

# Investment Management Services *for Private Clients*



*Comprehensive Investment Asset Management*

**M**

**MASON**  
INVESTMENT ADVISORY  
SERVICES, INC.

[www.masoncompanies.com](http://www.masoncompanies.com)

*“We are committed to objectivity, which keeps our focus exactly where it should be—on you.”*

— WILLIAM N. MASON, III  
CHAIRMAN, MASON INVESTMENT ADVISORY SERVICES

## Methodology

### ASSESSMENT - STRATEGY - IMPLEMENTATION - MANAGEMENT

Mason Investment Management Service (MIMS) provides individual investors with comprehensive investment asset management. There are four equally important steps to our process.

#### 1. ASSESSMENT

Assess the investor’s current situation, including current holdings, risk exposure, projected cash flow events and tax circumstances.

#### 2. STRATEGY

Discuss and discover the client’s personal investment philosophy—including the guidelines, goals, risk tolerance, performance measures and withdrawal policy that will shape investment strategy—and use this information to determine an appropriate asset allocation strategy to accommodate the unique financial circumstances and investment objectives of each investor.

#### 3. IMPLEMENTATION

Implement, or select and acquire, the actual investment vehicles to be used in the portfolio.

#### 4. MANAGEMENT

Manage the account through such activities as portfolio monitoring, rebalancing and regular reporting.

Our methodology is based on the belief that an important determinant of investment success is proper asset allocation. We will not try to time the market or follow short-term trends. As part of our process, we apply a formal rebalancing methodology that we believe will further enhance returns.

A thorough, professional research process is crucial, especially during the implementation phase. If the allocation is not implemented as accurately as possible, the results may be much different than anticipated. We are not part of a large public financial services company and we do not design or promote our own (“proprietary”) mutual funds or investment products. This leaves us free to search the world for what we feel are the best managers to fit our asset allocation strategies.

Account management is important both during and after the initial implementation. Investment transactions are handled primarily through our affiliate, Mason Securities, Inc., a FINRA-registered broker-dealer. This allows us to control transaction costs, to the benefit of the client. Our automated systems allow us to monitor your account and accurately report investment results to you on a periodic basis.



## 1. ASSESSMENT

- ▶ Review global situation (net worth, liquid/illiquid assets)
- ▶ Discuss goals and investment objectives
- ▶ Consider tax circumstances and cash flow events

## 2. STRATEGY

- ▶ Assess risk tolerance and performance criteria
- ▶ Determine appropriate asset allocation strategy
- ▶ Evaluate current or future portfolio withdrawal rate

## 3. IMPLEMENTATION

- ▶ Set up account
- ▶ Select and recommend managers and funds
- ▶ Manage transactions

## 4. MANAGEMENT

- ▶ Monitor and rebalance portfolio
- ▶ Provide regular performance reports
- ▶ Conduct face-to-face meetings

# Asset Allocation

## REDUCING RISK THROUGH DIVERSIFICATION

The objective of diversification is to assemble a portfolio of investments that perform differently in response to different economic circumstances. Through diversification, investors can attempt to reduce the volatility of a portfolio as circumstances change from economic prosperity to recession and back again or, in another example, from low inflation (and perhaps deflation) to high inflation.

Because many of these situations cannot be predicted and become clear only in retrospect, we classify investment assets into broad asset categories, with each broad category having important subcategory targets. We believe this to be an effective strategy, even for an aggressive investor and no matter what the economic environment may be.

With proper asset allocation, a portfolio holds asset classes with low correlation (movements in the opposite direction, at the same time or not at the same magnitude). For example, low inflation or deflation have a very positive influence on bonds but usually a negative influence on real estate and energy. If inflation takes over, the opposite effect is usually felt. Economic prosperity is a positive influence on stocks, but if that prosperity brings inflation, there is usually a negative impact on bonds.

With Mason's approach to asset allocation, our goal is to create high-performing, low-volatility portfolios that provide our clients with the results they expect.

# Implementation

## SELECTING THE MANAGERS WHO FIT THE OBJECTIVES

For an asset allocation strategy to be effective, professional guidance in the implementation phase is crucial. Unless each asset class is represented accurately by using investment managers that will best represent the class objective, the results may be much different than anticipated, particularly during times of adversity or crisis.

To identify managers who fit our implementation objectives, we use a rigorous in-house research process that includes both a quantitative and a qualitative review. The goal is to identify those managers who offer both a strong performance track record and an accurate asset class fit. We perform a periodic review of new managers in our attempt to find who we believe to be the best managers possible for use in our clients' portfolios, and all managers are continuously monitored.

# Portfolio Monitoring

## ASSURING YOUR PORTFOLIO REFLECTS YOUR DESIRES

After your portfolio is implemented we will continually monitor it, reviewing each manager's performance against our strict set of analytical criteria to look for timely indications of when a manager should be evaluated for possible replacement. In addition, we regularly review your actual portfolio allocation against your recommended targets to identify opportunities for rebalancing—which helps to reinforce the discipline of buying low and selling high.

We communicate frequently and provide detailed, comprehensive investment performance reports that enable you to track your portfolio. In addition, you will receive monthly brokerage account statements from your custodian.

Throughout the process, you will have a dedicated Mason investment representative to meet with on a regular basis, backed by a team of analysts and operational specialists.

Our goal: To make sure you receive the attention and responsiveness you expect—and the peace of mind you deserve.

*“An investment in knowledge pays the best interest.”*

— BENJAMIN FRANKLIN

## Our Defining Beliefs

**A MESSAGE FROM WILLIAM N. MASON, III**  
*Chairman, Mason Investment Advisory Services, Inc.*

We understand that it takes time to get to know a client well enough to determine which of many directions will best reflect their unique needs and preferences. As a result, when you become a client, we begin with you, not with your assets. We make the effort and take the time to get to know you as a person, so that we can build a continuing relationship in which the investment planning and management process will flourish.

If you do not wish to entrust your hard-earned savings to a small firm with limited resources and experience, but you are also uncomfortable with being just one of thousands of clients of a large institution, Mason Investment Advisory Services (MIAS) may be ideally suited to your needs. We have the services and capabilities of a larger company combined with the atmosphere and personal touch of a small firm.

The staff of MIAS is composed of a diverse group of professionals, allowing us to take a multidisciplinary approach to the formulation of ideas and recommendations. Members of our professional staff hold a variety of credentials, including Chartered Financial Analyst (CFA), Masters of Business Administration (MBA), Certified Public Accountant (CPA), Certified Financial Planner (CFP), Juris Doctor (JD), Accredited Investment Fiduciary (AIF) and others.

On an ongoing basis, an Investment Committee comprised of many of our professionals meet to formally discuss all aspects of our investment management process. Functioning as a team acts as a safeguard against trendy, impulsive or speculative advice. We are committed to objectivity, which keeps our focus exactly where it should be—on you.

Please contact us with any questions you may have. We look forward to building a relationship with you.

# About Mason

Mason is a privately owned firm with a national scope. We are devoted to comprehensive wealth management for individuals and investment consulting for institutions. Mason Investment Advisory Services, Inc. (MIAS), our SEC-registered investment advisory company, is focused on investment asset management. Our investment management service for individuals is called “MIMS” (Mason Investment Management Service) and our investment management service for charitable foundations, endowments and other institutions is known as “Investment Stewardship.”

## Why Choose Mason?

### LONG-TERM PERSPECTIVE

Your wealth should be carefully managed, not pushed and pulled through investment vehicles in a reactive manner. We ignore “hot” trends and focus on time-tested principles in our approach to meeting your investment needs—for now and for the future.

### PERSONALIZED APPROACH

We work with you to understand how your cash flow needs and tax circumstances change over time, designing an investment program that is sensitive to those needs.

### INDEPENDENT AND OBJECTIVE

We don't offer proprietary products or have “in-house” managers that saddle your investments with biases or hidden expenses.

### DISCIPLINED DUE DILIGENCE

We identify managers that invest consistently within their stated style and compare favorably with their peers, so your allocation strategy is less likely to be corrupted by managers who invest off style.

### PROACTIVE

We provide recommendations that are specific, action-oriented and based on sound data to support good decisions as opposed to simply handing you a “menu of options” to review.

### CUSTOMIZED SERVICE

We offer a customer service plan crafted specifically for you, one that includes efficient execution and timely reporting and that values one of your most precious resources—your time.

### THE MASON PHILOSOPHY

Our disciplined approach focuses on reducing volatility, enhancing return potential, controlling your costs and generating consistent results.



**MASON**  
INVESTMENT ADVISORY  
SERVICES, INC.

#### East Coast Headquarters

11130 Sunrise Valley Drive  
Suite 200  
Reston, VA 20191  
703.716.6000 Phone  
703.716.6020 Fax

#### West Coast Branch Office

2680 Bishop Drive  
Suite 206  
San Ramon, CA 94583  
925.365.1603 Phone  
925.365.1756 Fax

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