



HAWK | 100

Avoid Common Investor Mistakes.

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Your wealth.
Your life.
Aligned.



Avoid Common Investor Mistakes.

Not having a strategy.

Buying stocks not a portfolio.

Not investing in companies.

Buying high.

Selling low.

Turning over portfolio positions too quickly.

Acting on tips not advice.

Overpaying fees and trading costs.

Excessive focus on taxes.

Unrealistic expectations.

Not understanding risk.

Failure to monitor and evaluate results.

The contents of this presentation have been adapted from "Solutions to the 12 Common Mistakes Individual Investors Make." © 2010 CFA Institute. CFA Institute has not been involved with the preparation or review of this presentation.



Not Having a Strategy.

Common mistake.

- As Yogi Berra famously said, "You've got to be very careful if you don't know where you're going, because you might not get there."

Simply stated solution.

- Strategize.

How Hawk100 Helps.

- Hawk100 designs a Wealth Alignment PlanSM for each client member. Your Wealth Alignment Plan is the cornerstone for all of our advice. It is designed to articulate your purpose and values, assign prudent wealth strategies, and help you attain your aspirations and goals.



Buying Stocks Not a Portfolio.

Common mistake.

- When individuals buy stocks on the independent merits of each stock without considering how the stock fits in a portfolio, risks concentrate unwittingly and opportunities are missed.

Simply stated solution.

- Diversify.

How Hawk100 Helps.

- Your Wealth Alignment Plan sets parameters intended to ensure you hold investments in a wide range of industries, companies, countries, and asset classes. Hawk100 measures and manages your diversification to help protect against extreme fluctuations.





Not Understanding Companies.

Common mistake.

- Ignore the business behind the issuing company at the risk of peril.

Simply stated solution.

- Invest in companies, not stocks.

How Hawk100 Helps.

- Before buying individual securities, Hawk100 conducts rigorous analysis of the fundamental outlook for the business of the company underlying the stock. Evaluating such evidence ensures that you have sound judgment when investing.

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Buying High.

Common mistake.

- Buying stocks that have advanced feels good and affirms the wisdom of the investment.

Simply stated solution.

- Buy low.

How Hawk100 Helps.

- Hawk100 sets strategies for your portfolio designed to prevent irrational decisions in the heat of the moment when emotions can override judgment. Keep in mind that when you buy high you've probably missed the best performance and growth of the stock.



Selling Low.

Common mistake.

- Selling stocks that have fallen helps individuals avoid the regret of holding losing positions.

Simply stated solution.

- Sell high.

How Hawk100 Helps.

- A systematic sell discipline is tantamount to investing success. Hawk100 defines a sell discipline that exits positions when the stock price exceeds the fundamental value of the company. The worst reason to sell is that the stock has declined in price. When stocks tank, better to either wait it out or buy more.



Turning Over Portfolio Positions Too Quickly.

Common mistake.

- Excessive trading drags performance by increasing the amount of hidden trading costs incurred in each trade.

Simply stated solution.

- Be patient.

How Hawk100 Helps.

- Hawk100 recommends strategically aligning your holding periods with your investment horizon. Too-frequent trading reinforces a frantic focus on short-term performance over long-term fundamentals and generates a greater burden of transaction costs.



Acting on Tips Not Advice.

Common mistake.

- There is truth to the old saying, “when taxi drivers are handing out stock tips, it's time to sell.”

Simply stated solution.

- Ignore the trends.

How Hawk100 Helps.

- Hawk100 is a wealth advisor that aligns your wealth with your life. Our wealth and discretionary investment advice aligns with your purpose, values, aspirations, and goals. We neither push stock tips, pretend to offer hot ideas, nor trade on perceived inside information. We seek to execute trades with diligence and care.



■ HAWK|100 Overpaying Fees and Trading Costs.

Common mistake.

- Commissions dominate individuals' attention spans but make the smallest component of trading costs.
 - ✿ Commissions 9 bps, market impact 12 bps, delay 21 bps, opportunity 9 bps.
 - ✿ Total trading costs 51 bps.
 - ✿ Source: 2005 study conducted by Plexus Group, Inc..

Simply stated solution.

- Ask for the fine print.

How Hawk100 Helps.

- Hawk100 adviser fees are competitive, clear and controlled. Our team works to mitigate investment costs and makes sure you understand your fees before you invest.



Excessive Focus on Taxes.

Common mistake.

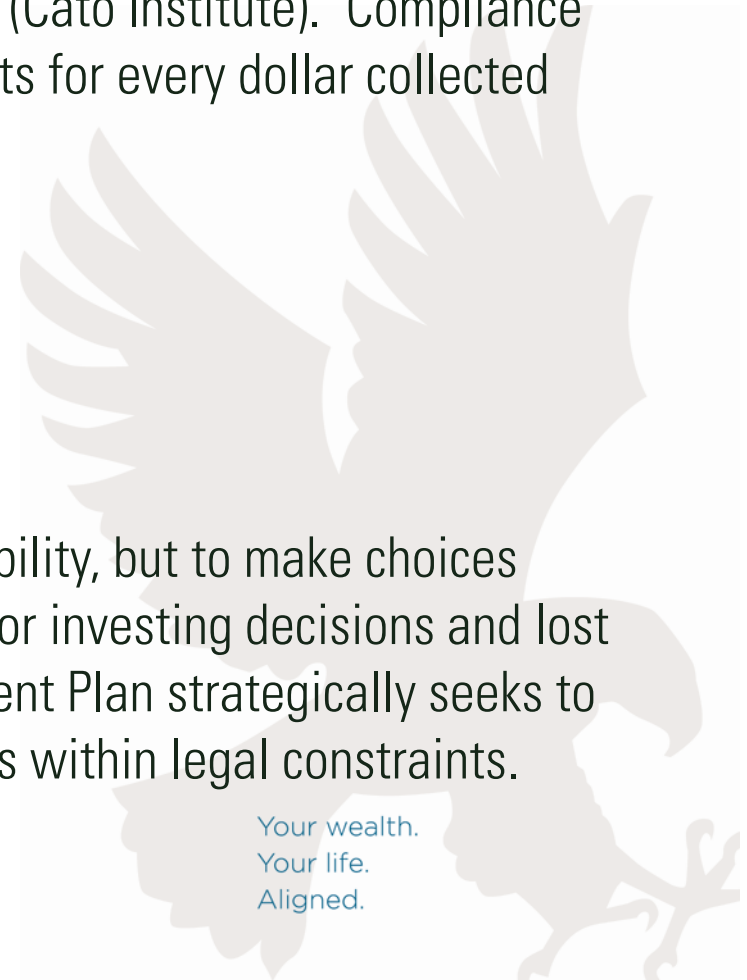
- The tax code exceeds 70,000 pages (Cato Institute). Compliance with complex tax rules costs 20 cents for every dollar collected according to the Tax Foundation.

Simply stated solution.

- Pay your taxes.

How Hawk100 Helps.

- It's good to be aware of your tax liability, but to make choices purely to avoid taxes can lead to poor investing decisions and lost opportunities. Your Wealth Alignment Plan strategically seeks to avoid, reduce, or delay tax payments within legal constraints.





Unrealistic Expectations.

Common mistake.

- “The Intelligent Investor” (Wall Street Journal, January 16, 2010) cites a 2009 survey that found “investors expect the U.S. stock market to return an average of 13.7% over the next 10 years.”

Simply stated solution.

- Prepare for the worst.

How Hawk100 Helps.

- Hawk100 aligns your wealth with your life to help your behaviors support your purpose. We avoid the pursuit of unrealistic returns that often entail risks that lead to disappointment by sudden market routs. Hawk100 seeks consistent, reasonable returns over the long term on fundamentally sound assets.



Not Understanding Risk.

Common mistake.

- Investors tend to pursue returns without regard to associated risks, then panic when expectations are not met.

Simply stated solution.

- Know thyself.

How Hawk100 Helps.

- Hawk100 explores your willingness and ability to take risk to design truly diversified portfolios aligned with your life. Knowing how to define and respond to risk matters as much as how much risk you take.



Failure to Monitor and Evaluate Results.

Common mistake.

- Most investors evaluate investments only when starting an investment program such as when adding positions or enrolling in benefits programs (e.g., 401k).

Simply stated solution.

- Be consistent.

How Hawk100 Helps.

- Hawk100 provides you with meaningful, periodic information to facilitate your portfolio monitoring and evaluation. Behind the scenes, Hawk100 keeps a watchful eye on your portfolio to continuously monitor and evaluate your results.



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Although Hawk100 endeavors to deliver asset returns that best align with each member's Wealth Alignment Plan, the firm cannot guarantee that this will occur. Hawk100 strives to increase Members' confidence that their wealth will perform according to plan by seeking increased predictability of returns while reducing risk.

Since each Member receives personalized portfolio strategies, one standard portfolio does not exist.

The performance information presented herein reflects actual results for a composite of fee-paying accounts over which Hawk100 exercises full discretion. The presentation has been prepared in accordance with industry standard calculation methods, using geometrically-linked, time-weighted rates of return aggregated based on the value of each respective account as measured on a daily basis. Periods of less than one year have not been annualized. For the period July 1, 2006 through December 31, 2008, Hawk Investment Management was merged into a separate investment adviser.

The selected benchmark reflects a blend of representative indices comprising: 10% Ryan Labs Treasury, 20% Dow Jones Corporate Bond, 30% S&P 500, 15% S&P 600, and 25% MSCI EAFE.

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Your wealth.
Your life.
Aligned.