

Lyell Update

2017 has certainly been an interesting year. There have been many reasons why one might have wanted to bet that “the end has come” to this economic expansion and the accompanying stock market rally, yet the upward trends have remained in place. Fortunately, Lyell has continued to believe that there is more room to go in this expansion, and as a result our clients have profited quite nicely.

We would like to thank our many wonderful clients for your continued confidence and trust. In an ideal world, the relationship between you and your financial advisor should be one of the most important and meaningful professional relationships you have. You chose to establish such a relationship with a young firm that had no operating history. We fully recognize the leap of faith required to make that decision, and strive every day to honor it by providing the best service we possibly can. We welcome your feedback should you ever feel that there is room for improvement.

We are very pleased to report that the lawsuits that were levied against us by our former employers have been fully resolved and concluded. While we are not permitted to discuss the details of the resolution, we can say that we are very pleased with the outcome. Thank you to everyone for the support you have shown us throughout this process.

We now look forward to managing our business without any external distractions. Lyell Wealth now has seven total employees, with the four founding partners being joined by three extremely strong performers – two

Portfolio Managers and a Director of Operations.

The reality is that this is a small shop and, as such, we all wear many hats. Each of the seven of us plays multiple crucial roles, and, happily, we all enjoy working with each other. It is a great team. Our belief is that we can run at this size for quite some time although, hopefully, we will have reason to add personnel in the future.

When we first started this endeavor we made some initial forecasts of how many clients and assets under management we might have at various points in time. The truth is that these estimates were little more than guesswork; if anything, we were most concerned with determining what we needed to achieve in order to be viable, and whether that in fact felt possible. We are pleased to report that we have significantly surpassed our most optimistic imaginings. As of December 2017 we manage over \$350 million for 125 wonderful relationships. That we have accomplished this in just over 18 months is very gratifying and, once again, we cannot thank our clients enough.

In the end, though, while business success is nice, what really drives all of us to come to work each day is the relationships that we have with our clients. We aren't curing cancer or developing a longer lasting light bulb, but we do like to think that we are helping people. We are lucky enough to work with many interesting, intelligent, fun and enjoyable people. We take great pleasure in helping our clients solve problems and navigate the complexities of the financial world. We look forward to doing this for a very long time.