

THE FEINMAN INVESTMENT GROUP

Adding Value to Wealth Management

There's Wealth in Our Approach.™



RBC Wealth Management

Although the road to financial well-being can be a long one, there is a shortcut. Adding value-based investment strategies to creative Wealth Management solutions can help get you there faster.

MANAGING WEALTH CAN BE A DAUNTING TASK

You've worked hard, made sacrifices, and saved. Now that you have accumulated significant wealth, you want to protect your nest egg. After all, what is the point of accumulating wealth if you don't protect it?

You may have some degree of familiarity with certain estate planning and investment techniques but realize you are not the best qualified to make your own decisions, especially in this ever-changing environment. You might know people who work closely with an attorney, accountant, and financial advisor to find solutions to meet their needs, yet you are uncomfortable hiring just anyone.

Other investors with more modest means probably can't relate to your situation. But we can. The Feinman Investment Group understands the responsibilities and pressures that accompany wealth — and our services are designed to help you address them.

FIRST AND FOREMOST, WE ARE WEALTH MANAGERS

Many financial professionals cling to older traditions or focus their energies on looking for the next big score. On the other hand, The Feinman Investment Group takes a more holistic view. We call it Wealth Management.

While growing your portfolio is an important part of achieving and maintaining financial security, we realize it's only part of the picture. We will focus on every stage of your financial life: Accumulating, Protecting, Distributing, and Transferring Wealth. Our comprehensive approach addresses special and complex issues that confront higher net worth individuals such as retirement planning, minimizing income and estate taxes, funding a child's education, and leaving a legacy.

The Feinman Investment Group is supported by an extensive team of home office professionals to help us meet your diverse planning needs. Because we believe Wealth Management is a multidisciplinary process, we will also work closely with your attorney, accountant, or other advisors. After all, it's not about us — it's about understanding you, your particular needs, and doing what's best for you and your family.

THE INVESTMENT LANDSCAPE IS AS CHALLENGING AS EVER

Investing is far too complex and difficult for most people. Managing your own portfolio without having many of the more sophisticated tools and research available to professional investors can be very risky. Today, it is easy to make costly mistakes.

The Lost Decade — During the first ten years of this century, investors faced the bursting of a technology bubble, the collapse of the housing market, stagnant wages, a financial crisis, two recessions, two bear markets, and two bull markets. By the end of the decade, the stock market was essentially flat, and that was before taking into account the effects of inflation. These days, investors remain concerned about not losing money.

The Shifting Population — Major population shifts resulting from longer life expectancies and lower birth rates will continue to impact the economies of developed nations. Today, most corporations are unwilling or simply unable to provide pensions to their retirees. Furthermore, there is great uncertainty surrounding the future of government sponsored retirement programs. As the world's baby boomers retire, their own investments will have to work even harder than ever.

Fraud and Other Scandals — Many investors continue to suffer from the aftereffects of corporate scandals, questionable accounting practices, and conflicts of interest among their advisors. Today, there is a high level of distrust among investors, for obvious reasons.

The Enormity of the Industry — Today, there are more than 15,000 publicly-traded common stocks, 17,000 mutual funds, and an unknown, but significant, number of hedge funds. It is estimated that there are more than a million registered Financial Advisors, investment advisors, and insurance specialists. It's easy to see why most people are not sure where to turn for help.

TURN TO THE FEINMAN INVESTMENT GROUP

First and foremost, we believe that consumers of financial services are no different than other buyers. People just want to be fairly treated by honest, competent professionals.

At the very heart of our thinking is prudent risk management. Taken one step further, The Feinman Investment Group believes individuals who follow a disciplined approach to investing can meet the challenges and side step many of the catastrophes that the financial markets will undoubtedly continue to present investors.

WE UNDERSTAND THE IMPORTANCE OF MANAGING RISK

If risk is not properly assessed, the consequences can be devastating. For example, if an investor suffers a 50% loss on a particular investment, assuming that same investor reinvested the remaining proceeds and achieved that magic 10% average annual pre-tax return the stock market has earned over the long term, it would take over seven years just to get even. Think about the tremendous opportunity cost.

OUR SUCCESS IS MORE THE RESULT OF WHAT WE REFUSE TO DO RATHER THAN WHAT WE DO

We understand that the single most important factor in determining one's long-term success is to avoid making serious mistakes. While we recognize no single investor or investment approach is infallible — that making mistakes is a natural part of the investment process — our findings show that the people who have consistently accumulated the greatest capital over long periods of time are the ones who make the fewest and smallest mistakes.

WE IGNORE GREATER FOOL THEORY TRADING SCHEMES AND OTHER POPULAR APPROACHES

Regardless of the approach used, many professionals and laypersons tend to be over-confident, active traders. Some investors base their purchases on nothing more than chart patterns and volume studies. Others use computer generated asset allocation and style box models. Then there are people who invest according to events such as presidential election cycles, football statistics, January indicators, and even astrological alignments. Think about it. Would you really buy or sell a business on the basis of who is going to be the next president of the United States, which team won the Super Bowl, or whether the stock market was up or down in January?

“To invest successfully, you need not understand beta, efficient markets, modern portfolio theory, option pricing or emerging markets. You may, in fact, be better off knowing nothing of these. That, of course, is not the prevailing view at most business schools, whose finance curriculum tends to be dominated by such subjects. In our view, though, investment students need only two well-taught courses — How to Value a Business and How to Think About Market Prices.” – Warren Buffett

OUR GROUP HAS AN UNWAVERING COMMITMENT TO THE PRINCIPLES OF VALUE INVESTING

We understand that there's an operating company behind every security market quotation that requires careful scrutiny. Accordingly, we adhere to time-tested, value oriented thinking when we make investments on your behalf. In cases where we use third party investment managers, our selection process includes support from a dedicated team of RBC Wealth Management analysts, who further study quantitative and qualitative data after making on-site visits and conducting rigorous telephone interviews.

WE ARE MINDFUL OF OUR OWN LIMITATIONS AND THE “UNCOMMONNESS” OF COMMON SENSE THINKING

Here are some of the investment principles we adhere to every day:

Success requires a proper temperament more than intelligence. While there are many bright analysts and portfolio managers working long hours, the real winners are patient people who have the ability to think and act independently from the crowd in a rational way. Winners are unemotional because they never sell for fear of losing money or buy because they are afraid they'll miss a move up.

Success comes when a person avoids investing outside his or her area of expertise. We believe it is far better to know a lot about a few things rather than a little about a lot of things.

Trying to predict short-term tops and bottoms with the stock market, interest rates, or the economy is a loser's game. However, we recognize the importance of being able to see the big picture. Accumulating wealth to us means investing in companies one-by-one, no differently than how a businessperson would look to buy an entire company. But we also realize that success over time requires an understanding of the longer-term ebbs and flows in the markets. So instead of thinking buy-and-hold forever, we will take decisive action to adjust your portfolio allocation between stocks, bonds, and cash equivalents when it is deemed appropriate.

Risk is nothing more than paying too much for something. We believe that when you have not done your homework and have miscalculated the intrinsic value of a security, you are taking on too much risk.

A FRESH PERSPECTIVE

Please compare us to other advisors on the Street. You'll find that we're unique — and proud of it. It's not everyday that you will find a team of professionals who truly care about always doing the right thing for clients.

WE OFFER INDEPENDENT, OBJECTIVE ADVICE

There are no special relationships or compensation sharing agreements with the investment providers with whom we work. Our loyalty is to our clients and we provide advice on that basis. Your interests are front and center — always.

WE DON'T DANCE AROUND WHEN IT COMES TO FEES AND COMMISSIONS

In most cases, we work with clients on an all-inclusive, asset-based fee schedule. Under this arrangement, there are no limitations on the time we spend with you, the number of transactions that are made, or any other services we provide. Our asset-based fee structure helps ensure that our objectives are aligned with yours — we are interested in prudently growing your net worth, not billing hours or earning commissions on product sales. There may be instances however, where working with us on a traditional commission basis is more cost-effective for you. In these situations, we will work with you accordingly.

WE'RE RIGHT THERE WITH YOU

If we recommend something to our clients, we generally own it in our own portfolios. When it comes to our own money, we practice what we preach. In other words, we eat our own cooking.

COMMITTED TO SERVING YOU

When you work with The Feinman Investment Group you will notice our steadfast commitment to providing excellent service. Because we work as a team, you can be assured that whenever you need to contact us, for whatever reason, you will be working with a professional who is readily available, knowledgeable and experienced.

WE BELIEVE IN PROACTIVE COMMUNICATION WITH OUR CLIENTS

It is not our style to wait for you to call us with questions. Our mission is to understand the uniqueness of your particular situation and help you achieve your financial goals. We do this by making careful recommendations, monitoring the progress of your investments, and communicating with you in a professional manner through a variety of channels.

WE PROVIDE COMPREHENSIVE REPORTING AND PERFORMANCE TRACKING

This way, you will know where you stand, if the job is getting done, and if not, what actions should be taken. We provide realized/unrealized gain and loss information, year-end tax summaries, quarterly performance reports, fixed income maturity and cash flow reports, investment studies, and market commentaries. In addition, we will routinely discuss timely Wealth Management ideas with you and your other professional advisors.

YOUR NEXT STEP

In these times of uncertainty, The Feinman Investment Group has the experience and resources to manage your investments and provide state-of-the-art Wealth Management services. Our clients know we have the expertise to help them achieve their financial goals in a prudent, deliberate, and creative manner.

If you are looking for comprehensive solutions from a team of professionals who are objective, have the know-how, and who really care, turn to The Feinman Investment Group.

The name, The Feinman Investment Group, refers to a team of financial services professionals working in the Chadds Ford, PA office as employees of RBC Wealth Management. The Feinman Investment Group draws on the wealth management resources offered and memberships held through RBC Wealth Management.

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