



Baltimore-Washington

FINANCIAL ADVISORS

BETTER SOLUTIONS. BETTER SERVICE. BETTER RESULTS.



The Architect

OF MODERN MANAGEMENT...

“When I was a student at the College of William & Mary, one of the gentlemen whose teachings we followed in the business school was Peter Drucker. twenty-five years ago, when I thought about forming this company, his advice offered a structure for my goals and objectives. Drucker posed the following three questions that any credible and successful business person should be able to answer...”

-SAXON BIRDSONG, BWFA FOUNDER

What is Our Business?

We are wealth managers. We act as a financial bodyguard for our clients.

BWFA is one of the area's leading comprehensive wealth management firms. Nationally-recognized and based in the Baltimore-Washington region, we serve clients throughout the United States and abroad. Our team of approximately twenty professionals includes dedicated investment management; financial, retirement, & estate planning; and tax services experts. We coordinate outside legal, accounting, and business advisory resources as necessary, bringing it all together for our clients.

We are committed to unbiased, professional service, and uncommon results. As a member of NAPFA, the National Association of Personal Financial Advisors, we have been dedicated to Fee-Only wealth management for nearly two decades. Relax in the knowledge that we are paid only by you, our clients, and not by insurance, mutual fund, or brokerage companies who may not always have your best interests in mind. We are fiduciaries for our clients' best interests.

Who is Our Client?

People who want exceptional stewardship over their assets.

There is no typical BWFA client; each is an individual. We serve corporate and government executives, engineers and scientists, small business owners, medical professionals, retirees, and families. Our clients are well-educated and accomplished in their fields, and along the way most have accumulated significant wealth, many investing \$1 million or more with us.

What Does Our Client Value?

Our clients value peace of mind, knowing that they are making the most out of their wealth.

Clients come to us for expert advice and the confidence that comes from having a dedicated financial advisor. Most are busy in their careers or are enjoying a hard-earned retirement and don't want to spend so many hours managing day-to-day financial affairs. Our clients value high quality advice, planning, investment management and tax help and benefit from the coordination of these services at one firm.

Our History

Baltimore-Washington Financial Advisors, Inc. was founded in 1986 and is headquartered in Columbia, Maryland. It is among the largest and oldest Fee-Only financial advisory firms in the Baltimore-Washington metropolitan area. Throughout its history, BWFA's focus has been on providing its clients with exceptional comprehensive financial services including retirement & estate planning, investment management & tax services. In the early years, Saxon Birdsong provided investment management expertise, Bob Cassel served as our tax specialist and Kevin Condon focused on financial planning. BWFA's motto became "putting the pieces together" for clients – highlighting the unique partnership among three experts.

Over the years, several new financial experts have joined the BWFA team. Rob Williams first became BWFA's Portfolio Manager and now acts as Chief Investment Strategist. Bob Ray, Chris Kelly, and Mark Stinson provide quality financial advice while serving as Portfolio Managers and Financial Advisors. Mark also serves as Director of Planning, providing expert retirement and estate services. Bob Cassel continues as our tax specialist and Director of Tax Services.

Today Rob Carpenter acts as President and CEO of BWFA and continues the firm's focus on providing clients with top-quality services that meet their financial needs. Rob has a strong professional background and has worked in the financial services industry for over 23 years. He has held a wide variety of senior-level management positions at some of the country's top wealth management, investment, and private banking firms. His comprehensive experience, along with his dedication to serving client needs, equips him well to successfully lead BWFA into the future.

Our firm is recognized as among the top firms in the industry with recent honors and appearances in *Worth*, *Forbes*, and *Fortune* magazines. BWFA experts are quoted in the *Wall Street Journal*, *New York Times*, *BusinessWeek*, *Washington Post*, *Baltimore Sun*, *Investment News*, and many other local, regional and national publications.





Our Philosophy

Fee **FO** Only

FEE-ONLY, PERIOD

We are strictly Fee-Only, meaning you pay no commissions, trailers, or hidden fees to us. Our clients come first always, and we are free from the conflicts of interest that are common among other firms.

ADVICE LEADS THE WAY

BWFA clients receive comprehensive, coordinated financial advice which may include tax, investment management, and all facets of financial planning. Through a close personal relationship with an experienced advisor we can help you:

- ~ Plan for a predictable and secure retirement
- ~ Plan for a smooth transfer of your estate with minimum tax consequences
- ~ Manage your investments to provide the growth and/or income your family requires
- ~ Avoid unexpected taxes

RELAX, WE'RE ON THE JOB

Let us help you bring order to your affairs, achieve your goals and relax in retirement. We offer investment management clients the opportunity to:

- ~ Avoid costly investment pitfalls
- ~ Evaluate alternative approaches to lowering investment risk and improving return
- ~ Reduce excessive fees
- ~ Reduce taxes and other costs of excessive trading

HONEST FEES FOR HONEST WORK

At the end of our initial meeting, we will present you with options on how we can assist you and what it will cost. You may be offered flat or percentage rates, or a mixture depending on the engagement. We do not charge for initial consultations. Fees for Financial Plans generally range from \$1,000-\$4,000 for a comprehensive pre-retirement, retirement, or estate plan. Investment management fees average 1% for our clients annually depending on the size of their accounts. We quote fees up front so there are no surprises.

A TEAM OF SPECIALISTS LED BY YOUR ADVISOR

At BWFA, you work with a dedicated Advisor who is supported by a cadre of experienced professionals. We take time to become comfortable with each other, carefully analyzing the intricate financial affairs unique to your family. You get solid, no-nonsense counsel from experienced people you will come to know well. We have dedicated investment management, planning, and tax resources in-house and will bring in legal, accounting, and other experts as necessary.

Our Core Services

1 RETIREMENT & ESTATE PLANNING

Retirement and Estate planning is the center of our ongoing relationship with our clients. We don't sell anything here except our advice. What's more, compensation for the services we provide comes solely from our clients. We participate in no contests, commissions, or bonuses.

Most professionals on our staff are either CERTIFIED FINANCIAL PLANNER™ practitioners or in the process of obtaining the CFP® certification. As such, they abide by a written and enforced Code of Ethics and must complete annual continuing education in financial planning curriculum for recertification. Besides the CFP® certification, our staff includes CPAs, and MBAs in finance and accounting. BWFA's professionals have a significant depth of experience. Collectively we've been providing financial advice for over 200 years.

In every client contact we are careful to review all the financial areas before making any recommendations. The brief form you are sent prior to our first session includes questions on the health of your financial vital signs of insurance, investments, pensions, estate planning matters, taxes, income and cash flow. Together we discuss all your concerns and only then propose both an approach to solving them and an estimate of the fee we will charge to do it. No hidden agenda, no undisclosed conflicts of interest.

Comprehensive retirement and estate planning is a careful, precise process. Our experts help bring clarity to your goals, and identify issues, problems, and solutions that give you confidence in your ability to meet your goals throughout your lifetime. We use the latest and most sophisticated forecasting techniques available, and provide year by year financial benchmarks to measure and evaluate your progress. Using our techniques and annual plan review meetings, we are able to make mid-course corrections to make sure you stay on target with where you want to be. The payoff is peace of mind and family harmony.

We judge our success by your comfort, security, and financial independence.

2 TAX PLANNING & PREPARATION

Each year our clients have the opportunity to meet with their BWFA advisor to do tax planning. Few people like the idea of turning over their hard-earned money to the government. As advisors, we stay on top of new tax legislation and are always looking for ways to reduce our clients' tax burden. Tax planning and preparation goes well beyond the yearly income tax returns that must be filed. We are also concerned about our clients' estate and gift tax planning, and avoidance of the various penalties that may apply to retirement plan distributions. A nice feature of offering income tax preparation to our financial planning and investment advisory clients is that we are better prepared to give tax-wise advice.

There are many situations during a person's lifetime that can generate unusually large federal and state income tax liabilities. These include: selling one's home, exercising employee stock options, receiving bonuses, and selling appreciated securities, among others. Because we have a good view of our clients' entire financial picture, we are able to plan for these events in ways that reduce the tax burden and increase the after-tax return for our clients.

The key word here is planning.

Without a solid financial plan, individuals will likely pay more taxes than would otherwise be necessary. By looking into our clients' future, anticipating the events that generate larger tax liabilities, and properly planning for these events, we increase the overall wealth that our clients retain. After all, the amount you earn is not quite as important as the amount you keep after the taxes are paid!

3 INVESTMENT MANAGEMENT

At BWFA, we tailor and manage investment portfolios that best suit our clients' needs. Generally, these needs fall into three rather simple categories: growth investments for our younger clients, conservative growth and income investments for our clients who are nearing retirement, and income producing investments for our clients who are in retirement and need income from investments to support their lifestyles.

We select investments that are appropriate, monitor their ability to meet our growth and/or income objectives, and make changes when appropriate. The following pages will provide more detail about our approach and our investment models.



The
B | W | F | A

Investment

APPROACH

BWFA'S INVESTMENT MANAGEMENT PROCESS

INVESTMENT STRATEGY

Our aim is to create diversified client portfolios that earn favorable investment returns while controlling volatility and risk according to the parameters of each client's chosen investment model. We work to achieve strong performance over multiple market cycles, relying on a proven investment process. We adhere to an investment philosophy that values both vision and discipline. We do not believe that long-term goals can be met by chasing short-term results. Instead, we focus on the larger picture while still being mindful of the details.

WE START BY GETTING TO KNOW OUR CLIENTS

BWFA's advisors evaluate a client's financial goals, financial situation, income needs, tax circumstances, and investment risk tolerance. Based on these factors, we design, construct, and implement an investment portfolio appropriate to the client's specific needs and goals. The portfolio we construct for the client conforms to the BWFA investment model chosen by the client in consultation with his/her BWFA portfolio manager.

TWO INVESTMENT APPROACHES OFFERED

SEPARATELY MANAGED ACCOUNTS – For clients with managed accounts in excess of \$500,000, BWFA recommends model portfolios that include the use of individual stocks as well as some selected mutual funds that target specific portions of the investment model. By investing primarily in individual securities, clients receive a customized portfolio with the following benefits:

Lower costs due to the avoidance of the additional fees associated with investing in collective investment funds

Consideration of tax planning issues

Complete control over what is bought and sold, which provides:

The ability to accommodate special investment requests

The ability to minimize/eliminate the redundancy that can occur when using collective investments

Transparency - *Clients know the exact securities held in their portfolios.*

Allocation around existing concentrated positions, thus better managing risk - *A portfolio manager can avoid purchasing, for example, energy securities for a client that works for a gasoline company and already has significant investment exposure in that sector.*

WEALTH ACCUMULATION PLATFORM – This approach is designed for clients who have not accumulated sufficient wealth to invest in a diversified way using individual securities. BWFA generally recommends this approach for clients investing up to \$500,000. Our wealth accumulation platform uses model portfolios that are primarily invested in collective investments such as index funds, actively managed mutual funds, and exchange-traded funds.

Regardless of which approach is right for you, you'll receive the attentive, customized service that is fundamental to our culture.

MANAGE OUR CLIENT'S WEALTH

The portfolio manager provides ongoing oversight and management of the client's investments in accordance with the advisor's analysis of current economic and market conditions. BWFA's portfolio managers make changes in a client's portfolio only when they believe the changes will benefit the client. Because BWFA receives no compensation for making trades, advisors can act in the interests of their clients.

INVESTMENT TEAM

Our team of investment professionals has a significant depth of experience in the industry. Over the years they have navigated difficult markets with steadiness and skill. We use a collaborative approach in which our team of portfolio managers and our investment analyst carefully consider proposed investments and evaluate their potential for capital appreciation and dividend return.

HOW WE SELECT INVESTMENTS

Our team performs fundamental analysis (research of companies and the economy) to identify companies that are attractively valued relative to their growth prospects over a three- to five-year horizon. Our goal is to invest for the long term. The research we do includes a thorough examination of a company's strategy and outlook, its unique financial characteristics, and the capabilities of its management. We consider both the current economic climate and our expectations for the future based on political events and economic trends. We follow news, published analyses, and developments that we believe may influence the price, direction, and long-run suitability of investments. We also utilize technical analysis (research of market behavior) to determine the health and value of individual investments as well as the best time to execute purchases or sales.

INVESTMENT MODELS

BWFA offers eight different investment models in order to meet the needs and goals of individual clients. Models range in risk level from Aggressive Growth to Capital Preservation, with six levels in between. Each model provides specific guidelines for allocating client investments among various asset types. Clients choose a BWFA investment model in consultation with their advisor. Each client is encouraged to complete a standard investment risk tolerance assessment. Results of the assessment help the client and advisor understand the client's attitude toward investment risk and confirm the suitability of the selected investment model.



Investment Models

AGGRESSIVE GROWTH

CAPITAL APPRECIATION

CONSERVATIVE GROWTH

GROWTH AND INCOME

INCOME AND GROWTH

INCOME

TAX EXEMPT INCOME

CAPITAL PRESERVATION



Aggressive Growth

OBJECTIVES

The BWFA Aggressive Growth model seeks to provide clients with maximum capital appreciation. Generating income is not a goal of this model. Clients who choose this model should expect significant fluctuation in portfolio value. This model is designed to suit investors who are able to tolerate high volatility – generally those who are young and have strong financial resources and an investment horizon of longer than ten years. Portfolios invested according to this model may have large short-term gains and losses, but also offer potential for long-term rates of return higher than those of BWFA's more conservative investment models.

INVESTMENT DETAILS:

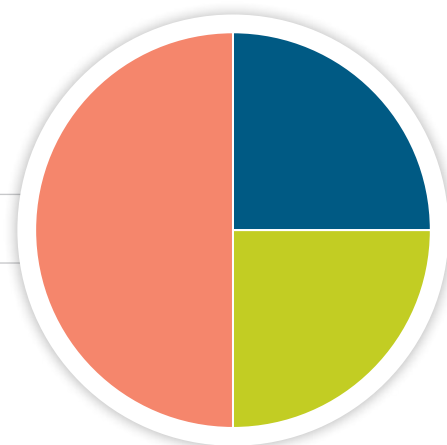
The heavy emphasis on growth in this model orients the portfolio to stocks of companies experiencing high earnings growth, strong revenue growth, and a sustainable competitive advantage. Investments primarily consist of small and mid-capitalization equities, large-capitalization equities experiencing strong growth, and stocks of companies with special situations that provide the potential for considerable short-term returns. A significant portion of portfolio assets is allocated toward international equities. The international equities we seek represent companies with business activities outside the United States in economies with strong growth and political stability. We avoid using income-producing investments in this model.

MODEL ASSET ALLOCATION:

AGGRESSIVE GROWTH EQUITIES **50%**

LONG-TERM GROWTH EQUITIES **25%**

INTERNATIONAL EQUITIES **25%**



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity securities. Our process considers companies with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Capital Appreciation

OBJECTIVES

The BWFA Capital Appreciation model seeks long-term appreciation of capital with a modest level of current income. Clients who choose this model should expect significant fluctuation in portfolio value (but less than is likely to occur with the BWFA Aggressive Growth model). This model is designed to suit investors who are able to tolerate volatility – generally those who are young and have strong financial resources and an investment horizon of greater than five years. Portfolios invested according to this model may have uncertain short-term investment returns, but offer potential for long-term rates of return higher than those of BWFA’s more conservative investment models.

INVESTMENT DETAILS:

Portfolios following this model invest primarily in equities of well-established companies. The emphasis on growth in this model orients the portfolio to stocks of companies experiencing high earnings growth, strong revenue growth, and a sustainable competitive advantage. A portion of portfolio assets is allocated toward international equities. The international equities we seek represent companies with business activities outside the United States in economies with strong growth and political stability. We avoid using income-producing investments in this model.

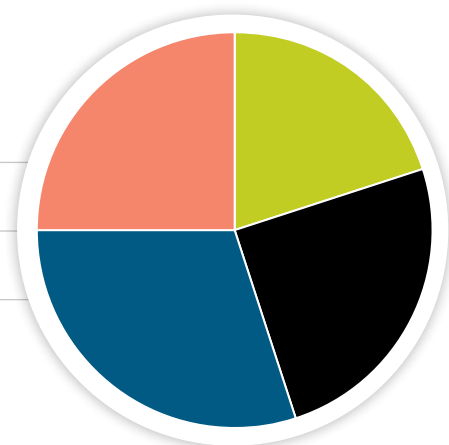
MODEL ASSET ALLOCATION:

AGGRESSIVE GROWTH EQUITIES **25%**

LONG-TERM GROWTH EQUITIES **30%**

GROWTH & INCOME EQUITIES **25%**

INTERNATIONAL EQUITIES **20%**



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity securities. Our process considers companies with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Conservative Growth

OBJECTIVES

The BWFA Conservative Growth model seeks capital appreciation with slightly less fluctuation in value than the overall equity market. It also seeks a moderate level of current income. This is the investment model that is chosen most often by BWFA clients.

INVESTMENT DETAILS:

This model includes investments in all classes of equities, along with a small portion in income-producing securities to provide a “downside cushion” in declining equity markets. The emphasis on growth in this model orients the portfolio to stocks of companies experiencing high earnings growth, strong revenue growth, and a sustainable competitive advantage. A portion of portfolio assets is allocated toward international equities. The international equities we seek represent companies with business activities outside the United States in economies with strong growth and political stability.

MODEL ASSET ALLOCATION:

AGGRESSIVE GROWTH EQUITIES	15%
LONG-TERM GROWTH EQUITIES	20%
GROWTH & INCOME EQUITIES	25%
INCOME SECURITIES	20%
INTERNATIONAL EQUITIES	10%
INTERNATIONAL INCOME	10%



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity and income-producing securities. Our process considers companies and institutions with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Growth and Income

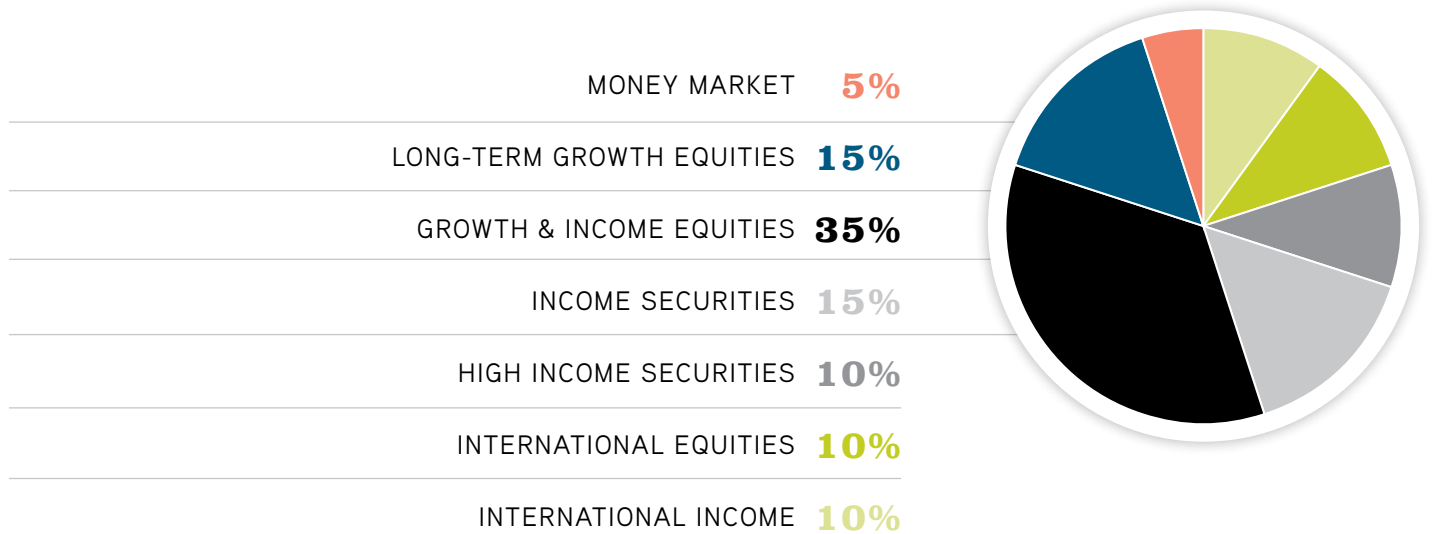
OBJECTIVES

The BWFA Growth and Income model seeks moderate growth using conservative equity investments with strong dividends. Returns from investments provide both income for current consumption and a level of “downside” protection in a declining market. The Growth and Income model is designed to suit retirees seeking current income along with a modest level of growth.

INVESTMENT DETAILS:

Investments in this model primarily consist of large dividend-paying stocks and large-capitalization growth stocks. The emphasis on growth in this model orients the portfolio to stocks of companies experiencing high earnings growth, strong revenue growth, and a sustainable competitive advantage. The income orientation of the model seeks stable income with relatively low risk to capital. A portion of portfolio assets is allocated toward international equities. The international equities we seek represent companies with business activities outside the United States in economies with strong growth and political stability. This model also holds a modest allocation to liquid assets.

MODEL ASSET ALLOCATION:



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity and income-producing securities. Our process considers companies and institutions with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Income and Growth

OBJECTIVES

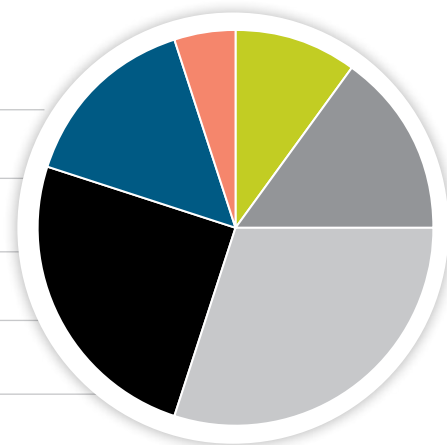
The BWFA Income and Growth model emphasizes income needs over growth. Returns from investments provide both income for current consumption and a level of “downside” protection in a declining market. This model is designed to suit investors who are low risk takers primarily concerned with current income. Investors using this model are generally not overly concerned about growing their wealth.

INVESTMENT DETAILS:

Portfolios following this model are invested primarily in income-producing securities intended to provide income with sufficient growth to maintain a consistent inflation-adjusted income level. The significant income orientation of the model seeks stable income with relatively low risk to capital. The modest emphasis on growth in this model orients the portfolio to stocks of companies experiencing high earnings growth, strong revenue growth, and a sustainable competitive advantage. Equity investments in this model consist of large dividend-paying stocks and large-capitalization growth stocks. A portion of portfolio assets is allocated toward international bonds. The international bonds we seek represent institutions with business activities outside the United States in economies with strong growth and political stability. This model also holds a modest allocation to liquid assets.

MODEL ASSET ALLOCATION:

MONEY MARKET	5%
LONG-TERM GROWTH EQUITIES	15%
GROWTH & INCOME EQUITIES	25%
INCOME SECURITIES	30%
HIGH INCOME SECURITIES	15%
INTERNATIONAL INCOME	10%



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity and income-producing securities. Our process considers companies and institutions with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Income

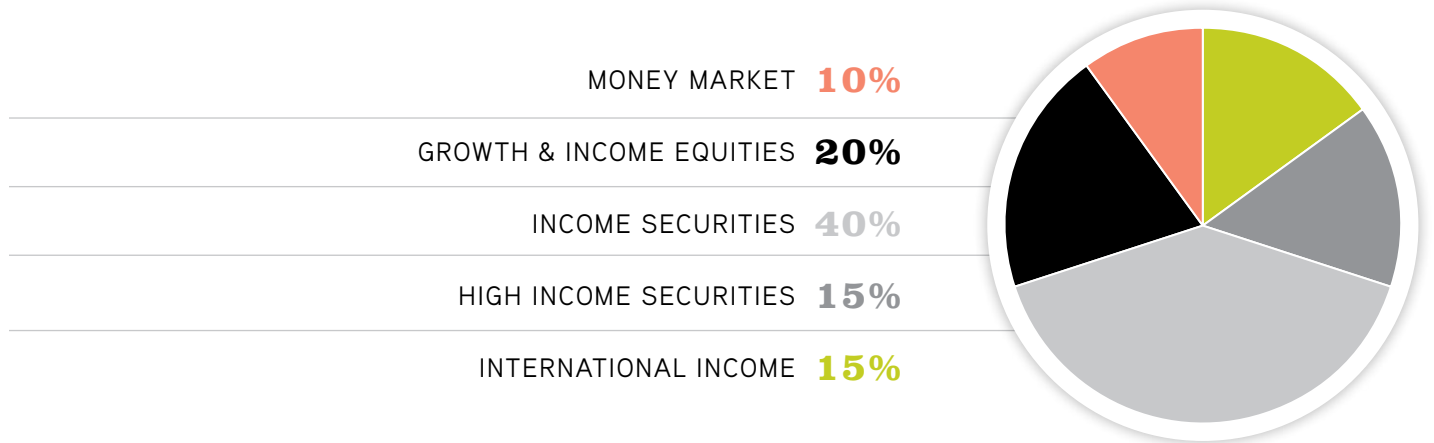
OBJECTIVES

The BWFA Income model seeks to earn a market rate of income return that is consistent with prevailing interest rates. This model is designed to suit very conservative investors who are primarily concerned with generating a stable level of income from their investment portfolios.

INVESTMENT DETAILS:

Portfolios following this model are invested primarily in income-producing investments such as debt instruments and high-yielding equity issues. The income orientation of the model seeks stable income with minimal risk to capital. The very modest growth aspect of this model orients the portfolio to stocks of companies experiencing normal earnings growth and modest revenue growth. The equity investments in this model consist of large dividend-paying stocks and large-capitalization growth stocks. A portion of portfolio assets is allocated toward international bonds. The international bonds we seek represent institutions with business activities outside the United States in economies with strong growth and political stability. This model also holds a modest allocation to liquid assets.

MODEL ASSET ALLOCATION:



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued equity and income-producing securities. Our process considers companies and institutions with strong fundamentals, sound corporate governance practices, and superior earnings, revenue, and margin expansion relative to their competitors.

Tax-Exempt Income

OBJECTIVES

The BWFA Tax-Exempt Income model seeks to provide tax-free income to individuals who have a high level of federal taxable income and who need income and/or capital preservation.

INVESTMENT DETAILS:

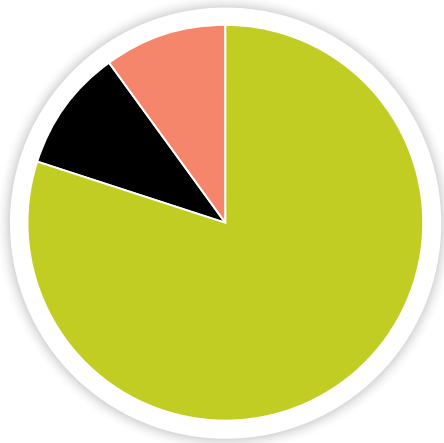
Portfolios following this model invest primarily in state-issued general obligation bonds and highly-rated state revenue bonds.

MODEL ASSET ALLOCATION:

MONEY MARKET **10%**

GROWTH & INCOME EQUITIES **10%**

TAX-EXEMPT INCOME SECURITIES **80%**



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify sound state and municipal debt securities with favorable rates of return. Our process considers only debt issues from state and local municipalities with stable economies, sound governance practices, and a track record of expanding the tax base.

TAX-EXEMPT INCOME

Capital Preservation

OBJECTIVES

The BWFA Capital Preservation model seeks to preserve capital and avoid the price volatility of stocks. This model is, however, subject to bond price fluctuations.

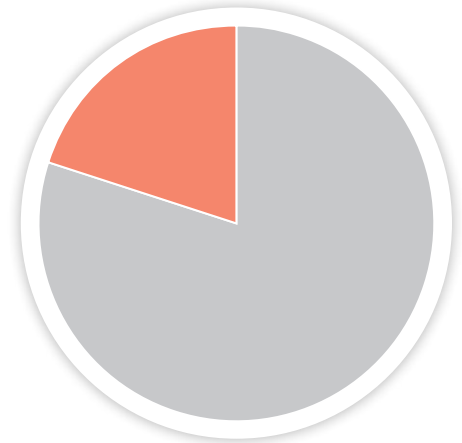
INVESTMENT DETAILS:

Portfolios following this model invest primarily in high-quality, short-duration debt securities such as money market mutual funds, short-term bond funds, certificates of deposits (CDs), US Treasury securities, and investment-grade corporate bonds with maturities of no longer than five years.

MODEL ASSET ALLOCATION:

MONEY MARKET **20%**

INCOME SECURITIES **80%**



INVESTMENT PROCESS:

BWFA uses a highly disciplined process utilizing both quantitative and qualitative factors to identify attractively valued debt securities. Our process only considers companies and institutions with superior fundamentals, sound governance practices, and a track record for creating and maintaining a durable, sustainable competitive advantage.

CAPITAL PRESERVATION

Client's Bill of Rights

We have learned what is important to our clients when they work with us. We hope that by articulating these principles our clients and our associates will better understand how we intend to operate our firm and deliver our services.

1

CLARITY AND SIMPLICITY COUNT

Communicating complex and confusing issues in a straight forward and easily understood way takes effort and skill, and we fully accept this challenge. Our goal is to make things simple and understandable in all our communications with clients.

2

SETTING AND MEETING EXPECTATIONS

We take responsibility for delivering our services accurately, on time, and in a way that is consistent with our clients' expectations. Interactions between people frequently leave room for misunderstanding, and misunderstanding leads to frustration and disappointment.

We work to avoid disappointments or "surprises" for our clients, and take steps to ensure clients are highly satisfied with the work we do for them.

3

ACKNOWLEDGING OUR LIMITATIONS

We are not experts in all areas, but our clients need expert answers.

We will not hesitate to utilize the expertise of other professionals if we believe that a better solution will result for our client.

We always work in our clients' best interest, without exception.

4

PROMPT AND ACCURATE ANSWERS

We know our clients expect us to respond promptly and appropriately to all questions and inquiries.

We are constantly enhancing our procedures and internal systems to make it fast and easy for our clients to get answers they need.

5

WE ARE AVAILABLE

Our clients can contact us whenever they have a question or concern about their financial affairs or our services.

We provide ongoing communication in the form of periodic emails, quarterly newsletters, and annual reviews.

When more individual attention is needed, we are always available for phone conversations or face-to-face meetings.

6

LOOKING BEYOND THE NUMBERS

Each client is unique and needs individual solutions.

We want to understand what's important to each client, so we can provide recommendations that work for them.

Much of our analysis involves the use of numbers and quantitative techniques, but we also strive to understand our clients' dreams, fears and ambitions.

7

TRUST ENGENDERS OBLIGATIONS

We recognize that we are important in the lives of our clients.

They have entrusted us with their most sensitive and confidential information.

Our clients have the right to expect that we will honor the confidence they have placed in us by delivering the best service we can, with care and skill.

BWFA CREDO

Great organizations have people who share the same values. These values become the foundation for the organization's culture, and the culture influences how people do their jobs. Once the organization's culture is established, everyone knows what to do because they are guided by the shared values of the organization.

These are the values that define the culture of our organization:

Treat others the way you want to be treated.

Be friendly, clear, concise and complete.

Start with the conclusion, and finish with the details.

Tell the WHOLE truth; it's what people don't tell you that causes problems.

Be transparent; no surprises.

Respond promptly to others, so they know you care. If you don't know what to do, DON'T do nothing.

Be authentic and keep your promises.

Acknowledge your limits, and seek help from others.

Life gets complicated; simplify it.

Big problems are really just a collection of small ones; take them one at a time.

Enjoy life, and have fun. Know what's important to you and others.

Make a difference to someone; it fulfills you both.



Our Capabilities

RETIREMENT & ESTATE PLANNING | INVESTMENT MANAGEMENT | TAX SERVICES

INVESTMENT

Fee-Only firm that acts as fiduciary to provide:

- Custom portfolio management
- Asset allocation
- Performance monitoring
- Risk management analysis
- Selection of securities under investment committee oversight

RETIREMENT

- Prepare retirement needs analysis
- Consult on funding and disbursement strategies
- Advise on Social Security benefit strategies
- Advise on tax deferral strategies such as deferred compensation and retirement plans
- Calculate minimum required distributions
- Review and advise on employer retirement plan investment options and allocations

ESTATE

- Review estate planning documents and discuss potential strategies
- Prepare summary/flowcharts of estate plan
- Analyze estate strategies
- Coordinate with and provide data to your estate planning attorney
- Facilitate changes to beneficiary designations and retitling of accounts
- Consult on and assist in estate administration

TAX

- Prepare tax returns for individuals, families, and businesses
- Provide Tax Planning services including:
 - ~ *Stock option tax analysis*
 - ~ *Tax-free disposition of real estate*
 - ~ *Choice of business entity*
 - ~ *Responses to tax agency audits or letters*
 - ~ *Representation at audits*
 - ~ *Planning for large charitable donations*
 - ~ *Multi-year alternative minimum tax planning projects*

BUSINESS

Provide advice on:

- Selling a business service
- Business evaluations
- Tax preparation and planning
- Succession strategies

NET WORTH STATEMENT

- Prepare a detailed listing of assets and liabilities

GIFTING

- Advise on family and charitable gifting strategies
- Analyze funding techniques
- Review and analyze impact on financial and estate plans
- Analyze income tax impact

INSURANCE

- Summarize insurance policies
- Prepare needs analysis for life, disability, and long-term care
- Act as liaison to licensed insurance professionals (life, disability, long-term care and medical)
- Request information from providers
- Coordinate implementation of new policies and/or surrender of existing policies

EMPLOYEE STOCK PLANS

- Prepare schedules of employee stock benefits
- Recommend divestiture strategies
- Prepare analyses such as section 83(b) election and net unrealized appreciation (NUA)

EDUCATION

- Determine education funding needs
- Review section 529 plan options





BWFA TEAM

- ROB CARPENTER | *President & CEO* | rcarpenter@bwfa.com
- BOB CASSEL, EA, CFP® | *Director of Tax Services* | rcassel@bwfa.com
- ROB WILLIAMS, CFP® | *Chief Investment Officer and Sr. Portfolio Manager* | rwilliams@bwfa.com
- SAXON BIRDSONG, MBA | *BWFA Founder* | sbirdsong@bwfa.com
- ROBERT RAY, MBA | *Financial Advisor & Portfolio Manager* | rray@bwfa.com
- CHRIS KELLY, CFP®, CPA | *Financial Advisor & Portfolio Manager* | ckelly@bwfa.com
- SETH DADDS | *Investment Analyst* | sdadds@bwfa.com
- TANYA BLAKELY | *Investment Operations Manager* | tblakely@bwfa.com
- MARK STINSON, CPA, CFP®, MBA | *Director of Planning* | mstinson@bwfa.com
- JOSEPH CAPUTO | *Chief Information Officer / Associate Portfolio Manager* | jcaputo@bwfa.com
- ALECE DRNEC, CPA, MBA | *Tax Advisor* | adrnec@bwfa.com
- TED SCHLESINGER | *Tax Advisor* | tschlesinger@bwfa.com
- CINDY MILLEN, CPA | *Tax Advisor* | cmillen@bwfa.com
- SUE KELLEY, CPA | *Tax Executive Assistant* | skelley@bwfa.com
- MEGHAN MANAS | *Sales and Marketing Associate* | mmanas@bwfa.com
- SUSAN BAILEY | *Project Leader* | sbailey@bwfa.com
- JACOB BIRDSONG | *Operations Assistant* | jsbirdsong@bwfa.com
- DANIEL PHELAN | *Wealth Management Assistant* | dphelan@bwfa.com
- WILL SASSER | *Wealth Management Assistant* | wsasser@bwfa.com
- RICHARD NGUYEN | *Wealth Management Assistant* | rnguyen@bwfa.com
- MICHAEL MATHEWS | *Director of Business Services* | mmathews@bwfa.com

EXPECTATIONS

Relax knowing that experienced professionals are looking after your investments every day so you can focus on things that are important to you. Have confidence that you have a customized retirement plan that is updated every year and adjusted for your changing circumstances.

Minimize unnecessary taxes and other expenses with the assistance of an integrated team of financial experts.

GET UNBIASED ADVICE ON MAJOR FINANCIAL DECISIONS.

Take comfort in having a secure estate plan that will provide for your loved ones and support causes that are important to you.

Benefit from clear, straightforward, friendly advice and explanations that make complicated financial matters simpler.



I like what I hear, what's next?

- Step 1:** Call **888-461-3900** to set up a free initial consultation.
- Step 2:** Fill out our initial consultation form and bring it along with all recent account statements, tax returns and any other documents you wish to discuss. We send a "fact finder" to each new planning client. We'll get everything else we need then.
- Step 3:** Visit our office in Columbia, meet some of our experts, see a sample plan, and get a good preview of what it is like to be a BWFA client.
- Step 4:** Sign a service agreement and you're a new BWFA client.

We'll be with you every step of the way to make it easy and smooth. Our operations expert can even get on the phone and help transfer your old accounts to BWFA.



Our Mission

AT BWFA IS TO PROVIDE SUPERIOR FINANCIAL ADVICE
AND DELIVER A HIGH-QUALITY CLIENT EXPERIENCE.

Understanding our clients' needs and goals is a top priority at BWFA.
We achieve this through consistent, two-way communication with every client.

We don't believe in a one-size-fits-all approach; every client is unique,
and we are prepared to adjust our strategies when new situations arise in our clients' lives.

As an independent advisory firm, we put our allegiance to our clients first.

We have no commitments to investment companies, insurance companies, or management firms
that encroach on our fiduciary responsibility to our clients. Without hidden incentives or financial ties,
our expert staff members are free to singularly focus on what we do best: personally deliver objective financial advice
to individuals, families, and organizations.

At every level, BWFA's service meets the highest standard for honesty, confidentiality, and integrity.

These principles have motivated us since the company's inception more than 25 years ago,
and they continue to provide the foundation for all that we do today.

Our commitment to our clients is paramount.

I would personally like to thank you for taking a closer look at our firm
and would love the opportunity to work for you.



Robert Carpenter

ROBERT CARPENTER

President & CEO



BWFA, INC.

PHONE: (410) 461-3900

TOLL-FREE: (888) 461-3900

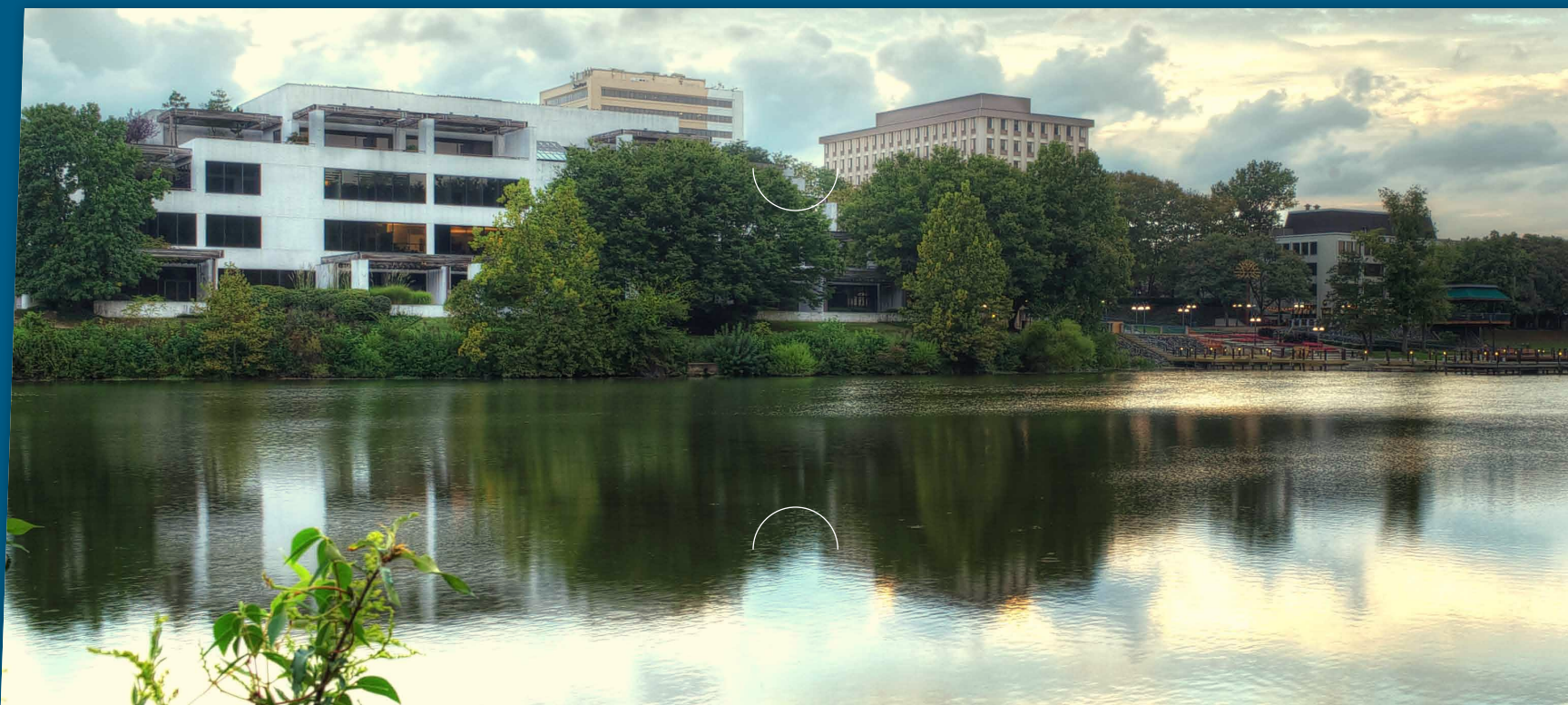
FAX: (443) 539-0330

EMAIL: EMAILUS@BWFA.COM

5950 SYMPHONY WOODS ROAD | SUITE 600

COLUMBIA, MD 21044

bwfa.com





B | W | F | A

Baltimore-Washington

FINANCIAL ADVISORS

RETIREMENT & ESTATE PLANNING | INVESTMENT MANAGEMENT | TAX SERVICES