



Frequently Asked Questions

Your Initial Meeting with SMS

Should I bring anything to our initial meeting?

The goal of our first meeting is to learn more about you. To gain an understanding of your particular situation we will ask lots of questions. We also request that you bring some items with you that will help create a more detailed financial picture of your household. Copies of recent statements for various financial accounts (i.e. brokerage, IRA, Roth IRA, 529s, tax return, etc.) as well as recent tax documents, net worth statement, Social Security benefit statements, employee benefits booklets, and insurance policy contracts may all be helpful.

What will I receive from SMS at the first meeting?

During our initial meeting we will provide you with an SMS client information packet. In addition to some information about SMS, you will receive the following items in the packet:

Form ADV – We are required by law to provide prospective clients with the firm’s ADV filing. The securities regulators refer to this document as the Firm Brochure. It outlines SMS’s business practices as well as provides background on the firm’s principal and employees.

Client Profile Sheet – This worksheet (available in fillable pdf) requests specific personal information about your household.

Risk Assessment Questionnaire - This two-page questionnaire (available in fillable pdf) helps us get an understanding of your investment objectives and risk tolerance.

Client Advisory Agreement – This agreement outlines the terms of your engagement with SMS including how SMS will get compensated. There are several places requiring your initials and signatures.

Privacy Policy Statement - We are required by law to present you with our policy on how we treat your private information and the steps we go through to protect that information.

Moving Forward with SMS

We'd like to become a client of SMS, now what?

Once we have received a completed Client Profile Sheet, Risk Assessment, and signed Advisory Agreement, we will begin the process of working with you to determine what kinds of accounts SMS will be managing on your behalf. We will then set up and/or transfer your existing accounts over to Fidelity Investments. Fidelity Investments acts as the third-party custodian that will hold your accounts where SMS can manage them. All accounts will be registered in the client's name.

How do we get information back and forth to SMS?

When dealing with your client information, keeping your sensitive information confidential and private is always a top priority. Therefore, we do not send (nor do we want you to send to us), sensitive information via unprotected email or as email attachments. Confidential information will be sent either through the regular mail, encrypted email, or using the Client Web Portal.

What is the Client Web Portal and how do I access it?

The Client Web Portal is a secure, cloud-based site we utilize to transmit confidential documents and/or information to/from you. This site is managed by Morningstar, Inc. By using the Client Web Portal we can securely upload and electronically transfer documents to you. You can then view or print the documents at your convenience. You will also be able to scan and upload documents to send back to SMS or hold for your personal use (i.e. Will and Estate or other financial/personal documents).

The link to the CWP can be found by going to www.msicap.com and selecting Client Portal from the Client Log-in tab. You may also go directly login by going to <https://cwp.morningstar.com/>. SMS will provide each client household with an identifying login ID and initial password. You should then login and change your password.

What if I don't remember my password for Client Web Portal?

We will need to reset the password and create a temporary password. Just notify us and we will reset the password.

How will accounts be set up or transferred to Fidelity?

SMS will prepare and prefill all paperwork to set-up and/or move the agreed upon accounts over to Fidelity. Typical forms include new account applications and transfer of assets request forms. We will keep you notified as to the status of any transfers. Documents requiring your review and signature will be uploaded to the Client Web Portal.

Most clients also set up an electronic link (requires Standing Instructions) to their primary bank account which enables free, electronic fund transfers to/from their Fidelity account(s).

Receiving statements, account access, and ongoing communications with SMS

How can I view my accounts?

Fidelity.com allows you to access your Fidelity accounts. There are many more features available to you on the Fidelity.com website. If you wish to learn more, we will review the website's key features with you.

The Fidelity.com website will walk you through the process of registering as a new user. For clients with more than one account holder, you will need to "grant access" to another user in the same household if you prefer to view all your household accounts at once.

When and what kind of statements will I receive?

Fidelity Investments will generate a monthly statement for each of your accounts. You can elect to receive these statements electronically or in print. We will initially set up accounts for electronic delivery of both statements and trade confirmations. This can be changed to paper at any time.

SMS generates quarterly consolidated reports which will be uploaded in pdf format to the client web portal usually within 10 days following quarter end. The reports will present detailed performance reporting for the household as well as a detailed billing statement.

What type of communications will I receive from SMS?

In addition to quarterly statements, you will periodically receive posts on the company's blog (The WITS Review) as well as our quarterly market commentaries. Both are accessible through the company website.

How often do you meet with your clients?

While we do not have a set schedule of meetings for clients, we are highly accessible and open to communicating with you by phone calls, emails, posts on our website and social networking sites (Facebook/Linked In) and document publishing. Clients are encouraged to contact us as often as they please to discuss any potential questions they may have regarding current market conditions or any other financial matters.

Miscellaneous

How will my account(s) be managed and what is the IPS?

We will use the personal information we collect from you to write an Investment Policy Statement (IPS) that outlines your personal investment objective(s) and any constraints impacting those objectives. The IPS will also set the target asset allocation for your household and outline the governing parameters of managing your account(s). We require you to sign the IPS before we start actively managing your assets.

What is Money Guide Pro?

Money Guide Pro is an interactive financial planning software tool we use to help plan for your financial goals and objectives. Clients can easily track their net worth statements, and progress towards attaining their goals. The software can be accessed through a link on the smscap.com website. We will provide you with a login ID if you would like this level of planning.

Are investment advisory fees tax deductible?

Yes, they can be. The IRS allows for an itemized deduction for tax and/or investment advice in the misc. section of Schedule A. It is subject to a 2% AGI floor on the personal tax return. As a precaution, always consult with your CPA or tax preparation specialist.