



# Company Overview

January 1, 2018

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## Business Summary

Fund Architects is an SEC Registered Investment Advisor providing discretionary, fee-based money management services

- 70% managed for other Investment Advisors/Institutions
- 30% managed for individual investors

Experienced senior leadership

- More than 75 years' management, marketing, and product experience with leading mutual fund and insurance businesses

Separate accounts built for Capital Appreciation and Capital Preservation

- Global ETF Portfolio
- Conservative Global ETF Portfolio
- Tactical Unconstrained Growth Portfolio
- First Trust All-Region Portfolio

Focus on independent RIA market

- Relationships with industry's leading custodians, including Charles Schwab and TD Ameritrade

## Company History

**Founded 2007**

**Home Office:** Heath, Texas

**Branch Office:** Denver, Colorado

**Ownership:** Independent,  
Majority Employee-Owned

**Investment Methodology:**  
Active, using both Quantitative  
and Qualitative methods



- 2007 – Founded as a third-party manager offering services to Institutions and other Investment Advisors
- 2008 – Launched a series of dynamic asset allocation portfolios using actively-managed mutual funds
- 2012 – Established an Investment Committee to bring a collaborative team approach to investment decisions
- 2012 – Began offering separate account portfolios to the retail public
- 2014 – Re-engineered strategies to incorporate proprietary Multi-Factor Ranking System and “Glass Box” portfolio construction
- 2015 – Transitioned completely to ETFs to eliminate manager tracking error and reduce expenses
- 2017 – Named William Davis Chief Marketing Officer and member of the Investment Committee
- 2017 – Fund Architects, LLC. claims compliance with the Global Investment Performance Standards (GIPS®)
- 2017 – Launched the Tactical Unconstrained Growth Portfolio
- 2018 – Launched the First Trust All-Region Portfolio

# Key Highlights

## Proven Leadership

Executive management team comprised of three investment professionals with 25 years average industry experience

## Unique Capabilities

Proprietary Multi-Factor Ranking System

## Distinctive Investment Strategy

Fully transparent management process combining quantitative and qualitative components

## Quantifiable Results

Improved client experience with a goal of outperforming the benchmark on a total return and risk adjusted basis over a full cycle

## Aggressive Marketing Strategy

Data-driven targeting and marketing automation

## Client Communication

Bi-weekly Insights published to keep investors informed on the markets and the portfolios' positioning. Online login provided to each client for daily monitoring of performance

## Robust Platform Capabilities

Operational infrastructure that is highly scalable

## Strong Financial Profile

Firm is independently owned and operated



# Proven Leadership

## ■ ■ ■ Executive Management Team

Extensive senior leadership tenure at leading organizations such as Western Reserve, IDEX Mutual Funds, AEGON, Transamerica, Old Mutual, and DST Systems



**BURT SNOVER, ChFC, CLU**  
**President**  
**Investment Committee Member**  
*30+ years' experience with insurance and mutual fund complexes*  
Underwriting, Marketing, Administration, Sales Trained hundreds of advisers on the use of financial products in retirement and estate planning



**DANIEL SNOVER**  
**Vice President / Investment Committee Chairman**  
**Investment Committee Member**  
*8 years' experience with money management*  
Operations, Trading, Reporting, Research  
Developed Multi-Factor Ranking System<sup>SM</sup>



**WILLIAM DAVIS**  
**Chief Marketing Officer**  
**Investment Committee Member**  
*30+ years' experience with investment management*  
Marketing, Commentary, Manager Oversight, Board Reporting, Product Development  
Primary author of *Advisor Insights*



**THOMAS CAMPBELL**  
**National Sales Director**  
*25 years' industry experience*  
New Business Development and Branch Management  
Developed the Tactical Unconstrained Growth Portfolio

*“ We believe that the asset management industry has too often underdelivered on its promises to the investment community. We are committed to delivering an improved client experience by better matching investor expectations with investment results in a systematic and repeatable way.”*

— Burt Snover, President

## Investment Product

# Investment Approach

## Active Management of Passive Investments

Portfolios actively invest among a carefully selected list of high-quality ETFs, including global equity sectors and broader equity regions, to eliminate manager tracking error and reduce trading costs

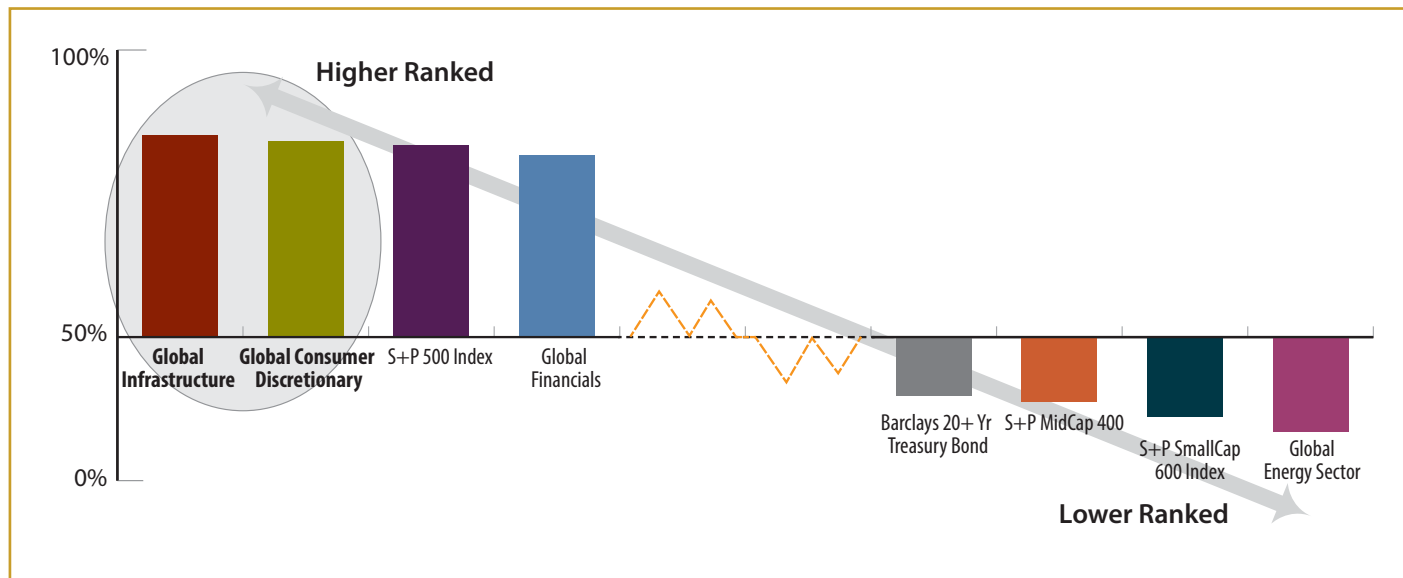
## Multi-Factor Ranking System

Research-based model utilizes a combination of specific price momentum and risk factors in attempt to improve total returns for a portfolio of global investments

## “Glass Box” Portfolio Construction


Fully transparent management process that quantitatively invests 70% of assets based on the Multi-Factor Ranking System and qualitatively allocates 30% of assets toward current market opportunities

- ■ ■ Sample results of the Multi-Factor Ranking System



# Product Offerings

	<b>Fund Architects Global ETF Portfolio</b>	<b>Fund Architects Conservative Global ETF Portfolio</b>	<b>Fund Architects Tactical Unconstrained Growth Portfolio</b>	<b>Fund Architects First Trust All-Region Portfolio</b>
<b>Objective</b>	Capital Appreciation	Capital Preservation	Aggressive Growth	Capital Appreciation
<b>Inception</b>	1/1/2015	1/1/2015	7/1/2017	1/1/2018
<b>Benchmark</b>	MSCI ACWI All Cap Index	Barclays US Aggregate Bond Index	75% S&P 500 / 25% Barclays U.S. Aggregate Bond Index	MSCI World Index
<b>Features</b>	Concentrated Equity Holdings Global Exposure Can use cash as an investment	Concentrated Fixed-Income Holdings Global Exposure Can use cash as an investment	Daily monitoring, with trades as necessary Tactically tilts based on market's direction Can reflect any combination between 100% equity, 100% bonds and 100% cash.	Active Management using Multi-Factor Ranking System Global Equity Exposure Can use cash and U.S. Treasuries for downside protection
<b>Investment Vehicle</b>	Separate Accounts	Separate Accounts	Separate Accounts	Separate Accounts
<b>Leverage</b>	No	No	No	No
<b>Morningstar ID</b>	F00000ZBGG	F00000ZBGE	N/A	N/A



**“** *We will offer no guarantees about the markets, but we will offer a promise: That our high-conviction process will always be driven by research, analysis, and common sense.* **”**

— Daniel Snover, Vice President

## **Operations and Compliance**



# Robust Platform Capabilities

**Fund Architects has substantial capacity and is positioned to support much higher AUM levels at marginal cost.**

**Back-office operations are organized through three scalable, integrated, and experienced groups:**

- Portfolio Operations
- Trading
- Compliance

## **Trading desk**

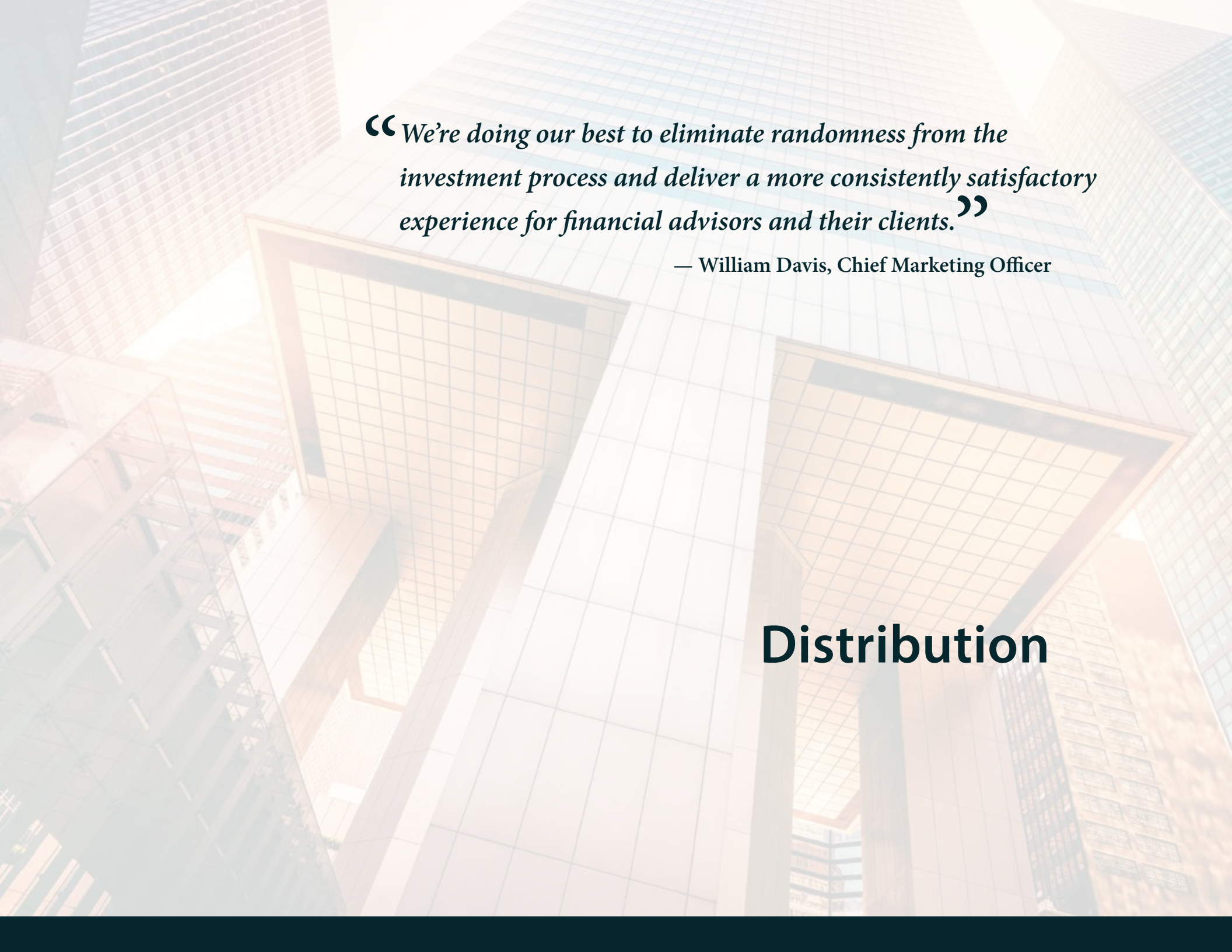
- Facilitates trade execution
- Manages brokerage relationships
- Ensures trade settlements

**Dedicated Compliance officer oversees operations**

## **Systems and Services Providers**

Custodial Partners	Charles Schwab, TD Ameritrade, FOLIOfn
Portfolio Management Software	Morningstar Direct, Proprietary
Performance Reporting	Orion Advisory Services
Legal	Gardere Wynne Sewell LLP
Compliance Consultants	RIA Compliance Consultants, Barge Consulting
E&O Carrier	Mercer Consumer

Fund Architects, LLC. claims compliance with the Global Investment Performance Standards (GIPS®). Fund Architects, LLC. is an SEC registered investment adviser that provides a series of separately managed account portfolios. Fund Architects, LLC. is an independent firm that is not affiliated with any parent organization. To obtain a compliant presentation and/or the firm's list of composite descriptions, please contact Daniel Snover.



*“We’re doing our best to eliminate randomness from the investment process and deliver a more consistently satisfactory experience for financial advisors and their clients.”*

— William Davis, Chief Marketing Officer

**Distribution**

# Sales and Marketing Overview

Strong relationships across a broad range of distribution channels, including:

- RIAs, Wirehouses, and Regionals/Independents
- Institutions and Consultants
- \$100+ million managed for other Investment Advisors/Institutions

Hybrid coverage model leveraging data and market automation technology to efficiently cover large numbers of prospects and customers

- Persona-based Messaging
- Ongoing Database Analysis and Mining
- Sales Analytics

Continuous delivery of investment content and sales education

- Content marketing to identify opportunistic market themes and investor pain points
- Align market themes with firm competencies to inform and fuel content pipeline
- Drive consistent marketing approach, deployed across multiple facets

*Advisor Insights*

- Our Flagship Market Commentary
- Bi-weekly Distribution
- 1000+ impressions per month

