



November 2, 2016

Dear Clients:

It has been quite some time since I've sent a "State of the Company" letter. Since there has been a lot of activity here at Meld Financial over the past year, this seems like the right time to update you. Our Investment Advisory and Financial Planning services have really grown in both the number of clients and total assets under management. As a result, our financial planning activity has significantly increased. As a service-based organization, this increased activity requires us to be more cognizant in our attention to detail and much more efficient in the way we accomplish our goals. Being efficient is essential, but it only goes so far; we have increased personnel too.

As you know, I have been passionate about Meld being an independent financial services company since I established it 30 years ago. Our business model is simple but very unique for the financial services industry. We strongly believe that providing financial services to our clients takes a diversity of skill sets and experience to effectively service the total needs of our clients. The real value for the client and Meld is grounded in the longevity of our relationships. Long-term advisory relationships are what we strive to build and have been blessed to enjoy. We know that if we are meeting, or exceeding the client's expectations, and our fees are competitive, our clients will continue to benefit through the use of our services.

Twenty years ago, we developed a disciplined system to select, monitor and manage investments. With current data provided by *Morningstar*®, we use our proprietary system continuously to help us consistently manage investments for our clients. Early this year we formalized this process further with the establishment of an internal Investment Committee consisting of Kyle Whittington, Michael Guilsher, Dwight Reynolds, Will Connor, Kaitlin Navarro, Jamie Cornehlsen, and me. Jamie is a consultant we have used over the last three years. He is a Chartered Financial Analyst, an investment manager for his advisory firm based in Colorado and also has his own consulting business. Jamie lives in Rochester, New York. We are privileged to have someone who has his academic and professional background serving Meld and its customer base in this capacity. This Committee's responsibility is to review all of the processes we utilize and make sure they are suitable for our client's situation. The Committee keeps abreast of the markets, as well as new products, ideas, concepts and risks facing the industry and how to best create client-based strategies. The formation of this Committee has been a goal of mine for a number of years and I'm excited to have such a great group of knowledgeable people serving on it.

As you may know, Kyle Whittington, CFP® became the first partner, an equity owner of Meld Financial, Inc., in January 2016. My thoughts reflect that this is one of the greatest achievements for the firm. Many of you are not only clients, but personal friends who we have known and worked with for many years. Because of this, we felt a significant need to initiate a transition plan that would allow the ownership of the firm to start changing over time. Firms like Meld have to set up longevity plans and Kyle becoming a partner was the first step in our transition plan. The plan is secure and in place today, so that if needed, you will not have to worry about incurring abrupt changes in the way your accounts and service needs are handled. This allows Meld to continue to be responsible to all of our clients, many of whom have been loyal to us for a very long time, for many years to come.

As President of Meld Financial, I fully plan to continue to be actively involved in the management of the Company for many more years, the good Lord willing. There are still a lot of hills to climb and milestones I want to be part of in the success of the Company. At age 67, I am thankful in so many ways for the wonderful people, clients and employees I have had the pleasure to work with over my career. I sincerely believe we have the best team of professionals here at Meld that we have ever had since I formed the business. Don't get me wrong, this is not my departure, but simply a message that we have paid attention to where we are and that it is time for other Meld members to take a greater role at the Company. With the implementation of our formal transition plan, Kyle, and others within the organization, can start the process of taking on bigger roles.

I want to personally thank each and every one of you for the confidence you have placed in us. There is nothing more complimentary than receiving a client referral. Almost all of our new relationships begin from your referrals. Thank you! You have been a big part of our growth, especially over the last few years.

Last year we successfully hosted our first Holiday Open House so we decided to make it an annual event. We hope you will join us at our 2016 Open House scheduled for Thursday, December 15th from 4:00 to 7:00 PM. We will be sending out additional information as the holidays get closer.

I hope you will always feel free to call us with your suggestions and constructive comments. This truly helps us get better as a Company. Thank you again for your association with Meld Financial, Inc. We are truly grateful and blessed.

Sincerely,

Mark McGarvey, CFP®