



Welcome to Woodward Financial Advisors: Client Engagement Standards

Introduction

Our mission is to help our clients achieve financial independence and success, however they define it. We are passionate about building a long-lasting relationship with you, grounded in trust, collaboration, and clear expectations. In pursuit of our mission – and in light of our passion – we’ve outlined a set of best practices that will allow us to perform our best work for you. We believe that a successful relationship begins with great communication, so please reference this Woodward “Owner’s Manual” for information which will help you achieve the best return on your investment in a partnership with our firm.

Woodward Core Values

Do What’s Right

Act with integrity, especially when things are hard

Stay Humbly Confident

Be proud of your knowledge and capabilities, and deliver advice with empathy

Serve with Warmth

Connect with people and care about them as much as oneself

Grow or Die

Stay hungry and curious, never be satisfied with status quo

Laugh Often

Have fun and make a difference – we are blessed to have the best job in the world

Woodward Team Structure

- You will benefit from having multiple team members as part advisory team, as well as support from our client service and operations departments. This structure provides you with access to team members with different areas of expertise and experience, as well as continuity if one member of your team is out of the office or not available. We find that our clients appreciate having a true team working for them.
- Because of our team approach, you are considered a “client of the firm.” This fosters collaboration and creativity within the office and eliminates potential conflicts of interest.

Smart Financial Decisions. Professional Guidance.

101 Glen Lennox Drive, Suite 110 • Chapel Hill, NC 27517
(919) 929-2495 • www.woodwardadvisors.com • Fax (919) 929-2496

- We believe that you will experience superior outcomes when you are fully engaged in the process. For couples, our expectation is that both partners attend most, if not all, of our meetings and actively participate.
- We pride ourselves on being proactive; however, it is not possible to know everything that is going on in your life without open and ongoing communication from you. We ask that you let us know about any major life events as soon as possible so that we can have conversations and help you adjust your financial goals and objectives accordingly.

Confidentiality and Privacy Policy

- Your privacy is of the utmost importance. We will not provide your name or financial information about you to anyone else. The exception to this would be if you ask us to speak with another person on your behalf (e.g., your accountant, attorney, family member, charitable organization, etc.).

Planning and Investment Philosophy

- We believe that the best way to work with you is on a comprehensive basis. During the course of our relationship, we will continually talk about retirement planning, cash flow, estate planning, tax planning and insurance planning, in addition to the management of your investments. All of the pieces of your financial puzzle should fit together to achieve your best possible outcome.
- We believe in goals-based planning. This means that your success is not tied to outperformance of some arbitrary stock market index or some specific rate of return, but rather the achievement of your personal lifetime financial goals.
- Your unique needs and personality influence the customization of your plan. It is important that your success is achieved within the confines of your personal risk tolerance, overall comfort with your portfolio, and recommended financial strategies.
- Our value proposition for you is the comprehensive nature of our relationship. We're proud of our investment track record, but even more proud of the personal financial planning work we do.
- Our investment philosophy is built on the following principles:
 - Spreading dollars out over multiple different types of assets ("diversification")
 - Implementing your portfolio using an evidence-based investing approach
 - Keeping investment-related taxes and costs as low as we can, to preserve more of your investment returns
 - Removing emotions like fear and greed from the investment decision-making process
 - Ensuring that portfolios don't stray too far from their target allocations by using a rules-based approach to rebalancing
- We do not try to "time the market." Most evidence suggests that this is not consistently possible over long periods of time.
- We do not invest in individual stocks or bonds, as they do not provide most investors sufficient return for the accompanying risks. Instead, we use broadly diversified mutual funds and exchange traded funds (ETFs) as our primary investment tools.
- Your portfolio will be tailored to your unique goals, risk tolerance, and situation. We do not use a "one size fits all" approach. It is important that your portfolio match well with your long-term financial plan.

How We Will Work Together to Achieve Your Goals

- We have structured our calendar – and designed our internal processes – in a way that allows us to do our best work for you and devote our undivided attention to your situation. This means that we spend significant time preparing for your meeting, as well as debriefing and following up with you afterwards.
- You will hear from us about a month in advance to schedule any “Regular Review Meetings.” During your first year as a client, we might schedule meetings shortly after the completion of your most recent meeting instead of one month out.
- We will reach out to you about 7-10 business days before a Regular Review Meeting to ask you for updates.
- To allow us to be best prepared, we ask that you let us know about any specific items you wish to talk about and provide updates for any requested information at least 5 business days before your meeting.

Business Information

- Your Woodward Team is in the office Monday through Friday from 8:30am until 5:00pm.
- We reserve Tuesdays, Wednesdays and Thursdays to meet with our clients. We generally schedule our first meeting of the day to start at 9:00am and our last meeting of the day to start at 3:30pm. Review meetings are expected to last 60-90 minutes.
- Mondays and Fridays are reserved for our internal work, such as meeting preparation and follow-up, professional continuing education, business planning and other items.
- If you need to reschedule a meeting, we ask that you give us as much notice as possible, as a good deal of preparation goes into each meeting. Likewise, if we need to reschedule a meeting for any reason, we will give you as much notice as possible.
- Our goal is to return all phone messages within one business day, barring that person being away from the office. If you leave us a phone message in the afternoon it will most likely be returned the next business day.
- We review and respond to email at least twice daily. While we might not have an immediate answer to your question, our communication policy is to acknowledge receipt of your email messages within one business day, barring that person being away from the office. If you send us an email in the afternoon it will likely be acknowledged the next business day.
- If a member of your advisory team is out of the office, his/her voicemail and out-of-office email response will provide information as to his/her return.

Professionalism

- While we strive for perfection and do everything with your best interest in mind, we know that a mistake every now and then is inevitable. We will take responsibility for our mistakes and work to remedy the issue as quickly as possible. We will own any mistake that we make and ask for your patience when something does not go as planned.
- Sometimes it is our job to deliver difficult financial news. It may be that your long-term, financial goals are not attainable based on your resources or that a reduction in current spending is needed to accomplish some short-term objective. We view our role in your life as a trusted advisor who tells you what we feel you need to hear, even if it might not be what you want to hear at that moment.
- You might ask us a question where we don't know the answer. When that happens, we will say, “Let us get back to you” while we research your question. When necessary, we will reach out to other professional resources with the appropriate expertise for your situation.

- We strongly believe that you will not find an advisory firm that you can trust more implicitly than you can trust us.
- You can be assured that we will always treat you with professional respect and courtesy, and we expect that you will treat each of the Woodward Financial Advisors' team members the same way.

Referrals

- We appreciate the confidence our clients show in us when they introduce a friend, colleague, or family member to our firm. We will treat your referral with the same professional attention that we treat you.
- If you introduce someone to us and we believe that our firm is not the best fit or value for his/her/their needs, we will tell him/her/them the truth. If that is the case, we'll gladly make a referral to another advisor that we know and trust who might be a better fit. We will help him/her find a safe landing place where his/her needs will best be served.
- Please do not worry about attempting to "qualify" a referral for us. We are happy to have a conversation with people to make sure we are the best fit for their needs.
- The best way to make a referral is to send an email introducing us to your contact. We will reach out and initiate a conversation to see how we can help.

Fee Structure

The *annual* fee for Wealth Management services is a percentage of the market value of your assets under management, calculated quarterly. Below is a table showing our advisory fee schedule:

Assets Under Management	Annual Fee
First \$1,000,000	1.00%
\$1,000,000 - \$2,500,000	0.75%
\$2,500,000 - \$5,000,000	0.60%
\$5,000,000 - \$10,000,000	0.50%
Over \$10,000,000	0.25%

For clients with assets under management below \$1,000,000, our minimum quarterly advisory fee is \$2,500. Once assets reach \$1,000,000, the fee schedule above then applies.

- This fee is the firm's only form of revenue; we do not receive any commissions for the sale of financial or insurance products, nor do we accept referral fees.
- Each employee is paid a salary and performance bonus. Our employee compensation structure is designed so that there is no incentive to do anything except what is in the best interest of each client. We align our compensation structure with our firm mission.
- There are other financial advisors that are less expensive than Woodward. However, we promise to remain fairly priced and for our service offering to be worth multiples of what it "costs" you. We strongly believe our firm to be a substantial value for the investment you are making in us.

It is our goal for you to be delighted with our services and for you to get the most out of your relationship with Woodward Financial Advisors. Accordingly, it is important to establish a clear understanding of the expectations that go into our relationship from the start - both on your part and on ours. You benefit when we each adhere to the guidelines outlined in this document. We aim for our relationship to be proactive, flexible, valuable, and enjoyable.

