

IMS: A Simplified Overview

Frequently Asked Questions



Through the Investment Management Solutions (IMS) platform, investors enjoy access to a multitude of program options, each supported by well-defined investment beliefs, intellectual rigor, world-class research and asset management skill. IMS investors benefit from an orderly and disciplined process for selecting and managing investments best suited to their investor profile and future goals. Below are questions investors frequently ask about the IMS platform; the chart on the reverse side provides an overview of each program. Your advisor can deliver full details on the platform and how it can be customized to reflect your specific needs.

I How are the investments within my portfolio selected?

Through IMS, you have access to a wide variety of thousands of mutual funds, exchange-traded funds (ETFs) and a selection of professional money managers. The robust strategies in IMS capitalize on opportunities offered through companies such as Fidelity, Vanguard, PIMCO, John Hancock, Dimensional Fund Advisors, BlackRock, Invesco/Oppenheimer and Franklin Templeton.

IMS programs allow you and your advisor to select the types of securities that best fit your needs based on your asset class target and risk tolerance. The IMS Select Portfolios are subject to an extensive due diligence process to provide a disciplined framework. The IMS Select Portfolios are managed by Avantax Wealth Management's Portfolio Management Group (PMG) and Investment Committee.

IMS Flex Choice, Portfolio Choice and Unified Choice provide you with the flexibility to exclude certain asset classes based on personal preferences. IMS Gateway and IMS Prime offers selected investment options with low account minimums.

I Which program is most tax-advantaged?

Both IMS Unified Choice and IMS Access offer personalized tax management services for more complex client situations.

I How are IMS programs managed?

All portfolios are managed on a discretionary or non-discretionary basis. Discretionary investment management is a form of investment management in which securities chosen for accounts are made and trades are executed by a portfolio manager or the client's financial advisor.

IMS Select Portfolios in particular are professionally managed on a full discretionary basis by Avantax Wealth Management's Investment Committee, with PMG responsible for finding best-in-class investment portfolio managers and products across the IMS Select Portfolio strategies. This type of discretionary management provides you with the ability to take advantage of the high-level expertise provided by Avantax Wealth Management's Investment Committee and PMG.

IMS Prime, Portfolio Choice and Unified Choice accounts are managed on a discretionary basis by your advisor and an investment team. Discretion allows your advisor to adjust, rebalance and manage your account based on your individual needs. IMS Flex Choice provides you with the flexibility to choose whether or not to give discretion to your advisor; the choice is yours.

Which programs give me the greatest choice of investment options?

IMS programs provide you with diverse investment options. Flex Choice and Portfolio Choice allow for the inclusion of individual stocks and bonds, in addition to mutual funds, ETFs, structured investments and unit investment trusts.

Can I transition any of my current stocks and bonds into an IMS account?

Flex Choice, Portfolio Choice and Unified Choice allow you to choose from a robust menu of investment options and can accommodate your existing stock and bond positions within limits and guidelines.

How do I ensure my asset allocation stays aligned with my overall objectives?

Most of the IMS portfolios are rebalanced automatically. Rebalancing for IMS Flex Choice is done on a manual basis as your advisor monitors your portfolio, your tax situation and recommends changes as warranted.



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Charting Your Way to Informed Investment Decisions

	IMS GATEWAY	IMS PRIME	IMS SELECT PORTFOLIOS	IMS PORTFOLIO CHOICE	IMS FLEX CHOICE	IMS UNIFIED CHOICE	IMS ACCESS
Minimum Account Size	\$1,000	\$5,000	\$25,000	\$25,000	\$15,000	\$250,000/fixed income only \$500,000 diversified portfolio <ul style="list-style-type: none"> • Access to equity managers at various levels between \$40K and \$100K • At \$150K access to AAM fixed income desk • Access to fixed income managers at \$250K 	\$100,000 program minimum subject to meeting individual money manager minimums which may be higher
Asset Allocation	5 Investor Profiles Ability to customize to asset class targets and/or risk tolerance	5 Investor Profiles Ability to customize to asset class targets and/or risk tolerance	5 Investor Profiles 50+ distinct Model Portfolios No deviation from models Managed by the PMG team	5 Investor Profiles Ability to customize to asset class targets and/or risk tolerance	5 Investor Profiles Ability to customize to asset class targets and/or risk tolerance	5 Investor Profiles Ability to customize to asset class targets and/or risk tolerance	5 Investor Profiles Asset Allocation managed by selected money manager
Investment Options	Set up Advisor Model or build model on the fly	Set up Advisor Model or use Overlay	Select from list of risk appropriate models	Set Up Advisor Model or build model on the fly	Set Up Advisor Model or build model on the fly	Set Up Advisor Model or build model on the fly	Select from list of risk appropriate managers and models
Individual stocks/ Bonds	No	No	No	Yes	Yes	Yes	Yes
Other Options	Allowable mutual funds from American Funds, Putnam, Franklin Templeton, MFS, John Hancock and Invesco	Select list of ETF Only Series 6 program no alterations on recommended securities	ETFs/Mutual Funds Structured Investments	ETFs/Mutual Funds Closed-end funds Structured Investments Unit Investment Trusts FSP Managers	ETFs/Mutual Funds Closed-end funds Structured Investments Unit Investment Trusts	ETFs/Mutual Funds Structured Investments Individual Fixed Income and Equity Managers FSP Managers	SMA Managers
Additional Options				Can exclude certain asset classes and investments	Can exclude certain asset classes and investments Can be managed as a part of a group of accounts with single allocation	Can exclude certain asset classes and investments	
Private Money Manager	No	No	No	Yes - FSP Managers	No	Yes - mix of FSP and UMA/SMA Managers	Yes - Single SMA manager only
Discretionary Account	Yes - Avantax Only (limited solely to rebalancing)	Yes - Advisor and Avantax Series 6 program Avantax only	Yes - Avantax Only	Yes - Advisor and Avantax	Optional - Advisor only	Yes - Advisor, Avantax, Envestnet and Money Managers	Yes - Envestnet and Money Manager
Portfolio Rebalancing	Automatic: Quarterly, semi-annually or annually executed by Avantax.	Automatic: Quarterly, semi-annually, annually executed by Avantax	Automatic rebalancing at 5% out of tolerance executed by Avantax	Automatic: Quarterly, semi-annually, annually or 1-10% out of tolerance executed by Avantax	Manual as necessary	Automatic rebalancing at 5% out of tolerance executed by Envestnet	Rebalance and model changes executed by Money Manager
Check Writing and Margin Loans	No	No	No	No	Yes	No	No
Performance Reporting	Quarterly and On-demand	Quarterly and On-demand	Quarterly and On-demand	Quarterly and On-demand	Quarterly and On-demand	Quarterly and On-demand	Quarterly and On-demand