

# Why Switch to Parametric Custom Core®?

More flexible than an ETF and more tax efficient than a mutual fund, Custom Core is a separately managed account that gives you the opportunity to:



## Diversify

A Custom Core account can hold hundreds of securities that collectively track one or more benchmarks, potentially reducing your risk relative to a concentrated portfolio.

## Reduce your tax burden

Because you'll own the underlying securities that make up your portfolio, you can harvest individual stock losses to use against capital gains elsewhere in your holdings.

## Customize

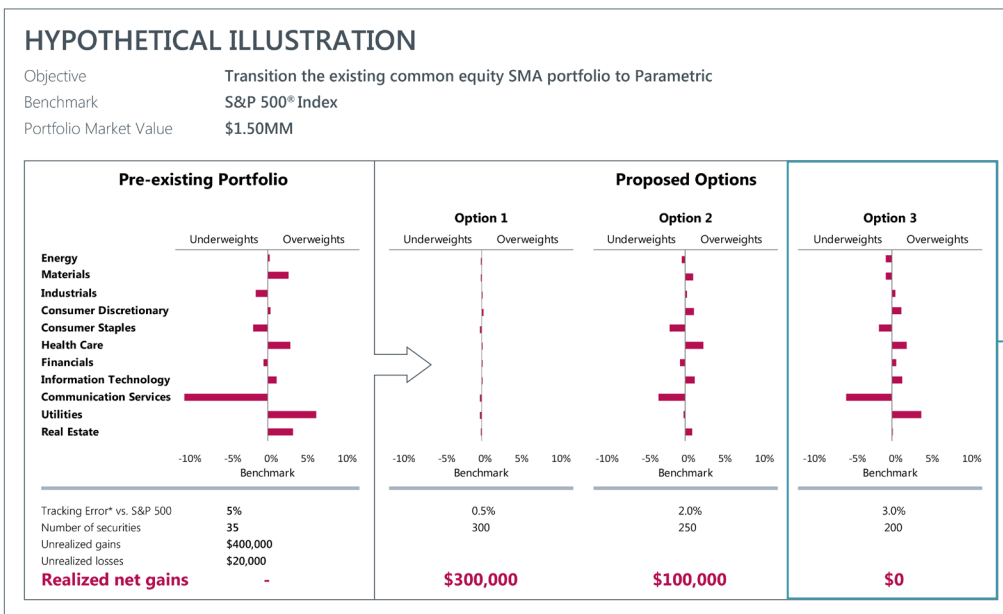
Want to tilt your portfolio toward, say, value stocks? Custom Core can do that. Have strong feelings about environmental or social issues? You can screen out specific industries or individual companies.

## Potentially increase your after-tax returns

Through gain deferral, yield consideration, and other tax-management techniques, Custom Core seeks an additional 1%–2% in annualized after-tax returns.

## How transitions work

Whether you fund your account with cash, existing securities, or a combination of the two, Parametric makes transitions easy, allowing you to choose how closely you want to track your selected benchmark balanced against any taxes you'll owe.



### Sample transition scenario

As you can see, choosing option 3 results in a higher tracking error—a term that refers to the degree to which the portfolio differs from the selected benchmark—but it also means realizing no net capital gains and thus no tax penalty from the transition.

Regardless of the approach you decide to take, over time Parametric can work to reduce tracking error to bring your holdings closer to your selected benchmark, typically without causing you to incur a significant tax penalty. Parametric can also complete the transition in stages, further driving down any potential tax liability.

# Why Parametric?

Parametric pioneered tax-managed investing close to 30 years ago and was among the first to recognize that, for many high-net-worth investors, taxes can represent a larger drag on returns than fees or trading costs.

Parametric has helped many kinds of investors in many different market environments strengthen their after-tax returns and build custom portfolios tailored to their investment goals.



## Global presence

Seattle • Minneapolis • Westport  
Sydney • Boston



## \$226+ billion

in assets under management\*



## 400+ employees

across 5 offices

Learn more at [parametricportfolio.com/custom-core](https://parametricportfolio.com/custom-core)

\*As of March 31, 2019. Includes AUM of Parametric Investment & Overlay Strategies and Parametric Custom Tax-Managed & Centralized Portfolio Management.

### About

Parametric Portfolio Associates LLC (Parametric), headquartered in Seattle, is a leading global asset management firm, providing investment strategies and customized exposure management to institutions and individual investors around the world. Parametric offers a variety of rules-based, risk-controlled investment strategies, including alpha-seeking equity, alternative, and options strategies, as well as implementation services, including customized equity, traditional overlay, and centralized portfolio management. Parametric is a majority-owned subsidiary of Eaton Vance Corp. and offers these capabilities through locations in Seattle, Minneapolis, and Westport, Connecticut.

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35703 | 8.31.2020

