# Why?


# FAQs about XML



It's all about doing more for our clients. Acting as an independent SEC Registered Investment Adviser (RIA) is the next step in our evolution. True Independence allows us broad access to financial vehicles from a variety of sources while maintaining transparency and the outstanding level of service our clientele have come to expect. We have always been motivated by our clients' best interests. We take this role very seriously, which is why we created XML as a **fiduciary advisory firm** — continuing to be dedicated to your best interests rather than ours.

## XML offers our clients a wealth management firm that:

- Provides an advisory experience that is truly hands-on and client-centric
- Develops customized investment solutions tailored to clients' unique needs and objectives after an extensive holistic financial plan is completed
- Has expanded access to investment managers and strategies across multiple platforms
- Has access to a wide array of lending, insurance and other solutions from a number of independent sources to be integrated with a client's financial plan. We have made a committed effort to ensure that our clients receive customized investment advice and client service starting on day one. We remain focused on dedicating our time and energy to providing you with a successful and rewarding client experience.

## Why is it important that XML acts as a Registered Investment Adviser?

As a Registered Investment Adviser ("RIA"), XML acts as a fiduciary, and therefore must place the interests of its clients ahead of its own. Many brokerage institutions are only held to a "suitability" standard, which requires an advisor to provide only "suitable" advice to its clients. Although XML always strives to put our clients' best interests first and foremost, there are many individuals and institutions that will only do business with a fully independent RIA. This is a driving force behind our formation of our independent RIA.

## Will the entire XML team be making the move?

Yes. This was a decision made together by the principals of the firm and we are proud to say that our entire staff has chosen to join us. This means you will receive the same service from the same people you are accustomed to working with today and have been working with for many years.

## Where will my assets be held?

Your assets will not be held by XML, but rather by Fidelity Investments, an independent custodian. XML will be the investment adviser of record on your account(s). This is similar to how your relationship has been with XML over the years, except that we have decided to change custodians from LPL Financial to Fidelity Investments. We will have the authority (granted by you) to manage your assets on a discretionary basis.

We selected Fidelity as the primary custodian of your assets after extensive due diligence.

1) Fidelity is one of the world's largest providers of financial services, with assets under administration of more than $5.4 trillion as of May 31, 2016.

2) Fidelity also provides SIPC and other insurance specifically for the protection of clients' assets, subject to regulatory limits and regulation. As part of that insurance, Fidelity provides brokerage accounts additional "excess of SIPC" coverage from Lloyd's of London together with other insurers.

3) Fidelity has access to cash management products such as debit cards and credit cards.

4) Fidelity is not charging our clients annual maintenance fees (those fees are waived).

5) Fidelity is covering 100% of any account transfer fees.

6) Fidelity has a number of lending options for our clients at competitive rates

## What changes will occur for me as a client?

In short, from a client perspective, little should change. The XML leadership team and staff, offices, web site, phone numbers and emails remains the same. This change should not diminish the range of investment and wealth management strategies currently provided to you, other than to add enhancements.

We are positioning our practice for long-term growth and the continued delivery of the high-caliber personalized service to which you have become accustomed.

## Will you have access to the same investment managers and financial products that you use today?

Yes, with rare exceptions. In almost every case, the investment managers we use have also contracted with Fidelity. In those rare instances in which a particular manager is not available, we have in most cases selected an equivalent manager at a similar or lower cost. It is our belief that our access to investment managers will substantially improve in our new environment. In fact, through our new platform we will have access to a variety of alternative investment managers that were not available to us in the past. Although these strategies may not be appropriate for each client, having access to the breadth of investment managers broadens out further the options available to assist our clientele.

Some clients have asked us to review or offer access to private deals and other alternative strategies that we were not able to provide before becoming fully independent. Our new registration as an RIA will allow us to further expand in this area to ensure we can find the
access our clients expect from us.

## Will the way you manage money change?

Much like the team you have grown accustomed to working with, our core investment philosophy of providing clients with a diverse asset allocation customized to their unique needs will not change. With that being said, there will be several enhancements that you will notice, including our improved performance reporting, our open-architecture, independent, fee- only investment advice, enhanced interactive financial planning capabilities, client portal through Fidelity and many other enhancements.

## Why are you so excited about having created XML as an independent RIA?

We believe that XML is the embodiment of our focus on enabling all of our clients to best manage their financial futures ever since we left Merrill Lynch 12 years ago. Providing independent advice, complete transparency and broader access investment managers is paramount to your success. Of course, all of this is accomplished while providing clients with the level of service to which they have grown accustomed.

## Going with what you know?

Risk is most often associated with making decisions around an unknown. The greater the unknown, the greater the potential risk. We are not new either to the business or to you and your family or organization; and for many, you have been working with us for 20 years. The team at XML has a combined **100 years** of experience in wealth management, financial planning, investment consulting, insurance, and philanthropic, succession and estate planning. We believe that keeping investment continuity with the seasoned and experienced team at our firm — the team with a deep understanding of your investment goals — is the more secure and prudent course of action for you to take.

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TRUE INDEPENDENCE.™

## Who is Focus Financial Partners and what is their involvement?

Focus is a leading partnership of independent, fiduciary wealth management firms, currently composed of 41 partner firms in the United States, Canada, and the United Kingdom.

Partnering with Focus Financial Partners will enable us to enhance many of our systems and improve the services we can offer you. The partner firms within Focus are part of a carefully selected group that operate independently, but share best practices and expertise to provide clients with high-caliber wealth management services. Focus serves as a value-added equity investor in each of these firms. During this transition Focus is going to help us set up a new infrastructure that our clients will begin to benefit from, and XML will be able to execute on our strategic growth initiatives.

From another perspective, the independent RIA firm that we have created gives us the opportunity to shape our own culture and establish a high standard of service and performance within our industry.

It is our conviction that XML represents an ethical, intellectual and deeply personal opportunity for each of us as owners of the firm — an opportunity that allows us to be a true steward of your assets.

FOCUS® FINANCIAL PARTNERS



XML FINANCIAL GROUP

TRUE INDEPENDENCE.™

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