets under management. This approach has allowed clients to receive objective and personalized financial advice.

In 2014, Jake led the merger with Top 20 CPA firm Carr, Riggs & Ingram, LLC to make one of the largest wealth management firms in the country. With over 20 years of experience in the industry, Jake uses his expertise to build upon the rapid growth of the Level Four companies.

Jake graduated from Ambassador University and attended graduate school at the University of North Texas. Jake holds multiple Investment Advisor, FINRA, and Insurance licenses as he leads the Level Four Advisory Services team.

## Brent Morton, AIFA®, MBA - Chief Operating Officer & Private Client Wealth Advisor

Brent Morton serves as the Chief Operating Officer of the Level Four Group of Companies including Level Four Capital Management, LLC. Brent is responsible for management and implementation of the company products and services (financial planning, retirement plans, investment management, and insurance solutions) through our Practice Directors and is also responsible for providing direction to the implementation of the Level Four Model for the company business units led by our Business Unit Leaders and Managing Directors.

Prior to joining the firm, Brent worked in the wealth management industry as a financial advisor. Brent spent the first part of his career working with Fortune 100 companies, as well as small to medium-sized companies in a variety of leadership roles including CFO, Regional Managing Director, and Global Client Services, etc. Brent holds securities licensing for Financial Advisors, and – through his Accredited Investment Fiduciary Analyst™ and CEFEX Analyst designations – can provide Fiduciary Assessments to evaluate best practices for various Investment Stewards (i.e., Trusts, Endowments, Charities, Investment Committees and Managers).

Brent graduated from the University of Texas in Austin with a Bachelor’s in Accounting and earned his MBA at the University of Dallas.

## Jill Zacha, JD - Chief Compliance Officer

Jill Zacha serves as the Chief Compliance Officer (CCO) for Level Four® Capital Management, LLC. Jill brings over 30 years of legal and compliance experience in the financial services industry to the advisory team. Prior to joining Level Four, Jill served most recently as a Compliance Director with Capital One. She has also previously served as a CCO and General Counsel with various regional securities firms as well as a consultant to B/D and RIA firms. Jill started her career in the securities industry as a Staff Attorney for the Texas Securities Board in Austin, Texas.

Jill graduated with a BBA/Business degree from Baylor University and a JD degree from Baylor University School of Law. She is a licensed attorney and holds the FINRA Series 7, 24, and 66 licenses.

## Marc Whitehead - Chief Financial Officer - Level Four Group, President - Level Four Financial

Marc serves as the Chief Financial Officer for Level Four Group, the President of Level Four Financial, and is a Private Client Wealth Advisor. A Mobile, Alabama native and Auburn University graduate, Marc Whitehead has attained many achievements throughout his professional career. A true entrepreneur, Marc owned and established several businesses including Harbor Financial Services, LLC in 2004 (Now known as Level Four Financial, LLC). Over the years, he has had recognized success as a financial advisor, branch manager, broker dealer consulting company and president/co-owner of a venture capital firm.

Marc currently holds several security and insurance licenses including Series 4, 7, 9, 10, 24, 55, 63, 65, 82, 99, life, and health insurance licenses.



# WHO WE ARE BIOGRAPHIES

## Todd M. Bulot - Practice Director, Capital Management

Todd Bulot is the Capital Management Practice Director and has 25 years of investment industry experience. As Practice Director, Todd is a member of the Level Four Capital Management Investment Committee and leads the strategic initiatives of the Capital Management group. Todd earned a Bachelor of Arts in Business Administration with an emphasis in Marketing from Loyola University - New Orleans and holds the FINRA Series 65 license.

## Lal E. Echterhoff, CFA – Chief Investment Officer

Lal Echterhoff is CIO with Level Four Capital Management and has 30 years of finance and investment industry experience. As CIO, Lal manages the investment process and research for the firm's proprietary strategies and ensures adherence to investment mandates. Lal is a member of the Level Four Capital Management Investment Committee, and earned his Bachelor of Business Administration Finance from the University of North Texas. He is a CFA Charter holder and member of the CFA Institute.

## Charles “Ray” Shimer, CFA - Portfolio Manager

Ray is a Portfolio Manager with Level Four Capital Management and has over 13 years of investment management experience in the securities industry. Ray's primary responsibility as Portfolio Manager is to oversee the firm's suite of Asset Allocation models. Ray is also a member of the Level Four Capital Management Investment Committee. Ray received his Bachelor of Arts in Economics from the University of North Carolina at Chapel Hill and his Associate Degree in Applied Science-Technology from Pitt Community College. He is a CFA Charter holder and member of the CFA Institute.

## Michael Xirinachs - Head Trader

Michael is the Head Trader with Level Four Capital Management and serves as a member on the Level Four Capital Management investment committee. As the trader for LFCM, Michael manages trading and execution of the firm's strategies and also provides research support to the portfolio management team. Michael received his Bachelor of Science in Finance, with a minor in law and a concentration in Chinese from Bentley University in Waltham, Massachusetts. Michael holds his series 7, 57, 63 and 65 licenses.

## Boris Bouiti-Viaudo - Research Analyst

Boris is a Research Analyst with Level Four Capital Management and serves as a member on the Level Four Capital Management investment committee. His primary responsibility is to contribute to investment idea generation and portfolio improvement by performing detailed quantitative and qualitative securities analysis. Boris received his Master of Science in International Business from Hult International Business School in Cambridge, Massachusetts.

## Cameron Neumann - Research Analyst

Cameron Neumann is a Research Analyst with Level Four Capital Management and serves as a member on the Level Four Capital Management investment committee. His primary responsibility is to support portfolio management through quantitative and qualitative securities analysis. Cameron received his Bachelors of Business Administration in Corporate Finance from San Angelo University.



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*Asset management services offered through Level Four Capital Management, LLC an SEC-registered investment adviser. Level Four Capital Management, LLC provides investment management services to institutional and individual investors. Level Four Capital Management, LLC manages a variety of value and quantitative strategies.*

*Investing involves risk including loss of principal. The investment returns and principal value of the portfolio will fluctuate so that the value of an investor's account, when redeemed, may be worth more or less than their original value. No strategy assures success or protects against loss.*

*All indices are unmanaged and may not be invested into directly.*

*Investors should consider the investment objectives, risks, charges and expenses of mutual funds and exchange traded funds carefully before investing. The prospectus and, if available, the summary prospectus contains this and other important information about the fund(s). You can obtain a prospectus and summary prospectus from your financial representative. Read carefully before investing.*

*ETFs are subject to market fluctuation and the risks of their underlying investments. ETFs are subject to management fees and other expenses. Unlike mutual funds, ETF shares are bought and sold at market price, which may be higher or lower than their NAV, and are not individually redeemed from the fund.*

*Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and bonds are subject to availability and change in price.*

