

Application for Financial Advisory Listing/Advertising on The White Coat Investor Website

Personal and Firm Information

Your Name: Grant Bledsoe

Name of Firm: Three Oaks Capital Management

Insert link to your website: <http://www.3oakscapital.com>

Insert link to your ADV2:

https://adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=399259

Which services do you provide:

Financial Planning

Investment Management

Both

Other services (please list):

- Retirement Plan Management
- Student Loan Planning

Years of financial experience: 10

Years of experience with financial planning or investment management for individuals: 9

Years your firm been in business: 2

Which of the following designations do you hold (Check all that apply):

CFA

CFP

ChFC

CLU

CPA

PFS

EA

MBA

BS or MS in finance related field (Applied Economics)

Other (please list):

Have you had any events in the past that are reportable to regulatory agencies? If so, please attach explanation.

No

Have any of your former clients sued you? What was the outcome? Please attach explanation.

No

Are you currently involved in a lawsuit by a client or former client? Please attach explanation.

No

Fee Structure

How do you get paid (check all that apply):

Commissions on investment products

Commissions on insurance products

Hourly rate

Annual retainer

Flat fee for financial plan

AUM Fee

Other (Please list):

How much do you charge? Please list your fee structure. If there is a range of possible fees readers can expect to pay, what is the range and what determines where in the range they would fall. If you use AUM fees, be sure to list what a reader would pay with \$100K, \$500K, \$1M, and \$2M in assets.

Financial Planning: Initial planning fee of \$500 to \$5000 based on complexity. There is a guarantee on the initial financial plan. After it's complete and presented, if you're unhappy with the value it provides we'll refund your initial deposit.

For ongoing planning and guidance there is an annual retainer of 1.00% of adjusted gross income plus a percentage of net worth, based on the following tiers:

Net Worth	Fee
\$0 - \$2,000,000	0.50%
Anything above \$2,000,000	0.25%

There is a minimum annual retainer of \$1200 for financial planning services, which may be reduced to \$900 for current medical residents on a case by case basis. Annual retainers are billed quarterly or monthly based on client preference.

Student Loan Repayment Plan: \$500 for one borrower, \$800 for two. Additional borrowers may be added for \$250 each.

Investment Management:

Managed Assets	Fee For Financial Planning Clients	Fee for Non-Financial Planning Clients
First \$500,000 (\$0 - \$500,000)	0.75%	1.50%
Next \$500,000 (\$500,001 - \$1,000,000)	0.75%	1.25%
All assets above \$1,000,000	0.50%	1.00%

401k & Retirement Plan Management: 0.15% - 1% of retirement plan assets, based on scope of engagement and complexity.

What is the minimum amount of assets required for you to take a client? No minimums for financial planning or student loan planning. \$5,000 minimum for investment management.

If you receive payment for insurance product commissions, what percentage of your business revenue do they make up? N/A

Do you consider yourself a fiduciary? Yes.

Do you routinely sign a fiduciary agreement with clients? Always.

Investment Philosophy

Do you use tactical asset allocation? If so, please explain your process. No.

Do you believe you can time the market sufficiently well to beat a comparable low-cost index fund after fees? No.

Do you pick individual stocks for clients? No.

Do you believe most physicians should own a cash value life insurance policy of any type? If so, what type and why? No.

Do you believe you can select mutual fund managers who can beat an index fund in the same asset class over the long term going forward?

In very specific circumstances. I believe that indexing is a far superior approach when markets are efficient. When markets are not efficient, I believe some investment managers can gain an informational advantage and outperform their index after fees. In practice, there are a few less efficient asset classes where the additional returns can justify the extra cost: mainly emerging and frontier markets.

For my clients, I choose actively managed mutual funds to represent a portion of the less efficient asset classes, but **only** when we have confidence the returns will justify the costs. In other words, active management is guilty until proven innocent. This ends up being a relatively small portion of my clients' portfolios (no more than 20%).

What percentage of a typical client portfolio would you place into actively managed mutual funds or ETFs? 10-15%.

What role do fees play in your selection of individual investments? Fees play a huge role in my investment selection. I nearly always select commission free ETFs with very low annual expenses. All mutual funds used are institutional class, no load shares.

What fund companies do you routinely use? (Check all that apply)

Vanguard

DFA

Bridgeway

iShares

Other (Please list): SPDR, Powershares, Charles Schwab, Guggenheim

Do you routinely engage in tax-loss harvesting for clients in their taxable accounts? Yes. All rebalancing is done with tax implications in mind.

Physician Specific Issues

How many physicians and/or dentists are you currently advising? (i.e. managed assets of or met with in the last year): 3

What do you feel is your biggest value-add for a doctor?

Two things:

- 1) My ability to deliver holistic and comprehensive advice to residents/fellows/new attendings and experienced professionals alike. Often the people who need guidance the most are those without the minimum asset levels most advisors require. I've structured my practice to accommodate both ends of the career spectrum.
- 2) The integration of small practice retirement plan management and personal financial planning services. Three Oaks offers retirement plan services to small practices and businesses. This includes helping design, implement, and manage plans on an ongoing basis.

I employ an "open architecture" framework, enabling me to help sponsors select the best and most cost effective service providers, like TPAs and recordkeepers. This setup also allows me to help doctors create a plan that's aligned with their personal objectives, but is also a value added benefit to their employees.

Three Oaks typically acts as a section 3(38) investment advisor to qualified retirement plans. This allows plan sponsors to delegate their fiduciary responsibility to select and monitor the investments in the plan – reducing risk.

The value add here is I'm able to help doctors integrate a qualified plan that's less costly, more customized, and poses less risk into their personal financial picture.

Do you consider yourself qualified to give high-quality advice on all of the following student loan related issues: IBR, PAYE, REPAYE, PSLF, deferment, forbearance, and student loan refinancing? Why or why not? Is this advice included in your regular fees listed above?

Yes, I have experience with student loan issues. I have a stand-alone student debt repayment plan offering in my fee schedule. It's meant for new grads & residents who need some help managing student debt but aren't ready for/interested in comprehensive planning services.

How many clients have you assisted with a Backdoor Roth IRA in the last year? 2

Which of the following accounts do you consider yourself an expert on? (check all that apply)

401(k)

403(b)

457(b)

Individual 401(k)

SEP-IRA
SIMPLE IRA
Traditional IRA
Roth IRA
HSA
Profit-sharing Plan
Defined Benefit/Cash Balance Plan
Others (Please list):

What steps do you proactively take in a market downturn to improve investor behavior?

I always like to set expectations early in my relationship with clients. Part of this conversation is reviewing market history: the S&P 500 will rise and fall, and probably gain somewhere between 7.5% and 10% per year over the long run. Every 7-12 years there will be some kind of market catastrophe that we can't predict. Maybe more often, maybe less. We never try to time the markets, and enter them focused on consistency and a long term view.

When the inevitable downturn does occur, I check in with my clients to take their pulse (pardon the pun), reiterate our long term focus, and remind them of the empirical support for "staying the course".

Anything else that you would like me to take into consideration with regards to your application?
(Attach additional documentation as desired)

Three things:

- 1) I've been in the financial industry for 10 years now, and started Three Oaks because I got frustrated with the way the industry operated. I try to model Three Oaks in a way that I'd want my finances handled if I were to hire a professional. I don't pretend to be an industry pioneer or anything, but genuinely want to build a business that helps people in a fair and transparent way.
- 2) I try to be forward thinking in how I can best serve clients. Right now that means that I work remotely with clients around the world and try to employ technology to give them the best experience possible. All my clients can access their financial plans and document vaults remotely in the cloud, and I meet with people on their schedule using Skype or Google Hangouts.

In the future I plan to offer other value added services as my experience & expertise grows. Perhaps contract reviews, practice management support, compensation benchmarking, or advice on "special opportunities" offered only to doctors. Long story short, I'm committed to the profession and plan to evolve in ways that will add value to my clients.

- 3) You'll notice that I use Schwab's automated investment management platform for accounts under \$250,000. I use the platform because it allows me to eliminate asset minimums for investment management, which helps younger folks who are busy and want to hand everything off to a professional. Some clients prefer to manage their accounts on their own or use a

competing robo-advisor, which I fully endorse. My financial planning offering fits with however my clients choose to manage their money.