

## Introduction to YieldQuest Securities

YieldQuest is an investment and research boutique headquartered in Atlanta, GA, focused on providing holistic portfolio management, research, and execution services to independent registered investment advisors and institutions. With over a decade of extensive experience working with this niche client base, we have developed an infrastructure and value-add platform unlike any other we are aware of within the RIA space. Our value proposition is founded on the concept of a collaborative and mutually beneficial partnership with our clients.

YieldQuest Securities, LLC specializes in fixed-income trading and portfolio management services for registered investment advisors. Advisors may utilize our strategies and services by trading away from their custodian in a delivery-vs-payment (DVP) transactional model – or what we refer to as “private accounts”. Advisors work with YieldQuest Securities’ private accounts in three main ways:

- Utilizing our bond desk for individual fixed-income trading, including municipal bonds, and the entire spectrum of taxable fixed-income including treasuries, agencies, corporate bonds, mortgage-backed & CMOs, taxable municipals, bank CD’s, and more.
- YieldQuest fixed-income strategies, which includes customized portfolios structured around our model fixed-income portfolios consisting of individual bonds, ETF’s, and other securities. We also have additional overlays such as duration positioning, credit quality profile, etc.
- Equity portfolio management services, which incorporates a sector rotation / ETF approach.

We provide our clients with the full spectrum of individual fixed-income investments. We utilize municipal bonds, corporate bonds, mortgage-backed securities, US Government Agencies, taxable municipals, preferred stocks, and secondary–market bank CDs. Through our decade-long relationships with street dealers and broker’s brokers, we believe our ability to navigate the individual bond markets and maintain an attractive inventory of bonds tailored to our clients’ needs may exceed that of many of our competitors. We are confident you will find our trading abilities and market knowledge worthy of serious consideration, as you continue to explore a relationship with YieldQuest.

### Client Communication and Research

Many of our clients find our client communication initiatives to be invaluable, and regularly utilize our multitude of communication pieces in formulating their investment strategy and presenting it to clients. Through what some clients have come to call an “enhanced research filter” – we cull through vast amounts of top street research to deliver clean, concise, actionable ideas and recommendations through a variety of different media:

- Monthly fixed-income and equity conference calls: our investment version of “60 Minutes”
- Targeted commentary and special write-ups
- 10-minute audio updates
- One-on-one interviews/discussions between our Chief Investment Strategist and leading market experts on a variety of economic/market-related topics
- Timely e-mail alerts, with actionable recommendations
- YQ Portal site – a central repository for all of this information and more

### Client Service

Ours is a high touch, high service offering that focuses on a collaborative relationship with our clients. We are not simply a “broker” but rather viewed, by our very best clients, as an extension of their own firm, where our input on various investment related topics and portfolio construction can be highly valued. As an example, if you utilize individual bonds, your firm may look to “offload” the construction of your individual bond portfolios to us, allowing us to do the heavy lifting of security selection and execution, while also providing guidance on portfolio structure such as duration, product mix, credit quality, etc. Some unique characteristics of our service offering include:

- Collaboration on portfolio construction, whereby portfolios are designed to meet specific advisor and/or end-client needs
- A commitment to educating our clients, especially with regard to our recommended portfolios
- 24/7 access to key staff, including Portfolio Managers, Managing Directors, and our Chief Investment

## Introduction to YieldQuest Securities

### Strategist

- An uncompromising commitment to honesty and integrity over the decade-plus we have been in this business. We would be happy to refer you to some of the clients with whom we have long standing relationships.

### Our Fixed Income Goals

YieldQuest approaches the fixed income market holistically, seizing upon opportunities in all sectors of the marketplace. We specialize in identifying sectors of the market that may have inefficiencies and/or offer the most value at any given point in time. We believe fully researching and then acting upon value opportunities we identify with respect to both credit and the yield curve may allow us opportunities for long-term outperformance that we believe can be maintained throughout market interest rate cycles. Our investment approach focuses on achieving alpha, or risk-adjusted outperformance relative to an appropriate benchmark.

Our fixed-income portfolios serve a number of objectives, but primarily, they are constructed with the main goal of principal preservation. High quality fixed-income generally does not provide “home-run” type returns, but it can certainly cause needless angst should poor selections be made. Should a bond default, you risk losing your entire principal (what you paid for the bond), as well as the coupon payments that you should have received. Regardless of the fixed-income strategies we employ, safety of principal is our primary objective. However, because returns are also important to our clients given financial planning goals and objectives, we seek to maximize the risk/reward trade-off in our fixed-income portfolios. This includes altering the mix of securities within our portfolios as market conditions present opportunity, as well as searching for specific types or structures of bonds that may allow us to keep credit quality extremely high, while adding incremental yield (return) to portfolios.

### Broker/Dealer Implementation/Execution Services

- *Fixed-income*: our fixed-income trading desk serves RIA clients who utilize individual bonds in their fixed-income portfolios. We aid in the construction of these portfolios given client objectives and risk tolerances and once approved, execute these trades for the advisor client. We also conduct in-depth portfolio reviews of both current and prospective clients, thereby aiding our clients in both the maintenance of current accounts as well as new business generation efforts.
- *Equity, CEF and ETF*: our equity trading desk specializes in the execution of closed-end funds, preferreds, ETF's, and other exchange traded instruments. Our extensive involvement in these areas for over a decade may allow us to potentially add meaningful value on executions, when compared to a typical discount broker.

*Securities offered through YieldQuest Securities, LLC (Member FINRA and SIPC). YieldQuest Advisors, LLC is the advisor to YieldQuest Funds.*

*Note that bond investing involves risks such that the value of the bond may decline as interest rates rise.*

*This material does not constitute an offer to sell, solicitation of an offer to buy, recommendation to buy, or representation as the suitability or appropriateness of any security, financial product or instrument, unless explicitly stated as such. This information should not be construed as legal, regulatory, tax, personalized investment, or accounting advice.*

*Additional information available upon request.*

ADV-0141-001-249