



At Legacy Wealth Advisors, we believe that the most important thing to know about a wealth management firm is why they are in business and why that should matter to the people they serve. This month, we discuss the key factors that distinguish our firm from others in this business.

\* \* \*

## Everybody Wants Something

There are myriad studies and surveys available today that describe the most important attributes desired in advisors and their firms. One representative survey reflects what we believe are the three most commonly desired characteristics for advisors of affluent individuals and their families – trust, focused expertise, and a customized, “high-touch” approach.

### The Top 5 Characteristics Sought in Wealth Advisors

	Women		Men	
	Top 5*	No. 1	Top 5*	No. 1
Trust	70%	35%	78%	39%
Investment Expertise	71%	22%	82%	24%
Financial Expertise	72%	17%	72%	12%
Estate Planning Expertise	46%	7%	47%	7%
Communication	62%	4%	43%	3%
Interpersonal Skills	19%	4%	30%	4%
Tax Expertise	35%	4%	45%	1%
Years of Experience	14%	1%	17%	1%
Professional Credentials	17%	0%	11%	2%
Friendliness	16%	0%	8%	1%
Promptness	8%	0%	16%	2%
Attention to Detail	34%	0%	40%	0%

\*The cumulative percentage of attributes ranked as one of top 5 most important  
Source: GenSpring

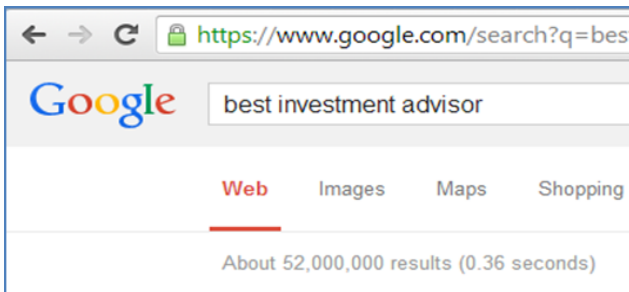
At the very core, this select population of investors is searching for partners they trust. They seek partners who can demonstrate a high level of pertinent experience and expertise, who will customize communications and take innovative approaches to address the explicit and implied needs of clients. These investors are not looking for products or “off the shelf” investment or planning solutions. They seek partnerships with professionals who have the depth of knowledge and experience to understand the problems they face, coupled with the emotional intelligence necessary to devise and execute solutions in their sole best interest.

While there are a variety of “products” and providers available to affluent investors, there are very few firms who have developed the right blend of capabilities and focus to serve them well. To have the “secret sauce” necessary to satisfy the unique demands of this client base, we believe it is necessary for successful firms to clearly articulate not only what they do, but why they are in business.

## Trust ...But Verify

Ronald Reagan once uttered this translation of an old Russian proverb to describe the nature of his growing relationship with Premier Gorbachev. It speaks to the very nature of trust...it is something that is earned over time as relationships develop. We believe that the first step in developing trust is ensuring that our business model is designed to identify and mitigate any potential conflict of interest with the people we are in business to serve.

There is a seemingly limitless supply of investment options available to affluent investors (see Google search results below). Selecting the right advisor can be overwhelming depending on an investor's level of experience, but there are several attributes that allow the best advisors to stand out. Legacy Wealth Advisors operates under a fiduciary standard. As a part of an SEC regulated investment advisory firm, we are held to a standard of exercising our responsibilities in the sole best interest of the clients we are in business to serve. Accordingly, our business model is built to minimize any potential conflicts of interest.



Two key elements reflect this commitment to a client model. First, our investment management structure is designed to ensure that we are always striving to identify and eliminate or mitigate potential conflicts of interest. We do not manufacture any proprietary investment product at Legacy. Instead, we utilize our considerable investment experience to select suitable investment managers for employment in customized client portfolios. The evaluation of managers is a quantitative and qualitative process that is constant and ongoing. We focus on identifying investment managers we believe are representative of a given strategy and have a high probability of repeating their historical performance going forward. Secondly, we have no financial or fee-based arrangements or agreements with anyone except our clients.

The investment managers and funds utilized in our client portfolios do not pay Legacy any form of fees or remuneration to utilize their services. Our only revenue source is the fees we are paid for advisory services by our clients.

**Our business model is intended to eliminate any concerns about our independence. This is an important milestone on the journey toward developing the level of trust our clients desire.**

## E Pluribus Unum – “Out of Many, One”

This motto appears on most of the coins and currency of the U. S. It refers to the fact that our nation was constructed from thirteen different and unique states with a common set of needs. Our political structure explicitly recognizes the unique character of the individual states of the Republic.

Not unlike our great nation, affluent investors have complex and unique financial situations and they expect their advisors to listen carefully and deliver solutions customized to meet their particular needs. Building an organization and business model around identifying and meeting the specific needs of a select clientele is essential to creating the right environment for success.

Legacy Wealth Advisors was founded with a specific clientele in mind. We know that we cannot be “all things to all people”. Accordingly, our mission is to provide customized investment management, wealth planning, and concierge and lifestyle services to affluent individuals and their families, professionals and their businesses, executives, and entrepreneurs. By focusing primarily on these clients, we can deliver a tailored client experience designed to respond to both ordinary and extraordinary life events.

**Our approach is to serve as a “financial physician” for our clients, focusing on the complete financial picture of each client and then devising customized solutions to be implemented in concert with a thoughtful financial plan. We work extensively with each client to understand their objectives, needs and desires, and help develop and execute their plan along with their other professional advisors.**

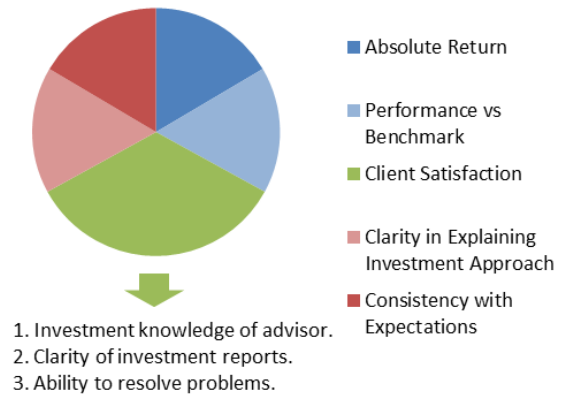
Two important outcomes demonstrate the long term value of this approach for our clients. First, as we work to develop appropriate strategies, we ensure that the outcomes are documented in an Investment Policy Statement (IPS). A critical step to develop the IPS is to determine the most appropriate asset allocation for a client. We begin this process with a thorough statistical analysis to help quantify risk, remove emotion from the investment decision, and analyze how adjusting critical factors (expected return, volatility, tax rate, inflation, life expectancy, cash flows, etc.) will affect the probability that clients will achieve their expressed objectives.

**We believe that the allocation decision, a client's mix of equities, fixed income, alternatives and cash, is the most important outcome of the investment planning process and documenting a client's objectives and influencing factors is essential in demonstrating a clear understanding between client and advisor. As a client's objectives change, so too should the Investment Policy Statement. As a result, we typically review these on an annual basis to reflect any changes in a client's circumstances or goals and objectives.**

Secondly, where appropriate, we provide clients a complete look at their entire investment picture by employing aggregated portfolio reporting. As referenced in a survey on client satisfaction by Chatham Partners, clarity of investment reporting is critical to the client experience. Traditional reporting typically delivers a fractured and incomplete picture of clients' performance against their objectives. Affluent clients frequently hold assets at multiple outside investment advisors, and typically in multiple entities and structures (taxable accounts, joint and individual, retirement accounts and trusts). Viewing these structures independently often hides a variety of risks and may miss unseen opportunities.

**We believe that delivering a well thought out, easy to read performance report that encompasses all of a client's financial accounts, no matter where managed, will help clients understand their investment plan, the construction of the various elements of their portfolio, and how they are doing relative to their personal objectives.**

Drivers of Client Satisfaction



Source: Chatham Partners

**"Life must be understood backwards; but... it must be lived forward."**

Kierkegaard uttered this quote presumably to point out the need to experience life before having a context to understand its meaning. It is precisely this concept that drives and fuels affluent clients to choose advisors who have worked and developed expertise with people like them. Having an advisor who has experience and expertise gained by a long term focus on people with similar needs and challenges is paramount for people of affluence.

Legacy Wealth Advisors has a depth and breadth of focused and relevant experience. Our partners average twenty five years of experience serving the specific needs of affluent individuals and their families. Additionally, we have partnered with HighTower Advisors, a national financial advisory firm that provides us with access to objective wealth management advice along with a robust technology and services platform. We bring our experience and aligned capabilities to routinely work with our clients' outside advisors, estate planning attorneys, and tax professionals to implement client solutions.

**It's not only the depth of experience that sets us apart; it is the level of pertinent experience. Our management team and key advisors are educated and professionally credentialed. Additionally, our team is comprised of mid-career professionals whose primary focus has been investment management and wealth advisory for affluent individuals and their families.**

The real differentiating factor about our experience is how we put it to work for our clients. We are structured to ensure that our entire team is intimately involved in our client relationships. Through our years of experience and industry affiliations, we have access to an impressive array of providers available to pull together at a moment's notice to solve the complex problems of our clients in a timely manner. Our firm is singularly focused on our clients and designed to ensure that the necessary decision makers can be pulled together to execute solutions quickly on behalf of our clients.

**At each different phase of the wealth creation and preservation cycle, we strive to anticipate and meet the requirements of our clients because we know who we are in business to serve, and more importantly, why.**

### The Power of "Why"

Lewis Carroll once said, "If you don't know where you're going, any road will get you there." For many firms in our line of business, this quote is especially descriptive as they manufacture a large number of generic products to serve broad geographic markets and customers at many levels of the financial wealth spectrum. The result of this shotgun approach can be "one-size-fits-all" portfolio management products that may struggle to completely meet the needs of any of the clients they are seeking to serve.

At Legacy, we know why we are in business. We believe that our clients have specific and complex needs that require specialized expertise and complete focus to meet. We also believe that the clients we are in business to serve need and deserve a differentiated level of "high-touch"

*William Van Dresser, Chief Executive Officer*

*Eugene Frenkel, Managing Partner*

service, customized to deliver timely and effective advice, with a focus on continuously simplifying their increasingly complex financial lives.

Finally, we believe that our clients desire more than just investment products and performance. They want a trusted advisory relationship that is designed around complete alignment of interests...where their advisor is always "sitting on the same side of the table" as they are.

**We're in business solely because we know what our clients want and need and because we have a strong and unabating passion to serve them. We're not for everyone...and that is by design, but if you want a differentiated level of service delivered by a passionate and experienced group of professionals, then Legacy Wealth Advisors is the place for you.**

We are thrilled to be able to pursue the development of an independent firm designed specifically around the needs of our clients. Our passion stems from a lifetime of fighting against the impediments inherent in larger organizations focused on growing larger rather than developing the type of intimate and personal relationships our clients expect. We're grateful to serve a devoted group of exceptional clients and we look forward to partnering with you to build a firm that meets all of our expectations, not only now, but for generations to come.

We're available to answer any questions you may have and we encourage you to reach out to any one of us for any reason. We're here because of our clients and we would love to hear from you about what we are doing well and how we might improve in our ability to serve you.

*Elden LeGaux, President and COO*

*Jeffrey Rehm, Chief Investment Officer*

Legacy Wealth Advisors, LLC is a team of investment professionals registered with HighTower Securities, LLC, member FINRA, MSRB and SIPC & HighTower Advisors, LLC, a registered investment advisor with the SEC. All securities are offered through HighTower Securities, LLC and advisory services are offered through HighTower Advisors, LLC. This is not an offer to buy or sell securities. No investment process is free of risk and there is no guarantee that the investment process described herein will be profitable. Investors may lose all of their investments. Past performance is not indicative of current or future performance and is not a guarantee. In preparing these materials, we have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public and internal sources. HighTower shall not in any way be liable for claims and make no expressed or implied representations or warranties as to their accuracy or completeness or for statements or errors contained in or omissions from them. This document was created for informational purposes only; the opinions expressed are solely those of the author, and do not represent those of HighTower Advisors, LLC or any of its affiliates.