

Financial Advisor Comparison Matrix

General	MCS Family Wealth Advisors		
Type of firm	SEC Registered Investment Adviser (RIA)	RIA FINRA Registered Broker (RR) Hybrid (RIA/RR) Insurance Agent Other:	RIA FINRA Registered Broker (RR) Hybrid (RIA/RR) Insurance Agent Other:
Services	Discretionary Asset Management Hourly Advice: <ul style="list-style-type: none"> • Personal Financial Consulting • Family/Non-Family Business Consulting • Other: (expert witness, insurance consulting, private investment analysis) Assessment tools for family business advisers: <ul style="list-style-type: none"> • Aspen Family Business Inventory • Aspen Family Wealth Inventory 		
Other businesses? ⁱ	No		
Investment Management	Michael Stalker is a Chartered Financial Analyst (CFA) and has been managing portfolios for over 20 years. He is a nationally ranked top conservative investment manager (results featured in Barron's).		

ⁱ Find out what other businesses the advisor has, and how much time and resources the advisor dedicates to these other businesses.

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Financial Consulting	<p>Financial planning and client service by CFP®™ professional Jeff Yamada</p> <p>Michael Stalker earned a CFP® designation in 1998 and holds Family Wealth Counseling and Family Business Counseling certificates</p>		
Experience	<p>Firm in business over 25 years</p> <p>Owner has 35+ years financial experience</p> <p>Team has combined 70 years financial experience</p>		
Professional Designations Certifications & Licensing	<p>Chartered Financial Analyst Certified Financial Planner™ professional NAPFA Registered Advisor Family Firm Institute (FFI) certificates:</p> <ul style="list-style-type: none"> • Family Wealth Advising • Family Business Advising <p>Oregon-licensed Insurance Consultant (fee-only)</p>		
Education	MBA, BA		
Meetings	<p>Per client needs and preferences</p> <p>More at beginning (quarterly is typical)</p> <p>Usually fewer meetings later (1-2 per year is typical)</p>		

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Transparency	MCS Family Wealth Advisors		
Advisor Standard of Care	Fiduciary	Fiduciary Hybrid Suitability	Fiduciary Hybrid Suitability
Fee structure: Financial Products & Commissions	Fee-Only (percentage of assets under management or hourly fees)	Fee-Only Fee-Based (receives some commissions, depending on situation) Commissions	Fee-Only Fee-Based (receives some commissions, depending on situation) Commissions
Fees Disclosed ⁱⁱ	Monthly in hourly consulting invoices Monthly in custodian statements Quarterly in MCS asset management statements Annually in tax preparation reports		
Fee Structure: Assets under Management (AUM)	\$19,000/year minimum 0.85% from \$2,000,001-\$5,000,000 0.70% from \$5,000,001-\$10,000,000 0.50% over \$10,000,000		
Performance-based Fees? ⁱⁱⁱ	No		
Fee Structure: Hourly Advice	CFP® Professional \$250 - \$300/hour CFA \$400/hour		

ⁱⁱ If fees are not disclosed in regular reports, you should ask your advisor how they are compensated and if they will be able to provide you a report of all types of compensation earned from your investments with them.

ⁱⁱⁱ Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client (this formula is common in hedge funds or other pooled investment vehicles), usually in comparison to a market benchmark index. MCS believes that performance-based fees may provide an incentive to favor riskier investments that are more likely to produce volatile returns.

^{iv} A client should know whether a firm pays or accepts referral fees in order to judge whether a conflict of interest may exist – if an adviser is being paid to refer you to someone, then that referral may not be in your best interest.

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Transparency	MCS Family Wealth Advisors		
Fee structure: Pays or Accepts (Directly or Indirectly) Fees for Client Referrals? ^{iv}	No	No Pays referral fees directly Pays referral fees indirectly Accepts referral fees directly Accepts referral fees indirectly	No Pays referral fees directly Pays referral fees indirectly Accepts referral fees directly Accepts referral fees indirectly
Custodian(s): ^v	<ul style="list-style-type: none"> • Does not custody client securities • Charles Schwab & Co., Inc. • Other qualified custodians (Vanguard) • Assets held separately in client name • Custodian statements mailed to client 		
Manages or Advises Private Fund? ^{vi}	No		
Recommends Clients Purchase the Fund?	N/A		
Participates in “Wrap Fee” program? ^{vii} If so, how?	No N/A		

^v The custodian will safekeep your assets, while the financial advisor will advise you on how to invest those assets. When the adviser fulfills both roles, there is an increased risk of misappropriation of assets. Having a qualified custodian with no affiliation to your advisor adds an important layer of protection to your assets.

^{vi} A “Private Fund”, such as a hedge fund, is a separate entity created to pool qualified investor assets. These funds generally charge an investment management fee between 1% and 2% of fund assets, plus a performance fee of 20% of the portfolio profits or of the gain beyond a benchmark index. Clients are usually allowed to withdraw money on a quarterly or annual basis, so hedge funds are generally less liquid than their underlying investments.

^{vii} See this article for more on wrap fee programs: http://www.responsible-investing.net/news_jun09_wrapaccounts.html

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Transparency	MCS Family Wealth Advisors		
Public Reporting Requirements	SEC ADV Part 1A, Part 2 and Part 3		
Complaints and Discipline ^{viii}	None		
Termination	30 days written notice		
Affiliated with Another Financial Firm? ^{ix}	No		
Owned or Controlled by Another Entity? ^x	No		

^{viii} The FINRA BrokerCheck webpage (brokercheck.finra.org/Search/Search.aspx?PageID=1) allows you to check both the financial advisor's firm and the advisor.

^{ix} When an advisor is affiliated with another firm, it is important to know about both the affiliation and how it may create conflicts of interest. Would your advisor be expected to recommend services of the affiliated firm? Would your advisor earn or receive referral fees from the affiliated firm? Is the affiliated firm the custodian of your assets?

^x Caution is warranted here for the same reasons as the affiliation to another firm. Furthermore, be careful to check SEC ADV Part 1A Schedules A and B for advisors who are owned or controlled by another entity. You should research all owners of the firm you are considering.

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Fit	MCS Family Wealth Advisors		
Client Profile	<p>About 70 clients in 11 states and 3 countries 80% high net worth (as defined by SEC) Typical Clients:</p> <ul style="list-style-type: none"> • 63% business owners & executives • 56% retired • \$2 million average managed assets • 72% debt free • 60% with MCS for 10 years or more • 33% hold doctorates • 20% are single women 		
Portfolio Management	<p>2024 assets under management \$145 million Hard-to-break investment strategies Invest to build sustainable cash flow Individual investment selections are based on client's needs and goals Heavy emphasis on risk management Emphasizes absolute returns on individual portfolios vs. trying to beat market indices / benchmarks Seeks to minimize cost Strong economic forecasting and analysis is key to investment strategy Heavy investment research and analysis Investments emphasize tax efficiency Uses Modern Portfolio Theory / Efficient Frontier, but is aware of its limitations</p>		
Financial Planning	<p>Prefer complex situations Specialize in serving high net worth families and individuals Seek close working relationship with tax and estate planning advisors Cash flow level analysis Strength/Weakness/Opportunity/Threat analysis Highly customized planning</p>		