



# Local Rules

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## Maycomb Wealth

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## Overview:

Our goal is to provide superior and comprehensive wealth management to our clients for a fee that is fair and transparent. We refer to our clients as “Members”.

We believe an important part of any successful relationship is to set clear expectations from the beginning. If you are considering working with us, you should determine whether you agree with our Local Rules. If you do, we can further explore a potential working relationship together. If not, we can refer you to another firm that may be a better fit.

## What We Believe:

- Comprehensive wealth management is about more than investments and rates of return. We believe it includes each of the following:
  - Making and regularly updating an inventory of your values, short-term financial goals, and long-term financial goals;
  - Assessing and regularly updating your tolerance for risk;
  - Assessing and regularly updating your need to take risk;
  - Managing risk (including insurance policy reviews and recommendations);
  - Investment management;
  - Retirement planning;
  - College and other education planning;
  - Cash flow planning;
  - Asset protection;
  - Long-term care planning;
  - Estate planning; and
  - Legacy planning (i.e. helping position the next generation(s) of your family to be financially literate and otherwise successful).
  
- Robust and transparent communication is critical for a mutually beneficial relationship.
  
- A process-driven approach. This is why we ask you to participate in a series of specific meetings with us before we ever ask you to sign a wealth management agreement with us.
  
- Wealth management requires a significant time commitment from you as well as from us, particularly in the first year or two working together.
  
- We want you to be an “evidence-based investor” and tune out the “noise” of the financial media and other distractions. We do not believe the vast majority of wealth advisors can effectively time markets or pick winning stocks, bonds, or other investments, particularly over the long term. We do not believe

you have to “play that game” to have a successful investment experience. We believe in helping our Members control what they can actually control – namely, fees, costs, expenses, and emotions.

- We work best with people who are delegators and who appreciate the value of our advice. While our Members are generally financially literate and successful, they want to spend their time and resources with their family and friends and on other things they enjoy, rather than managing their wealth.
- We charge based on an annual fixed fee, billed quarterly, in advance. Our fee is based on the complexity of your needs and on the time and other resources required of us to serve you. We prefer this model over the more traditional method of charging based on a percentage of your assets. For high-net-worth individuals, the savings generated by paying a fixed may be significant, particularly over the long term. Our advisory fee ranges from \$7,500.00 per year to \$18,000.00 per year per Member household, and covers the fees owed to us and our investment management partner, First Ascent Asset Management LLC.
- You may be able to find wealth management services from others for less than we charge; however, we believe we charge a fair fee for the scope and level of service(s) we provide.

### **What You Can Expect From Us:**

- Helping you identify “what is important about wealth to you”, including, but not limited to, exploring your values, short-term goals, long-term goals, and other objectives.
- Assisting you in designing and implementing your own personalized investment policy statement (“IPS”) and financial plan (“Plan”). We also help you monitor and update your IPS and Plan if and when appropriate.
- Keeping your information confidential, safe, and secure. Our online and office systems employ a number of security features and protocols designed to protect you and your personal information. We only share your personal information with third parties on whom we rely to run our business. We will also share your information with others when you give us permission to do so.
- Having the personal cell phone number of each of the Advisors that works with you. We intentionally keep the number of Members we serve low enough to ensure that you are usually able to speak directly with one of your Advisors, rather than another member of our staff. There will of course be occasions where we ask a staff member to assist or otherwise reach out to you with respect to certain functions.
- Having your voicemails and other messages returned within one business day.
- Peace of mind from knowing we review your IPS and Plan at least once per year and help you determine if and when we need to make changes to either one.

- Investment recommendations consistent with our investment methodology and our goal of keeping your fees, costs, and expenses low.
- Serving you under a fiduciary duty and standard of care. That means we have agreed to put your interests ahead of ours. Our investment partner, First Ascent, makes the same commitment to you in the agreement you will sign with it as well. Not all advisors make this commitment. If you have another advisor, we encourage you to explore whether they have or will commit to owing you a fiduciary duty.
- We are “fee only” advisors, meaning we are compensated only by the fee you pay us. Neither we, nor our investment partner, First Ascent, accepts, or pays commissions or referral fees. You will know the specific dollar amount you pay us for our services.

### **What We Expect From You:**

*Your agreement with the following does not form any contract with our firm. It confirms we have a basis on which to further explore a potential working relationship.*

\_\_\_\_\_ **I am willing and able to participate in the process described above. I agree to timely respond to you and your requests for documents and information.** I understand that each part of the process is interdependent and requires information and participation from me and from anyone with whom I have joint accounts that Maycomb Wealth would help to manage.

\_\_\_\_\_ **I want to delegate the design, implementation, and monitoring of my investments and financial plan to a wealth management firm.** I understand that if I act without my advisor’s input or knowledge, this may affect the ability to provide appropriate advice regarding my investments and financial plan. If I hire you, I am doing so to help me enjoy life more fully, and I agree to let you do your job in this respect.

\_\_\_\_\_ **I agree to cooperate in setting up a personal financial website Maycomb Wealth may provide to me. I also agree to sync accounts and upload documents to that website to permit you to prepare my IPS and Plan.** I understand this means I will need to gather my username(s) and password(s) for my investment (taxable and retirement) accounts so that I can sync my accounts to my personal financial website. I understand that Maycomb Wealth cannot create my IPS and Plan without this information, and that it generally does not work with Members who are unwilling or unable to use the personal financial website and process described above. I also understand I am not to share my usernames or passwords for any accounts with Maycomb Wealth or its personnel, for security reasons.

\_\_\_\_\_ **I agree not to share confidential or personal information via e-mail, text or SMS message(s), or other means that are not secure.** I agree to share such documents and information with Maycomb Wealth using the vault provided through my financial website.

\_\_\_\_\_ **I understand that Maycomb Wealth only accepts Members that agree with its investment philosophy and approach.** We focus on asset class investing and global diversification. Currently, our model portfolios consist of approximately 60% U.S. stocks and bonds and 40% international stocks and bonds. Many Americans have significant “home bias” and may not want to hold this percentage in international holdings. If you do not share our approach regarding global diversification, we respect that, but we are not the firm for you. The model portfolios we use are the result of considerable time and effort. They are not subject to modification or customization by our Members.

\_\_\_\_\_ **Maycomb Wealth takes responsibility for errors we may cause.** You agree to make us aware of any errors you believe have occurred in writing and as soon as reasonably possible to help mitigate the effects of the errors.

\_\_\_\_\_ **I understand that unless we agree otherwise in writing, the fees I would owe to Maycomb Wealth and First Ascent if I become a Member are due on a quarterly basis, in advance, and are automatically deducted from my account(s) that Maycomb Wealth manages.** Maycomb Wealth generally reevaluates your fee every two years (though we may do so more or less frequently). We base any adjustment (upward or downward) on any material changes in the complexity of your situation, as well as the Consumer Price Index (“CPI”), and adjustments we may receive from vendors on which we rely to run operate our business. It is possible we may use other factors in making this evaluation. If your circumstances have not changed materially, you can generally expect a cost of living increase of approximately 5% to your fee every two years. You will be notified in advance of any change in fee being implemented and have the right to terminate the relationship with First Ascent and Maycomb Wealth if you are unwilling to pay our fees or proposed changes to them. No increase will become effective without you signing a new agreement confirming our mutual agreement to the fee modification.

\_\_\_\_\_ **I understand that there are other fees, costs, and expenses for which I am responsible.** Your custodian will charge additional trading and/or other fees, costs, and expenses for which you will be responsible. We spend considerable time evaluating custodians prior to making the decision to recommend one or more for our Members. We will revisit this relationship from time to time to help ensure it is still in keeping with our goals and objectives for you. You will also be responsible to pay expense ratio and/or potentially other fees/expenses to companies who provide the mutual funds and exchange traded funds (“ETFs”) that comprise the model portfolios we recommend to Members.

\_\_\_\_\_ **I also understand that Maycomb Wealth has a minimum annual fee for ongoing comprehensive wealth management clients of \$7,500.00 per year, though we reserve the right to make exceptions.** Our current maximum comprehensive wealth management fee is \$18,000.00 per year. We base your fee on the complexity of your situation and time and resources required to serve you. We may also consider a project-based fee or hourly-based fee in certain situations.

\_\_\_\_\_ My initials above and signature below indicate that I understand and agree with these *Local Rules*.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_