



RHAME & GORRELL  
WEALTH MANAGEMENT

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# Welcome To Rhame & Gorrell Wealth Management



Our team is deeply appreciative of the opportunity to introduce you to the capabilities of our firm and the services we provide to our highly valued clients. We know that selecting an advisory team to entrust with your financial affairs can be a difficult task, and therefore want to provide you with some detailed information about our competencies and resources.

## **Financial Planning and Investment Methodology**

As a potential client of RGWM, we think that it's incredibly important to understand how we approach the financial planning and portfolio management process. This section will give you a broad overview of how we approach markets, taxes, retirement planning, and more.

## **Practice Areas**

We want to take you through some of the key components of the comprehensive financial planning you'll receive on an ongoing basis as a client of the firm. While fairly comprehensive, this section won't exhaust every last thing we do for clients, so feel free to ask us if there's something you're curious about.

## **Company Directory and Short Bios**

We believe in any business, especially ours, it is important to put faces to names. Here you will see the names, titles, headshots, and short bios of the 13-person team working on your behalf. For more details on each member of our team, please refer to our website.

## **Fee Transparency**

Our firm is proud to offer a transparent, universal fee structure - so you will always know exactly what you are paying.

# OUR TEAM



JEFFREY C. RHAME, CFP®  
CO-FOUNDER & SENIOR  
WEALTH MANAGER



KYLE MCCLAIN, CFP®, CIMA®  
PARTNER &  
SENIOR WEALTH MANAGER



ROLAND THORNTON, AIF®  
CHIEF COMPLIANCE OFFICER



DAVID HUNTER, CFA, M.E.C.  
CHIEF INVESTMENT OFFICER



KYLE NICKERSON,  
CFP®, CIMA®  
WEALTH MANAGER



BRECKLYNN WILLIAMS, CFP®,  
CIMA®  
WEALTH MANAGER



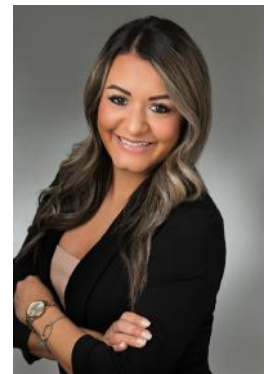
TYLER MILLER, CPA/PFS,  
CFP®, CIMA®  
WEALTH MANAGER



CLAY HOSTETTER,  
CPA/PFS, CFP®, CIMA®  
TAX PLANNING MANAGER



CYDNEY P. NASH  
WEALTH MANAGER



KIM AYALA  
CLIENT SERVICE MANAGER



KIRSTEE CAMERON  
CLIENT RELATIONSHIP  
MANAGER



THOMAS WARD  
CLIENT SERVICES ASSOCIATE



MELISSA JACOBS  
CLIENT SERVICES ASSOCIATE



LUKE MCCLAIN  
WEALTH MANAGEMENT  
ASSOCIATE & SEO  
MANAGER



**Jeffrey G. Rhame, CFP®** - Graduated from Stephen F. Austin State University with a BBA in Accounting and completed his postgraduate education from the University of St. Thomas. He began his career in the financial services industry in 1994 and is a CERTIFIED FINANCIAL PLANNER™ (CFP®). Voted a Five Star Wealth Manager for 10 straight years by Five Star Professionals.

**Kyle McClain, CFP®, CIMA®** - Graduated Magna Cum Laude from the University of Alabama with a BBA in Finance & Economics and has done postgraduate education with Texas A&M and the Yale School of Management while acquiring his CERTIFIED FINANCIAL PLANNER™ (CFP®) and Certified Investment Management Analyst™ (CIMA®) designations.

**David Hunter, CFA®, M.E.C.** - Graduated Cum Laude from the University of Alabama with a double major undergraduate degree in Finance & Economics and also holds a Master's Degree in Applied Economics. He has also achieved the prestigious Chartered Financial Analyst® (CFA®) designation.

**Kyle Nickerson, CFP®, CIMA®** - Graduated from Sam Houston State University with a BBA in both Finance and Banking and Financial Institutions. Kyle began his career in the financial services industry in 2014 and has done postgraduate education with the College for Financial Planning and the Yale School of Management while acquiring his CERTIFIED FINANCIAL PLANNER™ (CFP®) and Certified Investment Management Analyst™ (CIMA®) designations.

**Roland Thornton, AIF®** - Graduated from Sam Houston State University with a BBA in Marketing. Began his career in the financial services industry in 1997 and has earned the Accredited Investment Fiduciary® designation.

**Brecklynn Williams, CFP®, CIMA®** - Graduated from Sam Houston State University with a BBA in Accounting. Began her career in the financial services industry in 2007 and is a CERTIFIED FINANCIAL PLANNER™ (CFP®) and Certified Investment Management Analyst™ (CIMA®).

**Tyler Miller, CPA/PFS, CFP®, CIMA®** - Graduated Summa Cum Laude from The University of Incarnate Word in San Antonio with a Finance degree concentrated in Financial Planning. He completed a Master's Degree in Accounting and holds a Certified Public Accountant (CPA) license, CERTIFIED FINANCIAL PLANNER™ (CFP®), Certified Investment Management Analyst™ (CIMA®), and Personal Financial Specialist (PFS) designations.

**Clay Hostetter, CPA/PFS, CFP®, CIMA®** - Graduated from Baylor University with a BBA and Master's Degree in Accounting. Clay is a Certified Public Accountant (CPA) and started his career as a tax preparer where he worked on everything from large corporate tax returns to small business and individual returns. He holds the CERTIFIED FINANCIAL PLANNER™ (CFP®) and Certified Investment Management Analyst™ (CIMA®) designations and has also acquired the Personal Financial Specialist (PFS) designation.

**Cydney P. Nash** – Graduated with First Class Honors from the University of Bradford in Accounting and Finance. Cydney is a registered state Investment Advisor Representative and holds a Series 65 license. She has successfully completed Level 1 of the Chartered Financial Analyst (CFA) designation and is finishing up the remaining requirements for her CERTIFIED FINANCIAL PLANNER™ (CFP®) designation.

**Kim Ayala** - Graduated Magna Cum Laude from Sam Houston State with a Degree in Business Administration with a minor in Finance.

**Kirstee Cameron** - Graduated from West Texas A&M with a degree in Advertising and Public Relations.

**Thomas Ward** - Attends Sam Houston State University and is working towards his Bachelor of Business Administration degree in Finance.

**Melissa Jacobs** - Has a background in the client service and hospitality industry.

**Luke McClain** – Graduated from Texas A&M University with a degree in Finance, and a minor in Financial Planning. He recently passed his CERTIFIED FINANCIAL PLANNER™ (CFP®) exam and is finishing up the remaining requirements for the designation. He is also working towards his Certified Investment Management Analyst™ (CIMA®) designation.

# The RG Wealth Financial Planning Methodology

As your wealth increases throughout your lifetime, having a financial plan is an integral part of ensuring the protection and growth of your assets. At Rhame & Correll, we utilize a 5-step planning process to develop a strategy that is optimized for your specific situation. Our objective is to increase the attainability of your long-term goals.



## Phase 1: Introduction and Data Discovery

In this first step of our financial planning process, our goal is to learn about your unique needs and goals. This includes collecting information about your income, expenses, assets, liabilities, employer benefits, desired retirement lifestyle, risk tolerance, and more. We do this for two reasons:

1. create actionable insights for you based upon accurate and comprehensive information, and
2. determine if our core competencies are a good fit for your financial situation and planning needs

# The RG Wealth Financial Planning Methodology



## **Phase 2: Strategic Planning**

In this phase, our team of Certified Financial Planners (CFP®) will review the information gathered to identify planning opportunities within the realm of tax strategy, employer benefit optimization, estate planning, and more.

Concurrently, our investment committee, which includes individuals with honors like the Chartered Financial Analyst (CFA) and Certified Investment Management Analyst (CIMA) designations, will conduct an analysis of your current portfolio holdings to identify key risks and opportunities you should consider going forward.

## **Phase 3: Proposal Review**

After our team conducts a thorough analysis, we take the time to walk you through our conclusions and how we got there. This is where we discuss opportunities to enhance the things that are going well with your current strategy and correct the things that are not. This is your opportunity to engage our team as your outsourced personal CFO – with the RGWM team in your corner, you have experts constantly working on your behalf to accomplish your goals.

## **Phase 4: Strategy Implementation**

Once you make the decision to engage our services, we want to implement the proposed changes as smoothly and efficiently as possible. Our client service group will ensure that the transition to RGWM is stress free and convenient. We work diligently to provide clear and consistent updates to you as the process of portfolio adjustments, asset transfers, benefit changes and more occur.

## **Phase 5: Monitoring and Course Corrections**

Of course, our job isn't done once our initial plan is implemented. Global markets, tax law, and your financial situation are in a constant state of change. Because of this, we're always monitoring client portfolios and financial plans to ensure we're proactively responsive to changes. With our team as your backstop, we keep track of fluctuations within markets or the tax system so you don't have to.



**COMPREHENSIVE  
FINANCIAL PLAN**

At Rhame and Gorrell Wealth Management, every client receives a comprehensive financial plan.

We deliver that by advising on a range of retirement, tax, and estate planning strategies including but not limited to:

- **Personalized Asset Allocation**
  - We build a portfolio that makes sense in the context of your financial plan and risk tolerance.
- **Portfolio Assessment**
  - We identify the key risks that underlie your current assets and recommend strategies that mitigate these risks over time.
- **Tax Optimization Analysis**
  - Our in-house CPAs work all year to minimize your tax bill and structure your assets to limit future income or estate taxes.
- **Retirement Cash Flow Plan**
  - Intelligent decision making around turning assets accumulated into consistent and reliable cashflow is at the core of our financial planning capabilities. Choosing between distributing from an IRA, Roth, or Brokerage account at certain times can mean the difference between a larger or smaller lifetime tax bill.





**COMPREHENSIVE  
FINANCIAL PLAN**

- **Employer Benefits**
  - Our experienced advisors help you navigate and make the most of each benefit provided by your employer like 401(k) plans, Pensions, Stock compensation, Executive compensation, Insurance benefits, and much more.
- **Social Security Optimization**
  - Timing the optimal time to draw your Social Security benefits can make a dramatic difference in lifetime benefits received, so we help you assess the effects of longevity, family health, tax implications, and more when it comes to your best time to start benefits.
- **Estate Planning Analysis**
  - Our team will help you determine what estate planning collateral are best suited to your family's needs - from a simple will and powers of attorney all the way up to complex trust structure.
- **Long-term Care Study**
  - Nearly 70% of individuals utilize some form of long-term physical or medical care during their lifetime. With the cost of care experiencing significant inflation, planning for potential needs is important for retirees.
- **Roth IRA Analysis**
  - Roth strategies can be highly lucrative, even for the highly compensated. We review a wide array of potential Roth strategies for each client, from direct contributions to pre- and post-retirement conversions.



**COMPREHENSIVE  
FINANCIAL PLAN**

- Insurance Analysis
  - While most employers provide excellent life and health insurance options, many employees lose coverage when switching employers or at retirement. We partner with various providers to ensure you have the coverage needed to maintain peace of mind.
- Annuity vs. Lump-Sum Analysis
  - Does your employer offer a pension? Interest rates, life expectancy, and other considerations make the annuity option good for some and unattractive for others. We do the math to show you the pros and Cons of different pension strategies.
- NUA Optimization Analysis
  - There is special tax treatment available to investors who own company stock inside their 401(k) plan. Before conducting a rollover, let our team assess potential tax benefits of Net Unrealized Appreciation (NUA).
- Monte-Carlo Evaluation
  - Our team is proud to offer advanced probability and scenario analysis tools as part of our comprehensive planning process. Our planning tools allow us to model the effects of various changes to the economic or market environment so you can feel confident in your plan, no matter what happens.

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Rhame & Correll Wealth Management, LLC ("RCWM") is an SEC registered investment adviser with its principal place of business in the State of Texas. Registration as an investment adviser is not an endorsement by securities regulators and does not imply that RCWM has attained a certain level of skill, training, or ability. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. Past performance may not be indicative of future results and does not guarantee future positive returns.

For additional information about RCWM, including fees and services, send for our Firm Disclosure Brochures as set forth on Form ADV Part 2A and Part 3 by contacting the Firm directly. You can also access our Firm Brochures at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Please read the disclosure brochures carefully before you invest or send money.

# The RG Wealth Investment Philosophy



At Rhame & Gorrell Wealth Management, the biggest component of what we do for clients has always been investment management. Given that this function is at the core of our offering to clients, we have designed a process that places an emphasis on both quantitative and qualitative analysis and takes into account the individualized nature of each client's risk appetite. We synthesize the demands of each client's risk appetite with the economic assumptions projected within each family's financial plan to achieve an ideal outcome.

## **Asset Allocation**

The first step in constructing our portfolios is to determine the overall asset allocation that makes up the skeleton of our models. Asset allocation can be defined as an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance, and investment horizon. To accomplish this goal, we enact a two-pronged approach with respect to portfolio construction.

### Part 1: Asset Classes

In the first phase in portfolio construction, our internal investment committee identifies the proportion of various asset classes that will make up the overall portfolios, also known as a "Top Down" allocation. The allocation of these asset classes that make up our overall portfolios include but are not limited to asset groups many are familiar with, such as domestic, international, and emerging market equities, fixed income, cash alternatives, and various alternative investment classes such as commodities, precious metals, real estate, derivatives, and other more specialized strategies.

The behavior and comparative characteristics of these asset classes are appropriately combined to achieve the second part of our approach, which revolves around risk management. Each individual asset class displays a certain level of correlation with each of the other assets within the portfolio. By crafting a portfolio with asset classes that exhibit positively trending returns over time but display a low or even negative level of correlation among the specific timing of those individual returns, we are able to produce an overall portfolio with an enhanced risk-return profile.

# The RG Wealth Investment Philosophy



The characteristics that make up this risk-return profile are volatility and the magnitude of returns. For example, over long enough time horizons, both equities and fixed income have produced positive returns, but at various times in that horizon they have also experienced varying levels of downside volatility. However, the times in which those investments rally and retreat oftentimes differ. This is quantified by the negative level of correlation these two assets have with each other over the long term. The inverse behavior, or negative correlation, of these overall return streams results in a portfolio having a better overall risk-return profile than investing in one of the asset classes alone.

## Bucket Group 2: Risk Management

The magic of correlation brings us to the second prong of our portfolio construction process, risk buckets. Risk and return are directly related. An investor cannot have one without the other in some amount. A high level of return achieved by an investor doesn't come free; the cost that is incurred is a greater exposure to risk and potential volatility. That risk can be in the form of overall exposure to the stock market, an individual security, or many other forms that result in a "risk premium" added to the level of return a security or investment provides. By varying the weightings of asset classes within TAAP we are able to increase and decrease the overall risk within a portfolio. Not every investor's goals and needs are the same, and the required rate of return that these goals necessitate also require a certain level of risk. Through the historical and projective model-based analysis our firm's technology provides, we are able to evaluate how various combinations of asset classes and securities have performed together over time in bull and bear markets. This process can ensure that the portfolio crafted only takes the level of risk necessary to meet our client's individualized goals and needs. Each of our portfolios have been analyzed deeply to determine the economic assumptions of said portfolio, such as overall standard deviation and the projected potential upside and downside returns.

## Investment Selection

Following the development of the asset allocation appropriate for each client, the next step taken is the important and time intensive process of investment selection, also known as the "Bottom-Up" allocation. As a fully independent fiduciary, Rhame and Gorrell is agnostic with respect to the type of investment product that makes up our portfolios. The decision as to whether the investment selected

# The RG Wealth Investment Philosophy



is a mutual fund, ETF, or individual security comes down to the performance data, expenses, tax-efficiency, and level of transparency and repeatability of the investment process.

This information is all gathered by our team through a thorough and objective due diligence process of quantitative analysis and interviews. On the data driven side, we employ an investment “screener” within our Bloomberg Terminal that examines the available investment security universe of specific asset classes for those securities which exhibit the best risk-return profiles. We screen for historical performance characteristics including but not limited to total returns, standard deviation (volatility), and downside risk. We also use Bloomberg technology to screen for qualitative, non-performance factors such as assets under management, management tenure, and the investment’s date of inception. The importance of this second set of data points gives us a key glimpse into the potential internal risks for an investment such as the reliability of the data describing its performance. Last but not least, we also place a strong emphasis on having a robust and in-depth interview process with any fund we add into our clients' portfolios. Before any investment is made, the fund’s strategy, management team, investment philosophy, and consistency of process must be thoroughly understood. This involves multiple discussions with these funds’ investment management teams and a deep dive into their explanatory documents. This deep dive into the nuts and bolts of investment managers are imperative, as historical returns are not a guarantee of future performance, and a fund’s strategy is only as reliable as the consistency of its processes.

## **Ongoing Evaluation**

Our process doesn’t end with the initial investment. Both our evaluation of the portfolios and our client’s risk profiles are dynamic and will change over time. The investments and asset allocation within client portfolios are analyzed daily and are scrutinized on a frequent basis by the team making up our Investment Committee. Through our Advisors’ communication with our clients, a dynamic understanding of our clients’ needs, goals, and risk tolerances is in continual development. Whether it involves a recalibration of investment positions or simply a normalization of security weightings, client portfolios are rebalanced multiple times a year to ensure that they continue to perform as intended. Whenever these rebalances take place, the portfolios go through the same research, screeners, and analysis described at portfolio initiation.

# The RG Wealth Investment Philosophy



Just as we demand from the investment funds making up our client portfolios, we aim to provide the utmost transparency of both our process and market outlook to our clients. Because of this, we have an ongoing newsletter in which will share our Investment Committee's market perspectives as well as our adjustments made to portfolios. We are also open and pleased to answer any questions from our clients, even those that are simply interested in our process and thinking in general. It is our goal to be both good stewards of your wealth and a helpful source of information.

**Important Disclosures:**

Rhame & Correll has prepared this material for the purpose of providing general information regarding its investment advisory services where providing such information is not prohibited by applicable law. The information contained herein should not be construed as personalized investment advice and should not be considered as a solicitation to buy or sell any security or engage in a particular investment strategy. Any subsequent, direct communication by Rhame & Correll with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration where the prospective client resides. Past performance is not indicative of future results and does not guarantee future positive returns. Asset values may change, and liquidation values may be more or less than the amount invested.

For additional information about Rhame & Correll, including fees and services, send for our disclosure statement as set forth on Form ADV by contacting the Firm directly. Please read the disclosure statement carefully before you invest or send money.

# Fee Schedule

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Our fee for Wealth Management Services will vary depending on the amount of assets being managed, based upon the following fee schedule:

<b>INVESTMENT AMOUNT</b>	<b>FEE RATE</b>
Up to \$1,000,000	1.30%
\$1,000,001 – \$1,500,000	1.05%
\$1,500,001 – \$2,500,000	0.95%
\$2,500,001 – \$3,500,000	0.85%
\$3,500,001 – \$5,000,000	0.80%
\$5,000,001 – \$7,000,000	0.70%
\$7,000,001 – \$15,000,000	0.65%
\$15,000,001 +	0.55%

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Once a new tier is reached, the entire portfolio balance (back to the first dollar) is charged at the new lower rate. This fee will be prorated and billed on a quarterly basis, in advance, based upon the market value of the assets on the last day of the previous billing period ("Billing Period") as valued by the custodian of your assets.

All assets are subject to a minimum quarterly Wealth Management Fee of \$1,000.

Please read our full Disclosure Brochure before investing.