



SIA

SIGNATURE INVESTMENT ADVISORS®  
A subsidiary of Signature Estate & Investment Advisors, LLC®

## SIA ENHANCED CORE PORTFOLIOS

SIA Enhanced Core Portfolios are built with best-in-class mutual funds and ETFs, carefully chosen to match our asset class and investment thesis. The due diligence process incorporates both proprietary quantitative screens and in-depth qualitative manager meetings. SIA is unique in that we're not an asset manager and therefore free to allocate to the best of breed managers for each asset class.

**SIA Enhanced Core Portfolios use a combination of Active, Indexed and Smart Beta funds, backed by academic research, to deliver an optimized solution for each asset class.**

A

### Active

Investing that allows fund managers to overweight/underweight companies based off their convictions. Analysts within these funds have access to the managers of businesses within their portfolio companies and can develop a more complete picture of a company's financial and operational prospects. Active investing incorporates higher costs due to the extra work needed to form an investment thesis.

I

### Indexed

Index based investing often provides the broadest and most cost-effective exposure to a given asset class. The low fees and easy tradability make this investment style attractive.

S

### Smart Beta

Investing which provides a mix of Indexed and Active management. Smart Beta generally incorporates a rules-based approach to a broad index to express an investment goal also known as a "factor." Some common factors that academics have long studied are momentum, value, and size. Because of its rules-based nature, Smart Beta funds are generally lower cost.

The SIA Enhanced Core Portfolios consist of exchange-traded funds (ETFs) and mutual funds (MFs) from a variety of best-in-class asset managers. These models are managed by the SIA Investment committee. The SIA Enhanced Core Portfolios focus on asset allocation and process-driven security selection designed to assist our clients with achieving their financial objectives.

### SIA Enhanced Core Portfolios Deliver:

350+

Strong acumen in portfolio construction, with over 350 years of combined investment experience across investment committee members.

Rigorous

Rigorous process-driven diligence.

Knowledge

Tap into knowledge from in-house specialists across asset classes.

Allocation

Strategic core and satellite allocation.

Agnostic

Asset manager agnostic approach—no proprietary funds. Includes investments across investment vehicles, such as market cap weighted ETFs, actively managed ETFs, smart beta ETFs and mutual funds.

## Our Process

### Research and Due Diligence

#### DIMES DUE DILIGENCE (DDD)

The Department of Investment Management and Economic Strategy (DIMES) analyzes over 20,000 different investment choices through their DIMES Due Diligence (DDD) research process. The proprietary research narrows the investment universe by analyzing various metrics depending on the investment vehicle.

#### QUANTITATIVE VS. QUALITATIVE ANALYSIS

After passing proprietary quantitative and qualitative screens, we seek to select active managers that exhibit the potential to outperform their benchmark over the course of a business cycle.

#### INVESTMENT COMMITTEE

The Investment Committee reviews and approves all decisions relating to investment policy, manager selection, and portfolio construction.

#### ONGOING DUE DILIGENCE

After deciding to allocate to an investment, we continuously monitor the investment through a variety of mechanisms including daily performance tracking, periodic check-in calls, quarterly performance deep dives, semi-annual formal reviews, on-site visits, and more.



## Dynamic Allocation

### Core-Satellite Asset Allocation Framework

#### Combining Three Allocation Strategies

The Strategic and Tactical Allocation Strategies, along with a third Dynamic Allocation Strategy, combine to create your Core-Satellite Portfolio



## Important Information

The information contained herein is for informational purposes only and should not be considered investment advice or a recommendation to buy, hold, or sell any types of securities. The information contained herein was carefully compiled from sources SIA believes to be reliable, but we cannot warrant or guarantee the accuracy or completeness of the information provided. SIA is not responsible for the consequences of any decisions or actions taken as a result of the information provided herein. We provide this information with the understanding that we are not engaged in rendering legal, accounting, or tax services. In particular, none of the examples should be considered advice tailored to the needs of any specific investor. We recommend that all investors seek out the services of competent professionals in any of the aforementioned areas.

With respect to the description of any investment strategies, simulations, or investment recommendations, we cannot provide any assurances that they will perform as expected and as described in our materials. Past performance is not indicative of future results. Every investment program has the potential for loss as well as gain. There is a risk of loss from an investment in securities, including the risk of loss of principal. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will be profitable or suitable for a particular investor's financial situation or risk tolerance. Asset allocation and portfolio diversification cannot assure or guarantee better performance and cannot eliminate the risk of investment losses.

Different types of investments involve varying degrees of risk. Principal value and investment return of stocks, mutual funds, and other investment products will fluctuate. Investor's shares when redeemed are likely to be worth more or less than the original investment. Carefully read the prospectus or offering documents prior to investing. Stocks, mutual funds, and other investment products are not FDIC insured, may lose value, and are not guaranteed by a bank or other financial institution.

**Alternatives** Alternative investments may not be suitable for all investors and often engage in speculative investment practices which increase investment risk; are highly illiquid; are not required to provide periodic prices or valuation; may not be subject to the same regulatory requirements as traditional investments; and often employ complex tax structures.

Depending on the sophistication and risk tolerances of the clients, the firm recommends, as part of a client's overall investment strategy, that a portion of such client's assets be invested in private funds or other alternative investments. Generally, such investments are available for investment only to a limited number of sophisticated investors who meet the definition of "accredited investor" under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") and "qualified client" under the Investment Advisers Act of 1940. It is important that each potential qualified investor fully read each offering or private placement memorandum prior to investing. Such investments present special risks for the firm's clients.

Investing in alternative strategies may involve a significant lock up period. A period of time with no liquidity or significant penalties for early liquidity.

Alternative investments may have significant fees associated with the management of the alternative strategy. These fees would be on top of the management fee paid to your Advisor.

**Options** Options involve risk and are not suitable for all clients. Options have unique and complex characteristics that must be fully understood prior to making options transactions. Consult the Options Disclosure Guide published by the Options Clearing Corporation for further important information. The risk of loss in options trading can be substantial and theoretically unlimited. Carefully consider all investment objectives, risk factors, charges, and expenses before investing.

**Managed Futures** May use leverage and other speculative investment practices that may increase the risk of investment loss and cause returns to be volatile. In addition, managed futures can be illiquid, are not required to provide periodic pricing or valuation information to investors, may involve complex tax structures and delays in distributing important tax information, may charge high fees including incentive fees, and in many cases have underlying investments that are not transparent and are known only to the investment manager.

**Commodities** The price of commodities is subject to substantial price fluctuations over short periods of time and may be affected by unpredictable international monetary and political policies. The market for commodities is widely unregulated and concentrated investing may lead to higher price volatility.

**Real Estate** Investing in real estate entails certain risks, including changes in: the economy, supply and demand, laws, tenant turnover, interest rates (including periods of high interest rates), availability of mortgage funds, operating expenses and cost of insurance. Some real estate investments offer limited liquidity options.

**International/Emerging Markets** Investments in overseas markets pose unique risks, including currency fluctuation and political risks, and the portfolio is expected to be more volatile than that of a U.S. only portfolio. These risks are generally intensified for investments in foreign emerging markets. Small cap equities, international equities, and real estate securities are generally more volatile than large cap equities and bonds.

**Small Caps** Small capitalization securities involve greater issuer risk than larger capitalization securities, and the markets for such securities may be more volatile and less liquid. Specifically, small capitalization companies may be subject to more volatile market movements than securities of larger, more established companies, both because the securities typically are graded in lower volume and because the issuers are more subject to changes in earnings and prospects.

**Fixed Income** Fixed income investments are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors. In general, the bond market is volatile, bond prices rise when interest rates fall and vice versa. This effect is usually pronounced for longer-term securities. Any fixed income security sold or redeemed prior to maturity may be subject to a substantial gain or loss. The investor should note that vehicles that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Signature Investment Advisors (SIA) is an SEC-registered investment adviser; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made. Securities offered through Royal Alliance Associates, Inc. member FINRA/SIPC. Investment advisory services offered through SIA. SIA is a subsidiary of SEIA, LLC, 2121 Avenue of the Stars, Suite 1600, Los Angeles, CA 90067, (310) 712-2323, and its investment advisory services are offered independent of Royal Alliance Associates, Inc. Royal Alliance Associates, Inc. is separately owned and other entities and/or marketing names, products or services referenced here are independent of Royal Alliance Associates, Inc. ID# 111020 - 11373694 - 21986414