

Edward Jones Advisory Solutions®

An added dimension of portfolio management



Edward Jones®

A sophisticated approach

With Edward Jones Advisory Solutions®, you invest in a portfolio, or Model, designed and managed by a team of investment professionals. The benefits of Advisory Solutions include professionally managed portfolios of mutual funds and exchange-traded funds (ETFs), with comprehensive asset allocation, investment selection and automatic rebalancing. Advisory Solutions offers a wide range of Models designed to meet a variety of portfolio objectives. This program enables you to leave the daily investment decisions to a team dedicated to ensuring your portfolio adheres to your personal investment goals.

Our Advisory Solutions Unified Managed Account (UMA) Models may be appropriate if you have taxable or qualified assets of at least \$300,000 and want to delegate your daily investment decisions. You will receive all the key features of our Advisory Solutions, including:

- Investment selection and ongoing monitoring by our team of investment professionals
- Asset allocation guidance that aligns with your risk tolerance determined by our Investment Policy Committee
- Guidance from your financial advisor on selecting a predetermined Research Model or selecting investments to build a Custom Model
- Threshold rebalancing to help keep your investments in line with your objective
- Systematic tax management for equity SMAs, with the goal of maximizing your after-tax return
- Access to professionally managed individual securities

What are SMAs and their benefits?

A separately managed account (SMA) represents a portion of the UMA Model invested in individual stocks or bonds. These securities are selected and professionally managed by a third-party money manager. SMAs may include strategies from a broader array of asset management firms.

The benefits of investing in SMAs alongside mutual funds and ETFs in a portfolio include:

- Direct ownership of individual stocks and bonds managed by third-party professional money managers, adding a layer of tax management with your own cost basis (an asset's value for tax purposes) for each security within the SMA
- The ability to add security-specific restrictions on the account if you have unique needs or concerns
- The ability to invest in municipal bond SMAs that apply a specific state preference

A coordinated approach

UMA Models are designed to align with our investment philosophy, and we partner with an overlay manager to coordinate and implement ongoing trades in a tax-efficient manner.



Benefits of overlay management

The additional expertise of an overlay manager is another feature of our UMA Models. The overlay manager is a team of professionals that performs ongoing management of the Research or Custom Model you select. The overlay manager coordinates most of the trading activity, rebalances the account as necessary and implements tax-efficient strategies in taxable accounts.

You benefit from the overlay manager's expertise in managing this series of complex processes and ongoing account monitoring. This is especially important because it's not uncommon for a UMA Model to hold 250 or more securities, with SMA managers regularly making changes to the holdings.

Tax efficiencies for taxable assets

The overlay manager employs several approaches (listed below) to help reduce taxes and increase after-tax returns. These begin once an account is active and fully invested in an appropriate UMA Model for your unique needs.

Tax management with equity SMA investments: Strategies may include monthly tax-loss harvesting, tax lot matching, wash sale avoidance and short-term gains deferral. The overlay manager implements these strategies while adhering to the target investment mix of your portfolio. Since SMAs allow you to own the underlying individual securities directly, you'll have your own cost basis for each security in the SMA, providing the opportunity for additional tax efficiency.

Tax-free bond investment options: In addition to the benefits of overlay management, certain UMA Models allow you to invest in municipal bond SMAs and tax-free bond mutual funds.

Tax harvesting upon request: Investors can request specific tax harvesting in addition to the overlay manager's normal strategy.

Potential benefits of tax-loss harvesting

Each month, the overlay manager will look for opportunities to harvest losses, balancing the desire for tax efficiency with the desire to closely replicate the performance of the SMA strategy.

This can potentially help offset taxes on your capital gains. Even if the overall market goes up, some stocks are likely to decline in value. Those situations present opportunities to "harvest losses" in the portfolio, offsetting existing or potential future gains.

Role of the overlay manager

- 1 Investing your assets based on the portfolio selected by you and your financial advisor
- 2 Monitoring the account and rebalancing as necessary
- 3 Implementing tax-efficient strategies for taxable accounts

Is UMA right for you?

UMA offers a hands-off approach, with professional asset allocation, investment selection, rebalancing and the added dimension of tax management. If you could benefit from this approach, talk to your financial advisor to help determine whether Advisory Solutions UMA makes sense for you.



Edward Jones is a dually registered broker-dealer and investment adviser. Edward Jones Advisory Solutions® is a wrap fee program that provides investment advisory services. Depending on a client's minimum investment, a client can select Fund Models, which invest in affiliated mutual funds (if available), unaffiliated mutual funds and exchange-traded funds (ETFs), or UMA Models, which also include separately managed accounts (SMAs). Review the applicable Edward Jones Advisory Solutions Brochure and Edward Jones Overlay Management Services Brochure for more information. To obtain copies of these brochures, visit edwardjones.com/advisorydisclosures.

Many of the investments in Advisory Solutions are offered by prospectus. You should consider the investment objective, risks, and charges and expenses carefully before investing. The prospectus contains this and other information. Your Edward Jones financial advisor can provide a prospectus, which you should read carefully before investing.

Rebalancing an Advisory Solutions account may result in a taxable event. Edward Jones, its employees and financial advisors cannot provide tax or legal advice. Please consult your attorney or qualified tax advisor regarding your situation.

The initial minimum investment for UMA Models, including Custom Models containing SMAs, varies by portfolio objective. The initial minimum investment for UMA Model accounts with a balanced growth & income, balanced toward growth, growth focus or all equity focus portfolio objective is \$300,000, with additional investment options available at \$1 million. The initial minimum investment for UMA Model accounts with an income focus or balanced toward income portfolio objective is \$500,000, with additional options available at \$1 million.

All investment strategies and investments involve risk, and the value of your account will fluctuate. As a result, your account may be worth more or less than the amount of money you invested in Advisory Solutions. Each Program Fund will also fluctuate in value and, when sold, may be worth more or less than the original cost to purchase.