

TCA Now Offers Tax Efficient Transfers through Cross Model Processing



Effective December 8, 2017, Tax Efficient Transfers will allow you to create asset transfers – which you can use instead of buys and sells - so that clients' tax liabilities can be minimized.

Tax Efficient Transfers solves the problem that currently occurs when a model is over allocated in one security and another model is under allocated in the same security. Trades are generated to sell out of the first model only to repurchase into the second model, which potentially can be a taxable event. By contrast, transferring the assets between the models is a non-taxable event.

When used in conjunction with the ability to allow trading in the Other Assets (Null) model, creating asset transfers using Cross Model Processing can also be an efficient way to get newly transferred-in assets distributed to the correct models.

Tax Efficient Transfers - Cross Model Processing

The Select Models to Process now includes a dropdown with the following Cross Model Process options:

Exclude Transfers in Kind – Trades Only

Cross Model processing will include transferring cash and creating trades for the securities. This is the default option.

Include Transfers in Kind – Transfers and Trades

Cross Model processing will include transferring cash and securities, creating trades for securities only if a transfer in kind cannot be created.

Transfers in Kind Only

Cross Model processing will only include transfers of cash and securities. No trades will be created and models may not be balanced as a result.

CROSS MODEL PROCESSING OPTIONS

Balance selected models Include Other Assets Exclude Transfers in Kind - Trades Only

SELECT MODELS

49 of 50 Models Selected. 1 models not selected due to the Exclude from Model Processing box being selected.

ID	Abbrev	Name
<input checked="" type="checkbox"/>	BALA	BALANCED GROWTH AND INCOME
<input checked="" type="checkbox"/>	BALA	BALANCED INVESTMENTS
<input checked="" type="checkbox"/>	BS	BIG_E_SMALLS
<input checked="" type="checkbox"/>	CONS	CONSERVATIVE GROWTH AND INCOME
<input checked="" type="checkbox"/>	CRZVMO	CRAZY NOT BALANCED MODEL
<input type="checkbox"/>	ABB	DESC
<input checked="" type="checkbox"/>	ABB	DESC
<input checked="" type="checkbox"/>	ABB	DESC
<input checked="" type="checkbox"/>	DOME	DOMESTIC ALLOCATIONS
<input checked="" type="checkbox"/>	DOME	DOMESTIC GROWTH

(1 of 5) [1] [2] [3] [4] [5] [10]

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Once any method that includes transfers is processed, the Messages Section of the Cross Model Process Summary screen will indicate the number of transfers created:

Cross Model Process Summary

0 Alerts 132 Messages 436 Trades Created or Modified

Model	Trades Created or Modified	Future Trade Dates
39-BALA-BALANCED GROWTH AND INCOME	0	0
31-BALA-BALANCED INVESTMENTS	26	13
19-CONS-CONSERVATIVE GROWTH AND INCOME	9	0
32-DOME-DOMESTIC ALLOCATIONS	0	0
1-DOME-DOMESTIC GROWTH	4	0
3-DOME-DOMESTIC GROWTH FUND A	23	0

Messages and Alerts
requirements. See fund memo.

Model 29 - 74247 GOLDMAN SACHS INT'L REAL ESTATE SECURITIES FUND INST'L CLASS Warning - Fund has minimum purchase requirements. See fund memo.

Model 29 - 24 trades created or modified, 12 with future trade dates for model 29

Processing model 2

Model 2 - 13 trades created or modified for model 2

8 Intermodel transfers created.

Close Continue To Blotter Create Report

Blotter

There are no changes to the Blotter for Transfers, however there are new navigation paths. Depending on the Cross Model Process method selected, Continue To Blotter will direct the user to the following views:

Exclude Transfers in Kind – Trades Only: redirects to Trade Orders view

Include Transfers in Kind – Transfers and Trades - Trades Only: redirects to Trade Orders view

Transfers in Kind Only - Trades Only: redirects to Intermodel Transfers view

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The screenshot displays the Liberty Trading User Guide interface. At the top, there are navigation tabs for Analytics, Trading, Client Management, Proprietary Tools, Documents, and My Profile. Below these are sub-tabs for Order Queue, Consolidated Asset Management, Models, Block Trades, Cross Model, Composite Models, and Generate Transfers. The main content area is titled 'TRADE ORDERS' and 'INTERMODEL TRANSFERS'. It includes a search bar with a date range from 09/20/2017 to 09/20/2017 and a filter section with dropdown menus for 'Any From Model', 'Any To Model', and 'Any Source'. A table titled 'Viewing 7 of 7 Intermodel Transfers' lists the following data:

Transfer Number	Account Number	Account Name	From Model	To Model	Objective	Expiration Date	Source	Created By
11214805	553895	UMER, ISA	28-MODE	27-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214806	405674	GREENAWAL, WILDA	4-QJAL	1-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214807	404875	HEU, LOUISA	5-INTE	1-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214808	470281	HOUER, LANN	7-MODE	1-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214809	382380	DELGATTO, JESTINE	4-QJAL	1-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214810	404813	HERNANDEZ, NITA	5-INTE	1-DOVE	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52
11214811	499979	PILLEY, AUGUST	1-DOVE	4-QJAL	Specific Cash and Securities	09/20/2017	Cross Model	cmoloney-52

At the bottom of the interface, there is a footer with a copyright notice: '© 2017 Trust Company of America. All Rights Reserved. Member FDIC. Investment Products Not FDIC Insured • No Bank Guarantees • May Lose Value'. Below this, it states: '*Values calculated using most recent closing price. Values calculated using 20-minute delayed price, if available, or most recent closing price. Trust Company of America, the Trust Company of America logo, and Liberty are registered trademarks of Trust Company of America. All other trademarks mentioned herein are the property of their respective owners. Product and service offerings are subject to change without notice.' At the bottom right, there are buttons for 'Return to Cross Model', 'Kill Selected Transfers', and 'Post Selected Transfers'. A status bar at the bottom indicates '7 Intermodel Transfer(s) selected to post or kill'.

Notes

- Unless killed or posted from the Blotter, transfers will post automatically overnight.
- When the second method (Transfers and Trades) is selected for processing, the system first will create transfers where possible and then cross model process taking into account what has already been transferred.
- When the second method (Transfers and Trades) is selected for processing, Trades can still be created for a security for which transfers were created. This occurs because the goal percents are not satisfied though transfers alone.

Please review the consolidated [Liberty Trading User Guide](#) to learn more about the features available on Liberty – Page 124 Cross Model Processing Options.

Let your relationship manager know if you have questions about this feature or would like a demonstration about this or any other Liberty feature.