✤ Financial Services Capital

Fiduciary Responsibility: A Vocation May 24th, 2021



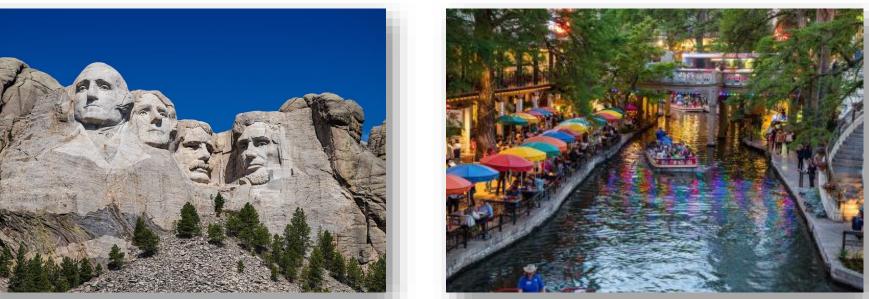
Matthew DeWitt Hansen Founder and C.I.O. Financial Services Capital

Margaret DeWitt Hansen Founder and M.O.M. Matthew Hansen

What does retirement look like?

San Antonio Riverwalk

Mount Rushmore



Enjoyed without worry.

Fiduciary responsibility refers to the obligation that one party has in relationship with another one to act entirely on the other party's behalf and best interest.

This is OUR North Star.



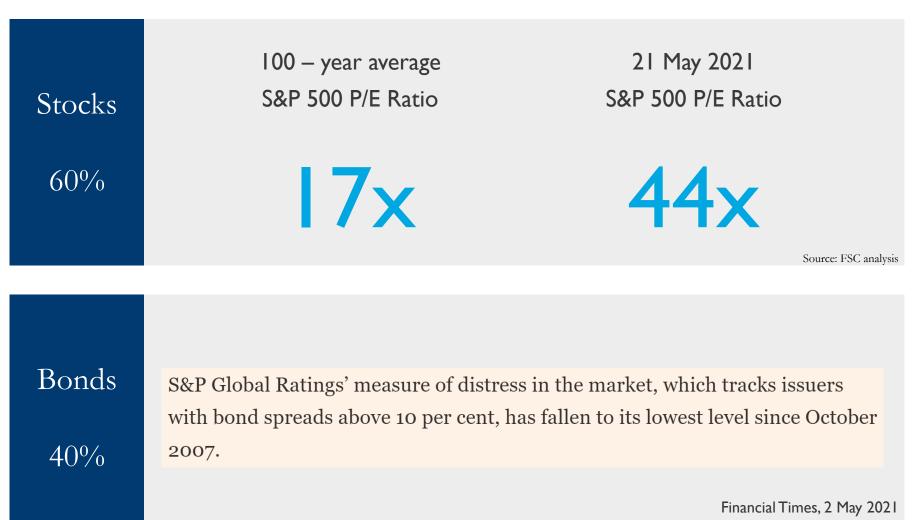


"Rule No. 1: Never lose money.

Rule No. 2: Never forget rule No. 1"

We believe deep value is the prudent, conservative, predictable way to invest.

Right now, following Warren's rules is harder than it sounds...



'Collapsing Yields on Risky US Debt Test Investors' Limits'

***** FSC

Downside-protected illiquids must be a part of a fiduciary's investment strategy

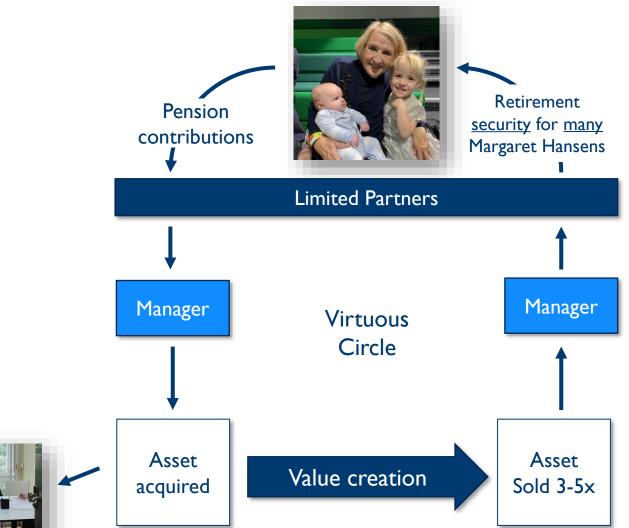
Buy at discount to intrinsic value

Secure margin of safety

Prevent putting capital at risk

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Value creation is the foil to the zero-sum game



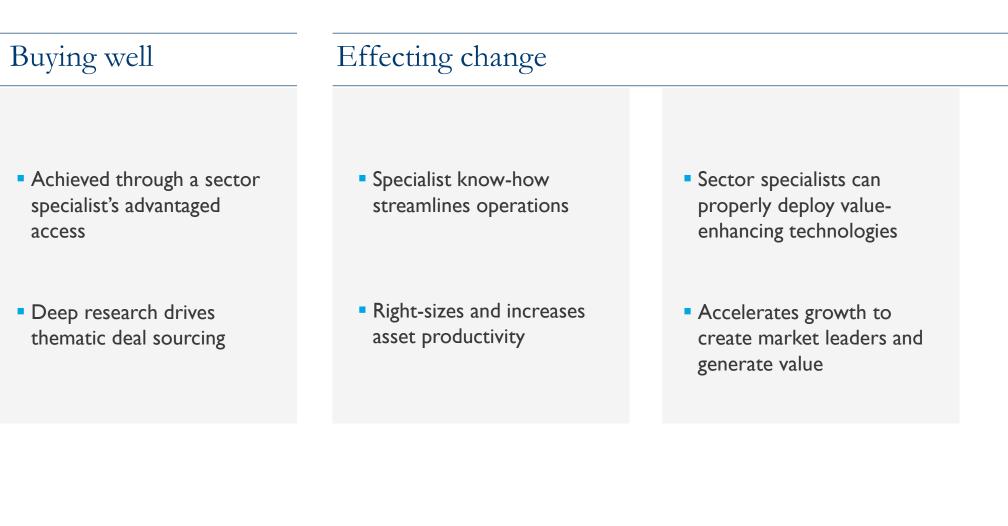


The era of the private equity generalist is coming to a close Legacy managers lack deep engagement in sectors, operations, and technology

Sector Specialization	 Legacy managers are unfocused, leaving numerous value creation opportunities on the table Sourcing is naturally disadvantaged compared to sector-devoted firms that are familiar with industry players and well-known to regulators
Operational Improvement	 Generalist firms are much less likely to apply a hands-on approach to management and governance in a sector they know little about Relatively little rooted transformation is achievable with limited infrastructural know-how
Technology Implementation	 Oversized managers cannot evenly or fairly distribute internal resources to enhance technological change ability Generalists' technology implementation ability is therefore limited as it is impossible for a very large firm to constantly keep current

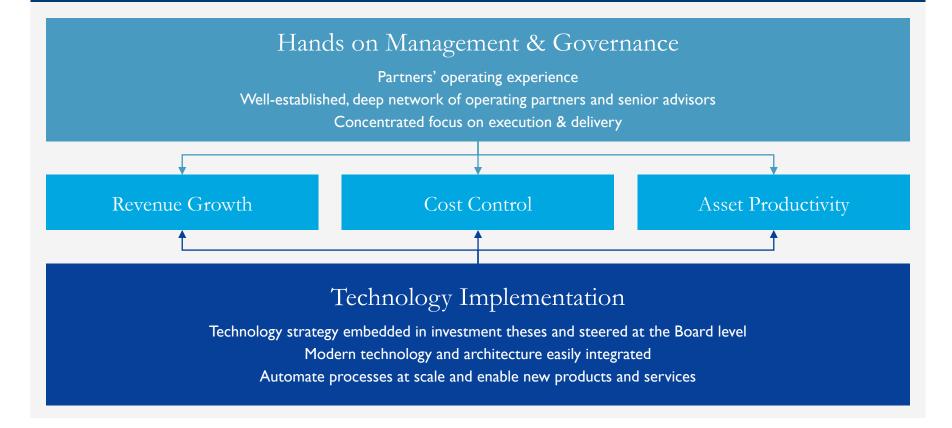
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Illiquid investment returns are driven by sector specialists buying well and ***** FSC successfully transforming assets



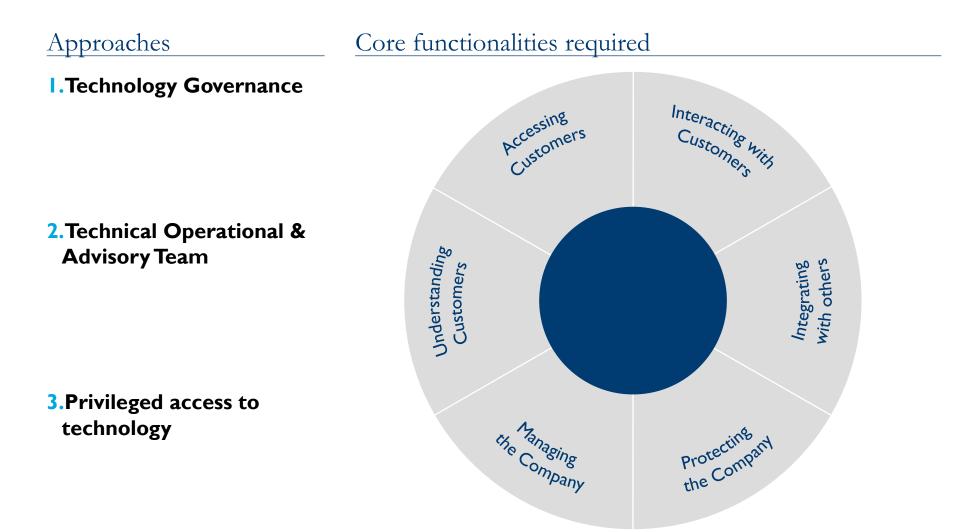
Operational improvement is maximized by a mix of hands-on management and technology implementation

Operational Improvement

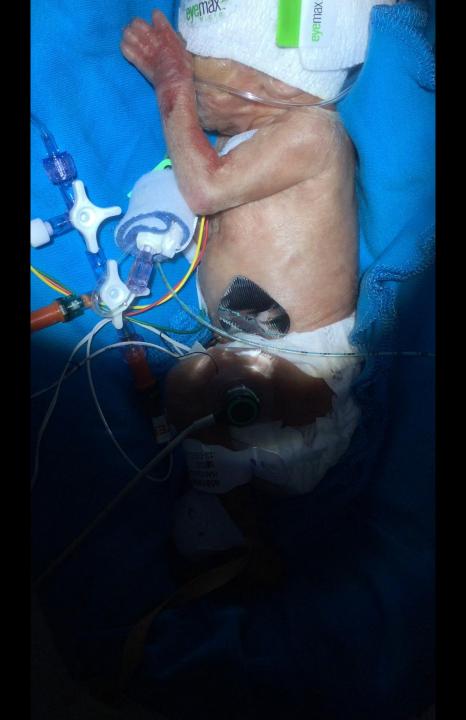


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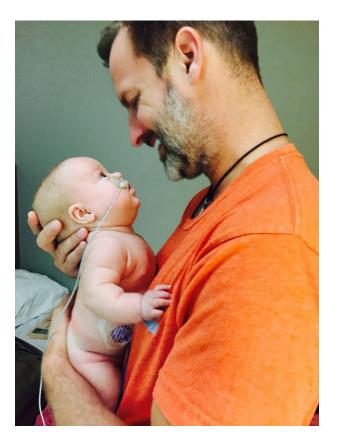
Technology transformation sits at the heart of a specialist's approach to value *FSC creation



What is a "Vocation?"









Faced with life and death, day-in-day-out for six months, you question everything.

You search for meaning in life...

...certainly in faith, certainly in family...

...but also in your "Vocation."

"Vocation" – One's response to a call from beyond oneself to use one's strengths and gifts to make the world a better place through service, creativity, and leadership.

The concept of vocation rests on the belief that life is about more than me.

Fiduciary responsibility is our "Calling."

When it comes to fiduciaries...

Some people call them annuitants.

Some people call them beneficiaries.

Some people call them clients.

I call them "Mom."