

Unlocking Tax Efficiency with Choreo Tax Advantage™

Choreo Tax Advantage™ is a sophisticated approach configured for active tax management and designed to optimize client outcomes. Positioned at the intersection of tax and wealth, Choreo's overarching investment philosophy focuses on low-cost, tax-aware investment management, rooted in research and diligence, and delivered at a household level. At its core, Choreo Tax Advantage™ aims to **minimize taxes without compromising portfolio dynamics**, and includes solutions oriented toward the following client benefits:

- Tax-Smart Transitions
- Householding & Automated/On-Demand Opportunity Identification
- Asset Location (including gains deferral, loss harvesting, and tax & gains budgeting)
- Direct Index Strategies (enhanced loss harvesting and portfolio customization)

Whether clients are actively working on building wealth, charting a path to retirement, or seeking to create a fully optimized multi-asset portfolio, achieving success requires a clear vision, comprehensive and current knowledge of various scenario implications, and expertise managing various aspects of wealth.

Tax Smart Transitions. During the onboarding process for new client relationships with legacy (i.e., existing) holdings, or when transitioning an existing client to a new investment strategy, a primary objective is to minimize tax implications while continuing to prioritize alignment of client goals to portfolio allocation and risk. The Choreo Tax Advantage™ platform offers clients a personalized approach allowing for strategic realization of losses where appropriate in order to offset a portion of (or in some cases all) capital gains from other areas or accounts within the portfolio.

Householding & Automated/On-Demand Opportunity Identification. Managing multiple accounts within a household – such as 401(k)s, taxable accounts, and IRAs – in a coordinated manner that aligns with overall portfolio objectives can further minimize taxes by leveraging tax-deferred accounts to reduce tax liabilities on income and capital gains. Choreo Tax Advantage™ allows our advisors to consider different tax treatments across account types (known as "Asset Location"), with the goal of identifying opportunities for potentially greater tax savings. All accounts within the household (taxable, tax-deferred and tax-free) may be included in this consideration.

Asset Location. Asset Location is the strategic placement of securities in tax-deferred and taxable accounts. This helps to identify opportunities to minimize tax liabilities and maximize after-tax returns, by deferring gains, harvesting tax losses, and setting thresholds for taxes and gains across the portfolio.

Direct Index Strategies. A direct index account is a customized portfolio designed to closely mirror the performance of a specific index, such as the S&P 500. Unlike traditional index funds or exchange-traded funds (ETFs) which do not allow for tax loss harvesting, direct indexing offers greater customization capabilities in that the investor is able to choose which specific asset classes and equities to include to mimic index allocation and performance, even without holding the exact same equities as the fund. Because direct index accounts allow for individual ownership of specific equity types included in the index, losses within the direct index account become individually harvestable, thus providing an opportunity to reduce tax implications.

For more information about how Choreo Tax Advantage™ may help you, please contact your advisor.

For more information about Choreo, please visit www.choreoadvisors.com.

About the Sub-Advisory Relationship with Smartleaf Asset Management, LLC

Smartleaf Asset Management LLC (“SAM”) is a sub-advisor to Choreo, LLC (“Choreo”). SAM and Choreo are not affiliated. SAM is a fully owned subsidiary of Smartleaf, Inc. whose automated rebalancing workflow platform helps its clients deliver customized, tax-optimized portfolios at scale. SAM is an SEC-Registered Investment Advisor that operates Smartleaf Inc. software to automate household and account rebalancing and trade execution services.



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