Shastri Advisors

We direct your investments

"Failing to Plan is Planning to Fail."

Shastri Advisors, LLC
Asset and Private Wealth Management

Mission Statement

The goal of asset and private wealth management division of Shastri Advisors is to provide clear and concise financial planning and investment advice to individuals and provide services that add value to client's investments through optimum asset allocation in diversified instruments, monitoring and continual management of client assets. Ultimately, we want to provide such customer focused services to our client that set the industry standards.

Why choose an advisor?

Many a times people ask why do they need an advisor. It is for the same purpose you choose a doctor for your health, an accountant for your taxes or a lawyer for legal counseling. An investment advisor provides advice on how to manage your assets and private wealth productively and efficiently so that the financial goals are met of individuals and a disciplined approach is applied to their investments. Top two reasons are:

1. To produce higher return than simply laying cash in unproductive savings and checking accounts.
2. To plan and work towards some future goal like luxurious retirement life, children's college funding, special needs and continuous source of income as in an annuity.

A financial advisor first enquires client's current state, which includes the available financial resources, the need and goals of the client, his risk tolerance and personal preferences and thereafter outlines roles, responsibilities and expectations. An investment advisor helps in breaking general goals of clients into financial goals that actually reflect client expectations with investments. Then the advisor determines an asset allocation plan that suits client's return requirement and risk profile and documents an Investor Policy Statement (IPS). Taking all these aspects into account the advisor researches the market or available opportunities for investments and provides suggestion for investments. It is very important that the research is thorough and relevant to the client's situation. Advisor constructs the portfolio bases on client's objectives and requirements and thereafter monitors it continually for balancing and optimizations. As market takes turn, the investments need to be balanced based on disciplined guidelines set forth in the Investor Policy Statement.

It is quite difficult for people to manage their investments on their own for the following reasons:

1. They may not have necessary resources and tools to perform necessary research on their investments.
2. Investments may not reflect their actual return objectives, risk constraints, liquidity constraints and special circumstances.
3. Panic or chaos in market may lead to undisciplined and jumpy portfolio management.

Dan Shastri 52 Willet Avenue Hicksville, NY 11801 Tel: (917) 291 5070 Email:dshastri@shastriadvisors.com

4. They may not get enough time out of their lives to manage their portfolios.
5. They may depend upon some advice from random sources without evaluating appropriateness of such advices to their own investment objectives.

Why are we different?

Our investment advisors are highly talented with CFA charter and heavy experience in investment decision making process. We follow guidelines set forth in our investment advisory manual and implement all steps following highest ethical and legal standards. We force our advisors to be legally compliant and continually revive their knowledge about changes of the laws, regulations and tax requirements.

Our advisors provide very personal and specific advice to clients. We follow all the steps in investment advisement very carefully and thoroughly. We begin by performing a thorough analysis of client's financial situation, objectives and constraints. This analysis is documented in a personalized Investor Policy Statement document, which is taken for as a blueprint for all investment advice to the client and in making decisions concerning investment analysis, portfolio selection and investment monitoring. Most importantly with the right size of our company we are able to provide the personal attention that our clients require without mass production of researches which may be irrelevant or unsuitable to clients.

After the creation of IPS, our advisors perform a thorough investment analysis given client's situation across different asset classes, while keeping a constant note on the level of risk diversification. Based on this investment analysis, a portfolio is constructed for the client based on risk return objectives of whole portfolio, not on per security level. We have the best advisors and research and portfolio management tools to create an asset allocation strategy that best suits our clients' return requirement and risk profile. Thereafter, our portfolio managers keep a close track of investment performance and monitor and evaluate the portfolio for risk/return objectives set forth in the IPS. Then we evaluate the overall portfolio in context of time horizon, loss acceptance, liquidity requirements, taxation and leverage, while maintaining highest level of ethical standards and fiduciary duties. We adhere strictly to the code and standards of ethics set forth by the CFA Institute. Visit www.cfainstitute.org for more information.

At Shastri Advisors, we have access to broad set of assets classes including, equities, equity derivatives, bonds and convertibles from different issuers, mutual funds, ETF's, commodities, illiquid instruments, real estate and high yield instruments. Access to this set of classes helps us in managing client expectations from investments and fine tuning the portfolio to meet the requirements.

What are the steps in planning?

Our unique approach to wealth management is what distinguishes us from other average wealth management companies. A disciplined and step by step approach is crucial to wealth management process and therefore we require that our managers follow the steps in our investment advisory manual. To start off a new account following steps are required:

1. Understand client situation – type of investor, age, current investments and their distributions, current personal/household income levels, frequency and levels of investments, planned investments, funding requirements, needs, retirement expectations, primary and secondary priorities, current financial objectives
2. Prepare an Investor Policy Statement – match willingness and ability to take risk, return objectives, liquidity constraints i.e. when money is needed, special circumstances, roles and responsibilities of wealth manager and client, suitable asset classes and investment selection criteria, legal factors
3. Risk/return analysis – return approach i.e. capital preservation, capital appreciation, total return, leverage, performance benchmarks, speculative investments, tax considerations, commissions, costs, charges.
4. Long term growth – definition, retirement planning, gifting, long term expectations, alternative investment vehicles.

5. Portfolio construction – suitable investments, choice of asset classes, level of diversification, industry types, emerging market investments, high yield investments, commissions, soft dollar disclosures
6. Investment Monitoring – trade alerts, benchmark tracking, client notifications, statements, backup procedures, disaster recovery

Available Wealth Management Services

Different investors have different needs and different levels of risk tolerance. Risk tolerance is identified primarily by the source of wealth, measure of wealth and age of the individual. And these factors determine suitable investments and an asset allocation that fits the clients. Depending upon client needs we provide following services to our client.

1. Private Wealth Management – Investment management service to preserve or grow the capital to meet certain financial objectives.
2. Retirement Planning – Advice on retirement planning based on investor circumstances. 401K advice and appropriate allocation strategy. Determination of periodic contribution to meet retirement goals.
3. Estate/Will Transfer – Transfer of wealth to next generation or make charitable contribution via gifting and creation of trusts and other wealth transfer vehicles.
4. College and Special Needs Planning – Meet interim objectives during the life span like college planning for kids, buying a home, luxurious living things etc.
5. High Yield Management Services – For clients with high risk return profile. Usually high net worth individuals with large amount of discretionary wealth.

Visit **pwm.shastriadvisors.com** for more information on these services.

Available Investment Plans

We provide different products to meet variety of requirements of different types of investors. These products can be further fine tuned to meet client's exact risk/return profile after following the proper planning process. Following products are available:

1. SA Corporate – For corporations that need to put idle cash to use and improve their financial statement position without introducing too much risk in their profiles that would lure investors away
2. SA Foundation – For foundations that need to manage investments of their individual investors. This also includes non-profit corporations. The risk return profile is an aggregate of pooled investors.
3. SA High Yield – Investors seeking high returns on their investments through use of alternative investment strategies, distressed securities, emerging market, foreign fixed income instruments and other high yield instruments including derivative products and leveraged investments.
4. SA High Net Worth – Investors with high net worth seeking for capital appreciation through less risky investments that grow relatively with business cycles in economies. Investment options typically include private equity, real estate, venture investments, small business investments etc.
5. SA Retirement – For investors with looking for long term growth and retirement planning. Focus is on capital preservation and appreciation through investment grade fixed income and equity instruments.
6. SA Personal – Suitable for investments with need of financial planning and disciplined management of their personal accumulated asset lying idle in money-markets and checking accounts. Investors are looking to invest in equity markets with use of stocks, mutual funds, ETFs and options.

Contact us to get started today and get a free personal financial evaluation report and to inquire about our products!

Fee Schedule

Shastri Advisors provides wealth management services on a fee only basis. We think that fee-only model provides a model that is in the best interests of the client. More and more advisors are switching to fee-only service model for this same reason. With a commission-based only there is a huge conflict of interest between the advisor and the investor. In such model an advisor may suggest investment just for generating some commission and may even advise more frequent rebalancing of portfolio than is required. Therefore, commission-based models carry a huge conflict of interests. A fee-only model avoids this conflict but participating in best interests of client and so we believe. Our motto is that the best of our clients is best for us too. As investor's investments grow fee-only models will participate in that growth by charging a minimum percentage fee for the assets under management. If investments decline so will the fee to the advisor.

More important than anything else is the qualification and experience of an investment advisor. We cannot emphasize more on making sure that your advisor has the subject matter expertise. You must not compromise anything for the best advisors and price should be the least of concerns when it comes to your investments. Our advisors are highly qualified with CFA charter, which is the highest certification in the field finance and have a strong experience in variety of complex financial instruments. CFA curriculum instills a strict code of ethics and fiduciary responsibilities in the charterholders. Following is the schedule of fees for investment advisory services that Shastri Advisors provides. The advisory services are very competitive and are well worth the advice.

Comprehensive Financial Planning

This includes analysis of client situation, behavioral characteristics, establishing return objectives and risk tolerance bands, setting up the investor policy statements and advising appropriate asset allocation in diversified asset locations. Thereafter, annual updates to investor policy statements are priced at hourly rate depending upon situational changes. Our fees are based on net worth because individual financial planning gets more complex with increase in net worth.

Net Worth	Financial Planning Fee
$100,000 - $1,000,000	$1,200
$1,000,000 - $2,500,000	$2,100
$2,000,000 - $5,000,000	$3,200
$5,000,000 - $10,000,000	$4,100
$10,000,000 and over	$5,000 and up

Quick financial checkup: $750
Hourly rate: $175 per hour

Investment Management Services

This includes management of investments in accordance with investor policy statement, monitoring for allocation deviations and changes in investment suitability, rebalancing of portfolio and advising appropriate investment ideas. Custodian expenses and investment expenses are separately listed under the Other Fees section and are not held by Shastri Advisors.

	Investment Portfolio	Annual Fee (In %)
First	$1 - $250,000	1.25%
Next	$250,000 - $500,000	1.10%
Next	$500,000 - $1,000,000	0.95%
Next	$1,000,000 - $2,000,000	0.80%
Next	$2,000,000 - $4,000,000	0.70%
Next	$4,000,000 - $7,000,000	0.60%
Next	$7,000,000 - $10,000,000	0.55%
Next	$10,000,000 and up	0.50% and below

Minimum fee charged is $250 per quarter. Fees are billed on a quarterly basis and are deducted from the custodian account.

High Yield Management Services

This type of management service is usually provided to high net worth individuals with high ability to take risk and seeking higher returns. These investments offer high return potential but are risky in nature. Typical instruments are OTC derivatives, equity options, leveraged instruments, convertibles, structured notes, swap contracts etc. We will NOT advise such investments to clients who are risk averse or who do not have ability or willingness to take on the level of risk required. Risk tolerance is defined primarily by the source of wealth, measure of wealth and age of the individual.

The schedule of fees is different for High Yield Management Service than the general Investment Management Service because the portfolio manager has to actively manage the portfolio to generate the kind of returns expected. The only motive of the portfolio manager is to grow the wealth as much as possible while considering risk/reward characteristics of the investments. A fee out of the profits makes sure manager gets compensated only when he generates positive returns and thus works in best interest of the client.

Portfolio Size	Front Load	Profits	Back Load
up to 250,000	1.5%	15%	0.25%
$250,000 - $500,000	1.5%	15%	0.25%
$500,000 - $1 million	1.5%	15%	0.25%
$1 million - $2.5 million	1%	10%	0.15%
$2.5 million - $5 million	1%	10%	0.15%
$5 million - $10 million	1%	10%	0.15%
$10 million and up	1%	10%	0.15%

Other Fees

Investment expenses: The expense ratio usually ranges between 0.30% to 0.95% depending upon funds and instruments in the portfolio and the stock-to-bond ratio within the portfolio. This fee is charged by the fund or the instruments and is not held by Shastri Advisors.

Custodian Expenses: Our custodian charges $10 to $20 for stock trades, and less than a dollar per contract for option trades.