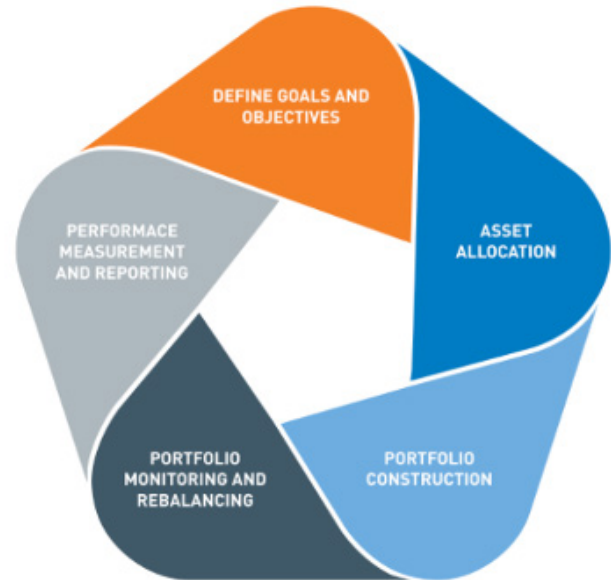




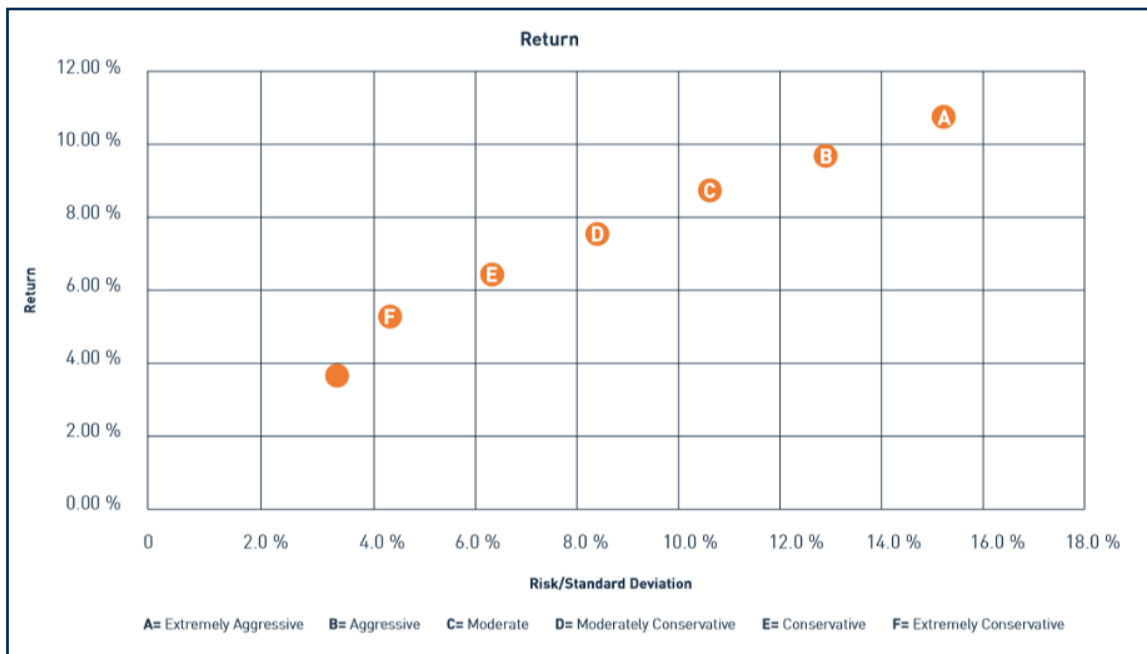
## Our Investment Philosophy

We implement an objective and rules-based approach to making asset allocation decisions. We believe data and market fundamentals can be used to identify structural trends in financial markets and combined with experience and sound investment decisions, we strive to position portfolios to weather all economic environments. A fundamental key to positioning diversified portfolios correctly is to study and better understand economic cycles. We use a macroeconomic framework combined with analysis of financial market fundamentals to position portfolios for the long-term while tactically managing risk and opportunities for the intermediate. We believe an investor's long-term success is built upon a foundation of understanding the needs and goals of the investor themselves, consistent downside protection, and a disciplined approach to portfolio management.



## Client First – The Investment Objective Form

As a fiduciary, our primary focus will always be the client's best interests. To fully understand how a portfolio should be managed, there must first be a mutual understanding of the client's comprehensive financial situation, goals, and risk tolerance. The tool we utilize to better understand these factors is the Investment Objective Form (IO).





Based on a client's risk tolerance and goals, they will fit into one of six different allocation models laid out in the Investment Objective Form. These allocations range from Extremely Conservative to Extremely Aggressive and each allocation varies the targets of risk exposure. We define risk as the historical volatility various asset classes have experienced. Each model has target Equity and Fixed Income exposure. The role of the Portfolio Management Committee is to manage portfolios around these targets, dependent on our analysis of the global economy and financial markets. A portfolio's allocation to each asset class must be within 10% of its target. As a Portfolio Management Committee, we utilize our research and analysis to determine the appropriate exposure to each asset class around its target.

### The Portfolio Management Committee (PMC)

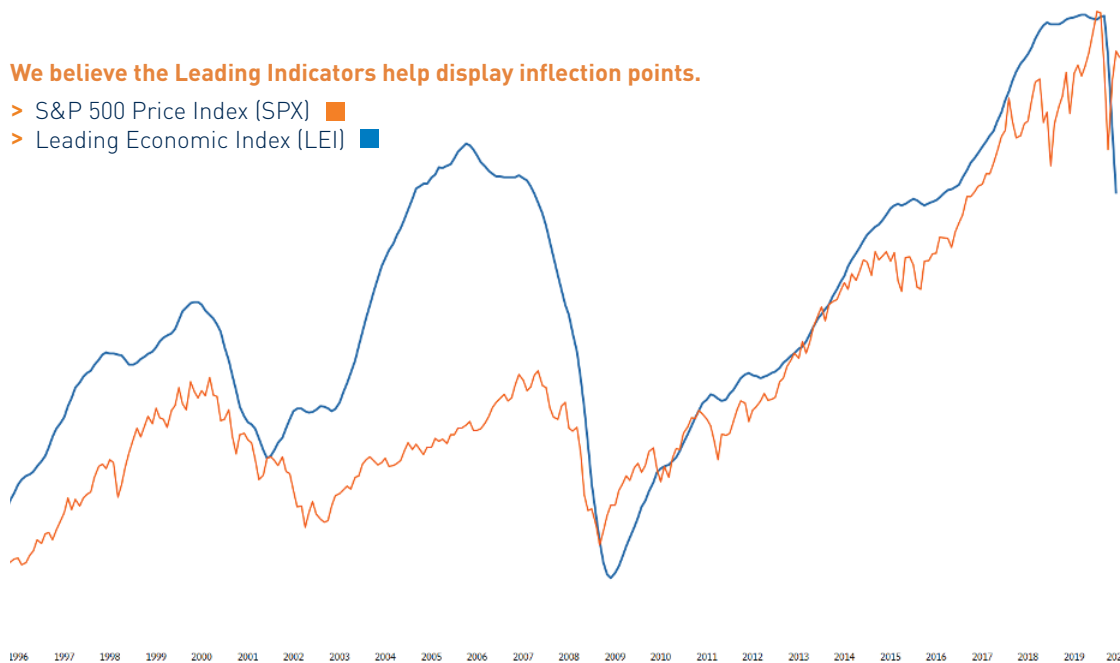
Acumen's Portfolio Management Committee consists of Reese Veltenaar, Grant Allen, Ryan Walker, David Barnes, Amy Stone, and David Wolfe. The primary function of the committee is bringing an objective approach to analyzing the financial markets and the economy as a whole. The committee-based approach to analyzing financial markets, investment risk, and opportunities allows us to better decouple from the emotional biases investors all face. The committee meets on a weekly basis to discuss financial market and economic fundamentals, perform necessary due diligence on portfolio holdings, as well as walk through our investment strategy.

### Our Investment Process

To better position client portfolios for successful long-term investing and dynamic economic cycles, we perform top-down analysis of the global economy, as well as a bottoms-up analysis of financial market and security-specific fundamentals. Because of our belief in the forward-looking nature of the financial markets and our dedication to meeting our clients' long-term goals, our PMC analyzes the shifting nature of leading economic data. We believe a key factor to completing this analysis successfully is to have an objective view on the market, the economy, and the data we consistently monitor. This objective is performed through both a quantitative and qualitative approach to understanding investor behavior, financial modeling, and data analysis.

**We believe the Leading Indicators help display inflection points.**

- > S&P 500 Price Index (SPX) ■
- > Leading Economic Index (LEI) ■



## Implementation

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The implementation of our portfolio management process is driven by our disciplined approach and an emphasis on utilizing technology. By having a comprehensive understanding of a client's goals and their financial situation, we can utilize Active Tax Management within portfolios to enhance returns and reduce negative tax implications. Security selection and asset location are analyzed. An understanding of WHEN to withdraw assets and from WHERE is a crucial component of long-term success in portfolio management. We utilize tax optimization and rebalancing software to prioritize trades to obtain greater benefits for our clients.

To Acumen Wealth Advisors, another key factor to successfully implement a client's investment strategy is the analysis of a portfolio's underlying securities. Our PMC performs detailed security analysis and executes due diligence to ensure investors are receiving the most efficient and low-cost strategy available. Another benefit to better understanding the analysis of the underlying securities within portfolios is the ability to comprehensively approach Active Tax Management. We utilize advanced research software and analysis, such as Bloomberg, to better understand the underlying securities in portfolios, and to monitor macroeconomic trends, and financial market data.

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*The first illustration represents an efficient frontier composed of the Russell 3000 (Equity) and the Barclays U.S. Aggregate Bond Index (Fixed Income). The intent is to illustrate the historical risk and return relationship over an extended period of time. Historical equity returns represented by Russell 3000 Index with a time period of 1993 to 2018. Historical fixed Income returns represented by Barclays U.S. Aggregate Bond Index with a time period of 2003 to 2018. The Russell 3000 Index® measures the performance of the 3,000 largest U.S. companies based on total market capitalization. Barclays U.S. Aggregate Bond Index is the most common index used to track the performance of investment grade bonds in the U.S. and is weighted according to market capitalization. All indexes are unmanaged, and an individual cannot invest directly in an index. Index returns do not include fees or expenses. Acumen uses multiple other investment options to further diversify each asset class. Some examples of assets that could be held as equities may include international, small cap, commodities, alternatives, emerging markets, etc. Similarly, for the fixed portion of the allocation actual holdings may include high yield, floating rate, preferred, etc. Acumen uses broad discretion to determine if an asset is better classified as equity or fixed income. The actual performance of those asset classes may vary significantly from the benchmark illustrated in the above graph. This investment objective is executed on the household level and not per account, which will result in varying risk per each individual account. Diversification does not protect against loss of principal. Past performance is no guarantee of future returns. Standard Deviation is the statistical measurement of spread or variability from the historical return. Historical returns are not intended to be forward looking and should not be viewed as an indication of future results.*

*The second illustration was obtained via Bloomberg L.P. as of 4/30/2020. The S&P 500, or simply the S&P, is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. It is one of the most commonly followed equity indices. The Composite Index of Leading Indicators, otherwise known as the Leading Economic Index (LEI), is an index published monthly by The Conference Board. It is used to predict the direction of global economic movements in future months.*



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## HOW WE INVEST

Acumen's Intentional Approach  
to Portfolio Management



### Stay in Touch

Our newsletter, entitled Market Insights, provides relevant information regarding current economic conditions, how they immediately impact markets, and general information on our firm's investment strategies. If you would like to receive Market Insights, please let us know at: [clientservices@acumenwealth.com](mailto:clientservices@acumenwealth.com).

For the latest news, commentary, and analysis of the financial world, we encourage you to visit our website at [www.acumenwealth.com](http://www.acumenwealth.com) and find us at:

### Acumen Wealth Advisors

250 Forest Avenue  
Chattanooga, TN 37405  
423.825.4796



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