



Introduction to Financial Architects

We are a registered investment advisory firm providing financial planning and wealth management services to private clients in metro-Atlanta, across the United States, and even internationally. While some advisors still sell products or transactions, we provide wisdom. Our goal is simple – to help our clients achieve financial success.

Our focus is working with a limited number of clients in a long-term relationship – understanding and clarifying your goals, creating a financial plan, and managing your investment portfolio. With this personal attention, we can properly assist you in building your financial future and reaching your goals.

In the following pages you will find additional information to introduce us to you. We are currently accepting new clients and look forward to exploring whether our approach and philosophy might be right for you.

We look forward to adding you to our current group of great clients.

Sincerely,

David E. Hultstrom
Chief Investment Officer

Anitha G. Rao
Senior Wealth Manager



People

David Hultstrom is co-founder and chief investment officer of Financial Architects, a registered investment advisory firm that provides financial planning and wealth management services for clients worldwide.

He began his career as a Financial Advisor at a small firm in Florida. Realizing his clients' need for more comprehensive financial advice, he worked for several years in the tax field while earning his MBA and was subsequently a Vice President at Wheat First Butcher Singer (now Wells Fargo Advisors) where he was responsible for teaching financial advisors the nuances of various financial planning and investment techniques as well as the latest technology tools.

Mr. Hultstrom then joined Financeware as the Director of Training where again he instructed financial advisors in the proper methods of performing sophisticated modeling of financial plans and constructing appropriate investment portfolios. Subsequently, he founded Financial Architects, LLC to help individuals more directly.

He has served as a local chapter board member of both the Financial Planning Association and the Society of Financial Services Professionals. He is currently a member of and active in:

- The Atlanta Society of Finance and Investment Professionals (ASFIP)
- The Financial Planning Association (FPA)
- The National Association of Personal Financial Advisors (NAPFA)

He has also earned the premier industry designations, including:

- Master of Business Administration (MBA)
- Certified Financial Planner (CFP®)
- Chartered Financial Analyst (CFA®)



Mr. Hultstrom has served as an arbitrator and expert witness in securities disputes and has taught numerous courses nationwide for CPAs, financial planners, investment managers, and other professionals. He has also taught in the Certified Financial Planner programs at several universities.

He has been published in *Financial Planning* and *Investments & Wealth Monitor* and is the author of a number of white papers on financial planning and wealth management topics. He also produces a monthly newsletter for his clients and others who are interested, and a quarterly e-mail publication for financial professionals with several thousand subscribers. He is the recipient of the 2015 HONORS Award for contributions to the financial planning industry from the Financial Planning Association of Georgia. In addition, he has been quoted in numerous newspapers and journals, including the *Chicago Tribune*, the *Christian Science Monitor*, the *Economic Times*, the *Journal of Financial Planning*, *Newsweek*, and the *Wall Street Journal*.

Mr. Hultstrom resides in Woodstock, Georgia with his wife, Dawn. Dawn is a kindergarten teacher, cross country coach, and avid marathon runner. Their daughter, Alexandra, is a student at Furman University.



Anitha Rao is co-founder and senior wealth manager of Financial Architects. She has earned the Certified Financial Planner® designation and has taught in the Certified Financial Planner programs at several universities.

Ms. Rao also holds the Certified Investment Management Analyst® (CIMA) accreditation conferred by the Investments & Wealth Institute (IWI) through the Wharton School at the University of Pennsylvania.

She earned a degree in Electrical Engineering from the University of Maryland, College Park and has done postgraduate work in Electrical and Computer Engineering at Georgia Tech. Prior to her transition to the financial field, Ms. Rao worked in IT Consulting with both boutique firms and a "big six" accounting firm.

She currently serves as a local chapter board member of the Financial Planning Association and is also a member of the Atlanta Society of Finance and Investment Professionals, the National Association of Personal Financial Advisors and the Investment Management Consultants Association.

Ms. Rao lives in Marietta with her husband, Venki. Venki is Chief Technology Officer at Chemical Abstracts Service, a division of the American Chemical Society. Their sons, Kiran and Barath, attend Georgia Tech and McGill Universities respectively.

Process

A rigorous and well-thought-out process, rather than ad hoc product solutions, is key to achieving financial success. Our financial planning process generally is to:

- Identify your goals, resources, risks, and constraints.
- Analyze and evaluate your specific situation.
- Develop and present recommendations and alternatives.
- Implement the recommendations.
- Monitor the situation and adjust as needed.

Our investment process is similar. We typically:

- Identify your goals, resources, risks, and constraints.
- Determine appropriate capital markets assumptions.
- Run Monte Carlo Simulations on your options.
- Implement the appropriate strategy efficiently.
- Monitor and adjust the portfolio as needed.



Pricing

Our investment management fees are graduated as follows:

<u>Asset Level</u>	<u>Annual Fee</u>
First \$1,000,000	1.00%
Next \$1,000,000	0.75%
Next \$8,000,000	0.50%
Thereafter	0.25%

Typical comprehensive financial planning engagements are \$5,000 but may be more (or occasionally less) depending on the complexity of the situation.

Philosophy

A good portfolio is more than a long list of good stocks and bonds. It is a balanced whole, providing the investor with protections and opportunities with respect to a wide range of contingencies.

– Harry Markowitz, Nobel Prize Winner & Father of Modern Portfolio Theory

Our objective is to help you achieve financial success. To that end, we believe the proper role of a quality investment advisor is to:

- Develop a comprehensive strategy to integrate your financial goals, including risk management, investments, tax planning, retirement planning, and estate planning.
- Control emotional decisions with education.
- Structure an appropriate asset allocation to maximize return and limit risk.

We do that by being:

- Client centered – we only serve a limited number of clients so we can ensure their financial needs are individually addressed with customized solutions.
- Comprehensive – we are financial planning experts and will address risk management, tax planning, estate planning, investment management, and retirement and other goals.
- Completely independent – we are independent of any larger organization and can focus exclusively on what is best for you rather than corporate objectives.
- Fee-only – we do not get paid by any product or service provider. To ensure the utmost objectivity, we are compensated directly and solely by our clients.
- Academically driven – our approach is based on academic, not Wall Street, research into the optimal methods of addressing various financial planning issues and constructing optimal investment portfolios.

Fiduciary Oath

We believe in placing your best interests first. Therefore, we are proud to commit to the following five fiduciary principles:

- 1) We will always put your best interests first.
- 2) We will act with prudence; that is, with the skill, care, diligence, and good judgment of a professional.
- 3) We will not mislead you, and we will provide conspicuous, full and fair disclosure of all important facts.
- 4) We will avoid conflicts of interest.
- 5) We will fully disclose and fairly manage, in your favor, any unavoidable conflicts.