

IWP WEALTH

www.iwpwealth.com

Los Angeles | Denver | Boston

Who We Are

- Family office manager and SEC Registered Independent Investment Advisor
- Founded as a single-family office in 2004, we now advise 13 families with offices in Los Angeles, Denver, and Boston
- A team of professionals with institutional-level experience and relationships
- A firm built by wealth management clients for wealth management clients
- We have a fiduciary duty to put client interests before our own

What We Do

Having an organized and coordinated family office enables clients' tax, estate, and investment strategies to work in harmony and allows our clients sleep at night.

- Set up, organize and manage family offices for high net worth clients
- Coordinate tax, legal, and investment strategies
- Oversee and execute investment plans with comprehensive consolidated reporting
- Charge a simple, fixed fee to reduce conflicts of interest with our clients
- Maintain a secure online document storage site for each client
- Provide full transparency and 24/7 access to advisors

How We Are Different

- Our flat fee structure is transparent and eliminates many conflicts of interest. We don't take fee rebates, commissions or kick-backs on investments our clients purchase
- We're independent from large banks and brokers – accountable only to our clients
- Clients' assets are held in their names at a custodian of their choice (typically Schwab or Fidelity)
- We're flexible and creative – we roll up our sleeves to help solve problems for clients
- Our partners have been high net worth clients for years and this experience drives our approach to client service

Problems We Help Solve

Organization and oversight are critical aspects of wealth management that are often overlooked. Investments are important, but are marginalized without the proper coordination.

- Provide clients with the advantages of a family office at a fraction of the cost of doing it themselves
- Coordinate the flow of information between clients, accountants, lawyers and investment managers – saving you time and energy
- Save money on fund management fees, trading costs and taxable investment income
- Provide oversight on work done by third party professionals
- Serve as a buffer between you and all the people who would like to manage, invest or borrow your money
- Aggregate all your financial accounts and assets into a simplified reporting system
- Maintain copies of all important financial and legal documents

Client Expectations

What You Should Expect from Your Advisor

Trust – An Absolute Must

Trust is established by having open and honest lines of communications with clients. We operate on the notion that clients have the right to know everything about their own finances, driving us to provide complete transparency throughout the process.

Access – You Can Reach Us When You Need Us

Clients have open lines of communication through email and home, cell, and office phone numbers, giving them 24/7 access to the team.

Third Party Custody

Investments are held in the clients' names with reputable third party custodians (such as Schwab Institutional) of their choosing. This protects our clients, ensuring they have control of and access to their money at all times.

Exceptionally Low Trading Costs

In today's world of electronic trading, there is no reason to pay high commissions. Most of our larger competitors still charge private clients \$50 - \$100 (or more!) for basic trades and they typically keep most of the commissions as profits. We do not benefit from commissions and our relationships provide for \$8.95/trade through Schwab Institutional regardless of size or number of shares. Our goal is to keep trading and administrative costs near zero.

Simple and Transparent Fee Structure

We charge a fixed quarterly fee agreed to by us and the client. The fee is fair for the time required for us to work on the accounts and is not tied to a percent of assets. There can be significant conflicts of interest if you pay someone a percent of assets and rely on them for anything more than managing the investments in the portfolio. Our fixed fee eliminates that conflict. We just want what is right for the client – it won't impact our revenues.

The Team

Charlie Willhoit – President

Charlie founded IWP in 2004 to serve his own family, built on his professional philosophies as an advisor and his personal demands and experiences as a wealth management client. Today, IWP serves a select group of affluent families and individuals across the country. Before establishing IWP, Charlie spent several years as a principal and owner helping run a \$500 million multi-family investment manager that was servicing his family. Prior to entering the wealth management industry, Charlie spent eight years at J.P. Morgan where he became the firm's youngest senior equity research analyst. He was named as an All-Star analyst by Institutional Investor Magazine and was involved in multi-billion dollar public and private equity transactions. His clients were some of the largest financial institutions in the world, including governments, mutual funds, hedge funds, pension funds, and private equity firms. He graduated Magna Cum Laude from Boston College with a B.A. in Economics with minors in Finance and Political Science. He is Series 65 licensed.

Alex Cobb, CFA – Partner/Head of East Coast

Alex joined IWP with 15 years of experience in the investment business. He is the head of IWP's East Coast practice. Most recently, he was a senior equity analyst with Fidelity, where he managed the Technology and Energy segments of the Fidelity Small Cap Opportunities Fund. He interacted on a daily basis with CEO's and CFO's of multi-billion dollar companies. For 7 years before that, Alex was an equity analyst for the Raptor hedge fund at Tudor Investments in Boston. Prior to that, Alex worked in the Equity Research departments of Morgan Stanley and J.P. Morgan. A CFA charterholder, he earned a B.A. from Middlebury College and an MBA from the Harvard Business School.

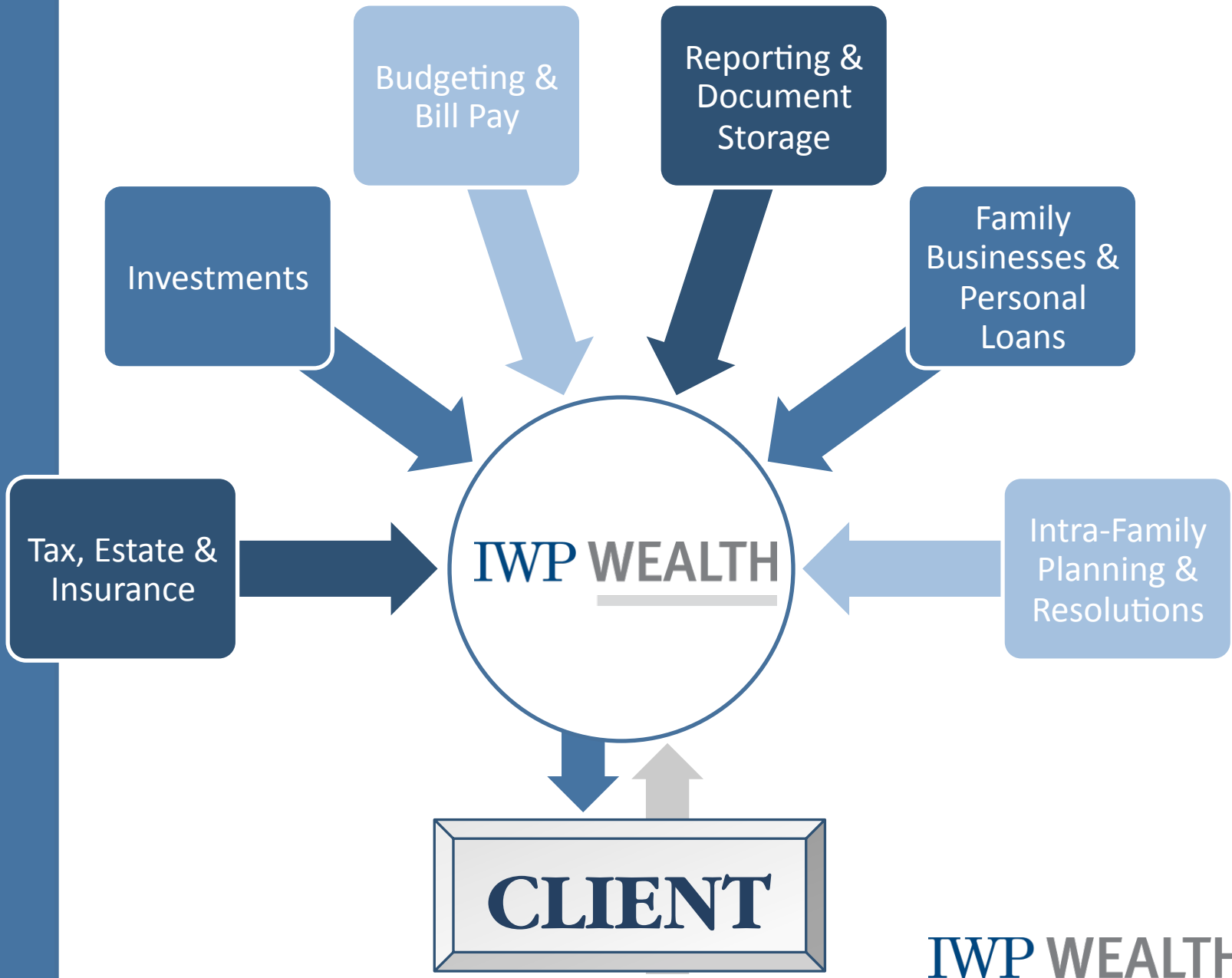
Chris Dzurinko, CFA – Partner

Chris joined IWP after working in the institutional equity, real estate, and private equity sectors. He serves as the company's Chief Investment Officer. Most recently, Chris was the senior financial analyst for The Alta Group, a private equity firm. Before that, Chris was a senior equity analyst at American Technology Research and spent 5 years in equity research at J.P. Morgan and CIBC. Chris also served as a senior consultant with Ernst & Young's Real Estate Consulting practice conducting valuation analyses, strategic planning, and transaction due diligence. Chris graduated from Pepperdine University, Summa Cum Laude, with a B.S. in Business Administration and Finance. Chris is a CFA charterholder.

Dawn Apang – Client Services

Dawn joined IWP with a background in public relations, and now serves as the company's Head of Client Services. Prior to joining IWP, Dawn worked for a prominent music industry firm in Los Angeles. She graduated from the University of Memphis with a B.A. in Public Relations and is currently working on achieving a designation as a Certified Financial Planner.

Family Office Dynamics



IWP WEALTH

Technology And Transparency

Comprehensive, Effective, Transparent

IWP employs a custom designed online platform for clients to access, view, and organize their wealth.

- **Account Aggregation and Reporting**
 - Aggregates accounts across multiple custodians, banks, and other financial institutions
 - Breaks out position and performance details of each individual account
 - Full reporting of privately held assets such as real estate, private equity, and personal assets
 - Asset allocation, regional allocation, and cash flow reporting
 - Daily account reconciliation and comprehensive tax lot reporting
- **Online Organization for Important Financial Documents**
 - Each client is given their own secure online filing cabinet, where IWP organizes and stores documents such as
 - Tax Returns
 - Estate Plans
 - Operating Agreements
 - Insurance Policies
 - Real Estate Agreements
 - All of the important documents for your wealth plan, organized and stored electronically, and available for you or your advisors to access anytime
- **Direct Access to Schwab and Fidelity Online**
 - Current market prices, research, account positions, margin information, and online trading
 - Online banking, including bill-pay, money transfers, and online wire transfers
 - Do it yourself or let IWP do it for you

IWP WEALTH

Investment Management

Our Approach to Investing

Investment Services

- **We take a holistic approach, incorporating your assets, your income, your spending requirements, future inheritance, risk tolerances and investment horizon**
- **We are fundamentally risk-averse and more concerned about preserving your wealth than “beating the market.” Liquidity and access to cash are critical.**
- Analyze budgets and cash needs
- Review and maintain oversight of all your investments, including:
 - Equities, fixed income, mutual funds, hedge funds, limited partnerships, private equity, and hard assets such as real estate, wine, art, and jewelry
- Analyze all holdings and suggest strategies to:
 - Ensure appropriate diversification
 - Match portfolio risk levels with client cash flow needs
 - Match gains with losses to optimize after tax returns
 - Adjust investment allocations over time to meet the changing wants, needs and risk appetites
- Seek to reduce the performance drag from management fees, trading costs and taxable distributions. We prefer low-cost indexed mutual and exchange-traded funds, with actively-managed funds used only when needed. We will personally tailor investments if clients have a specific areas of interest – i.e. energy or green investing.
- Provide investment execution – trading stocks, bonds, mutual funds and ETFs
- Manage concentrated investment positions with hedging of risk where appropriate and a keen eye on tax implications

We provide a buffer between clients and those seeking their money - i.e. “I would love to participate, but my advisor recommended against it.”

Our Fee Structure

Fees, Incentives, and Why They're Important

We Charge a Simple Fixed Fee

- Negotiated annual fee, payable quarterly
- No variability – clients know what to expect
- **Fixed fee eliminates many conflicts of interest**
- Clients have the incentive to use us frequently for all things financial

Advantages of a Fixed Fee Model

- Objective advice – there is no incentive to keep client assets “in-house”
- Predictability is greater for budgeting and planning purposes
- Fees can be paid personally or in some cases can be split with a personal business which makes our after-tax fee even lower
- There is a natural incentive for clients to use us as much as possible and an incentive for us to make sure we are providing the value that clients expect
- Ongoing fee discussions revolve around the amount of work and value that we are providing, not how much money we are managing

Our Clients

Client Profiles and Execution Examples

- The family of a CEO of a large fixed income asset management firm with over \$300 billion in assets under management.
- The family of a former Controller of a leading global energy exploration and production company.
- The CEO of a national retail advertising campaign management and marketing firm.
- The family of a retired senior executive of the leading global online recruitment company.
- The family of a former President of one of the world's largest energy engineering and construction companies
- The extended family of a highly successful residential and commercial real estate development company
- Head of Market Development at one of the world's largest social networking companies

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