WHAT IS DIRECT INDEXING?
Direct indexing is the process of replicating a broad market index through the direct purchase of individual securities—rather than purchasing the index itself. With ownership of the underlying securities, advisors can add additional tax alpha to client portfolios.

HOW DOES DIRECT INDEXING GENERATE TAX ALPHA & ADDITIONAL VALUE?
- **Tax-Loss Harvesting**: Harvest stock losses to offset taxes on capital gains elsewhere
- **Trading Flexibility**: Buy and sell specific positions without liquidating an entire index
- **Holdings Transparency**: Justify your advisory fees by providing full transparency into clients’ exact holdings

WHAT ARE THE BRINKER CAPITAL DIRECT INDEXED, TAX-MANAGED MODELS?
Using a proprietary SMA portfolio customization tool, Brinker Capital has created five direct indexed, tax-managed models that generate tax alpha through tax-loss harvesting capabilities. As advisors look for new ways to differentiate their services, these models offer more personalized investment options for clients.

**Model** | **Tracked Index**
---|---
S&P 500 Market Beta Tax Managed | S&P 500 Index
U.S. Large Cap Market Beta Tax Managed | U.S. Large/Mid Cap (Russell 1000 Index)
U.S. Small Cap Market Beta Tax Managed | U.S. Small Cap (Russell 2000 Index)
U.S. High Dividend Yield Tax Managed | U.S. High Dividend Yield TSP
U.S. Quality Value Tax Managed | U.S. Quality Value TSP

<table>
<thead>
<tr>
<th>Designed for Clients Looking for</th>
<th>Minimum Investment</th>
<th>Indexing Approach</th>
<th>Target # of Securities</th>
<th>Tax Management Strategies</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. core allocation, tax-efficient rebalancing in their taxable accounts</td>
<td>$50,000</td>
<td>Core/satellite (ETFs + stocks)</td>
<td>Up to 300</td>
<td>Tax-Loss Harvesting</td>
<td>25 bps</td>
</tr>
</tbody>
</table>

WHAT IS TAX ALPHA?
Tax Alpha is a portfolio’s excess after-tax return, relative to its benchmark, adjusted for any excess pre-tax returns. Excess After-tax Return - Excess Pre-tax Return = Tax Alpha

HOW TO ACCESS THESE MODELS:
The Brinker Capital tax managed models are exclusively available on the Orion Portfolio Solutions platform in the Strategic Mandate. Contact the Orion Portfolio Solutions Sales Team to request fact sheets and a proposal.

800.379.2513 option 5
sales@orion.com
This material does not constitute any representation as to the suitability or appropriateness of any security, financial product or instrument. There is no guarantee that investment in any program or strategy discussed herein will be profitable or will not incur loss. This information is prepared for general information only. Individual client accounts may vary. It does not have regard to the specific investment objectives, financial situation, and the particular needs of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed and should understand that statements regarding future prospects may not be realized. Investors should note that security values may fluctuate and that each security’s price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not a guide to future performance. Investing in any security involves certain non-diversifiable risks including, but not limited to, market risk, interest-rate risk, inflation risk, and event risk. These risks are in addition to any specific, or diversifiable, risks associated with particular investment styles or strategies.

The S&P 500 Index is an unmanaged index of 500-large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks. The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 2000 is an index comprised of the 2,000 smallest companies on the Russell 3000 Index and offers investors a benchmark for small-cap stocks. An index is an unmanaged group of stocks considered to be representative of different segments of the stock market in general. You cannot invest directly in an index.

Brinker Capital Investments, LLC’s Target Strategy Portfolios (TSPs) are SMA based portfolios that use quantitative rules to select stocks based on investment and behavioral factors. The U.S. Quality Value TSP pursues companies with higher earnings quality and lower levels of debt, and that trade at lower valuations relative to the market. As a result, this portfolio places emphasis on up to 300 companies with historically moderate earnings growth, stable balance sheets, and below-average valuations relative to the market or industry peers. The U.S. High Dividend Yield TSP pursues companies with above-average dividend yields, higher earnings quality, and lower levels of debt. As a result, this portfolio places emphasis on up to 100 companies that are perceived to have sustainable higher dividend yields over time. Brinker Capital Investments, LLC a registered investment adviser.