Facet.

How will you invest my money?

Where and how you invest plays a big role in bringing your most important priorities to life. We believe the best investment strategy includes ongoing financial planning that covers your entire life. That's why investing is included in your Facet membership fee.

Our approach:

01 | Put you first.

A plan focused on your unique situation helps us decide how much to invest, what account types to use, and how much risk to take. As your circumstances change, your portfolio evolves with you.

02 | Focus on what we can control.

Low fees, broad diversification, minimizing taxes, and staying fully invested have been proven to consistently benefit your investments, yet most ignore this. Simply getting these things right puts you ahead.

03 | Balance for current conditions.

Decades of research have shown that forecasting the economy or individual stocks doesn't produce consistent results. We believe that optimizing the risk/reward in any given environment is the best way to maximize returns over time.

Not our approach:

01 | Pick individual stocks.

Overwhelming evidence shows that consistently selecting individual stocks that "beat the market" is extremely difficult, not to mention risky. We prefer exchange-traded funds (ETFs) that help you maintain a balanced and diversified portfolio.

02 | Try to time markets.

Time in the markets has been proven to be more beneficial than timing the markets. For example, missing just the best five days can have a devastating impact on a portfolio.[1] That's why we optimize for risk/reward instead.

03 | Buy unproven asset classes.

Some assets, such as gold, commodities, and currencies, move up and down without any long-term trend, so success depends on timing buys and sells correctly. We avoid this kind of speculation and uncertainty.

[1]. Based on the difference between the S&P 500 return from 1991 to 2022 and the same period less the five best days for the S&P 500.

Portfolios built with your best interests in mind.

Core portfolios include a diversified mix of stocks and bonds. In general, we prefer low cost, low-tax exchange-traded funds (ETFs), with the aim to optimize the risk/reward for the current environment.

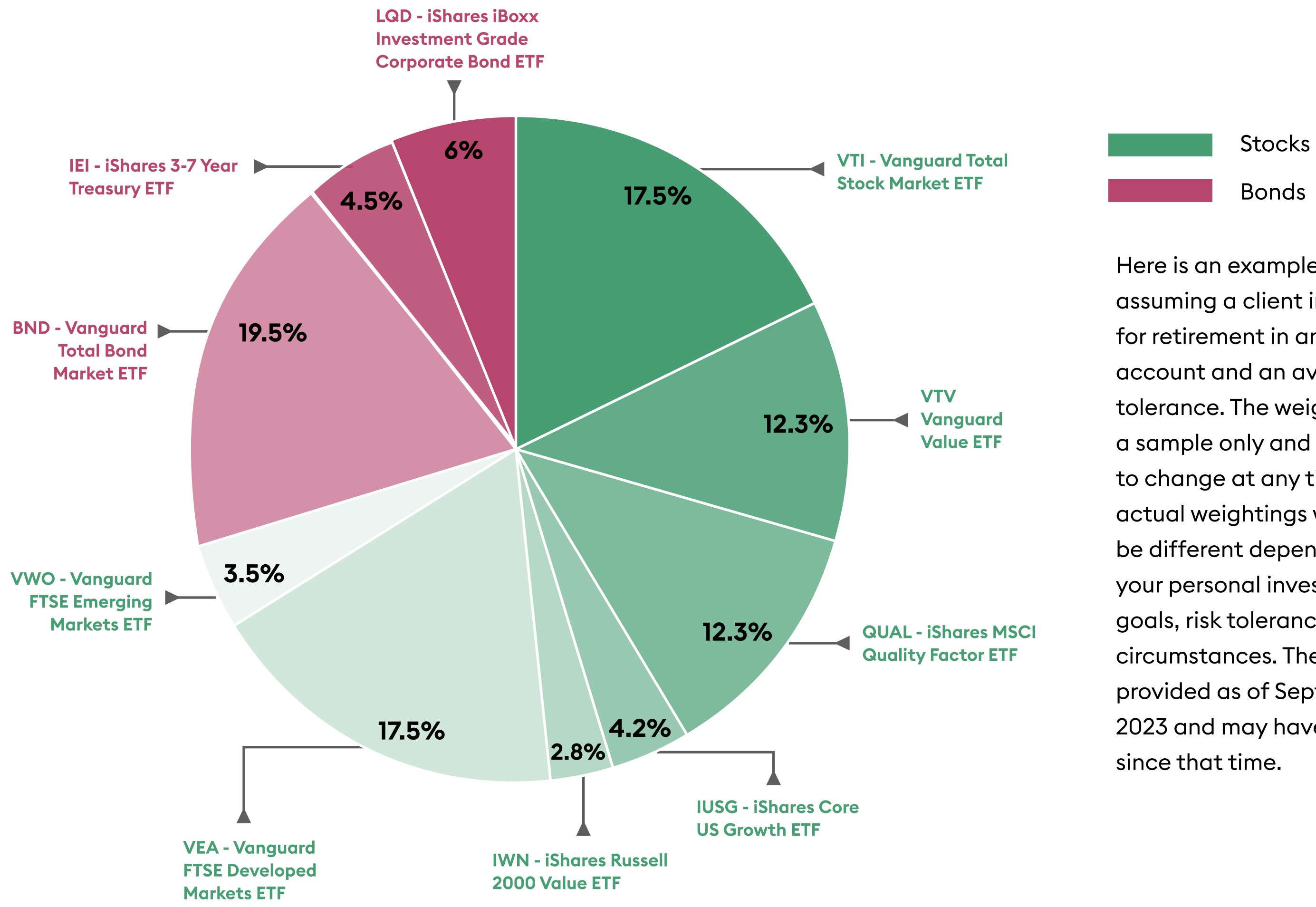
Emphasize companies with high profitability and low debt burden:

The global economy has remained strong even in the face of much higher interest rates. If rates remain high for an extended period, this could weigh on companies with higher debt burdens and/or those with tight profit margins. Conversely, if the economy were to slow from here, companies with more financial flexibility may outperform. Again, this includes companies with less debt and higher profitability.

Underweight emerging markets:

Emerging markets have generally underperformed during periods of U.S. economic slowdowns, even minor ones that did not turn into recessions, such as 2011, 2016 and 2018. While the U.S. economy is not slowing now, consumers have slowed the pace of goods purchases. The heavy reliance on exports generally and commodity exports specifically in emerging economies leaves these stocks more vulnerable.

Example Facet retirement portfolio.



Here is an example portfolio assuming a client investing for retirement in an IRA account and an average risk tolerance. The weightings are a sample only and are subject to change at any time. Your actual weightings will likely be different depending on your personal investment goals, risk tolerance, and tax circumstances. The sample is provided as of September 30, 2023 and may have changed since that time.

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