



Majestic Oak Financial
A Registered Investment Advisor

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It is now a common refrain, but the most important thing is that this letter finds you, your family and your loved ones safe, healthy and sane in a time that seems to be getting more weird on a weekly basis.

An Update on TDAmeritrade/Schwab Merger

After the Department of Justice cleared its antitrust concerns in May and the Federal Reserve Board providing final approval in late September, Schwab's purchase of TDAmeritrade should be closing this week.

Because of the sheer size of both firms and the complicated technology that runs two very different platforms, it is anticipated that full integration of the two firms will take some 18 – 36 months to complete. Most industry insiders believe that a project of this magnitude will require a time period closer to the 36 month time frame and will occur in phases. Likely, the accounts of smaller investment management firms like mine will be handled toward the end of that period.

So, what does this mean for you? Initially, you should see no difference whatsoever in terms of the branding of your account statements or where you log on to see your accounts. I imagine the first change that will come in that 18 month time period is simply a transition from the name TDAmeritrade Institutional to Charles Schwab. This will eventually mean a new website for logins and new account numbers. Advisors have been told there will be no “re-papering” – filling in all new forms with signatures and such.

Little has been conveyed to advisors such as myself about what the new technology, custodial and trading platforms will look like. The companies do not know yet themselves as they need to compare what each company brings to the table. I'm hoping they'll be picking the best available from each platform – we'll see. This ambiguity extends to fees and expenses – such as those incurred on mutual fund, ETF and stock trades or the ability to move funds from your brokerage accounts to your bank accounts. Those are items I will be watching closely. If the results of this merger are not in your best interest, there's plenty of competition and choices and I bit of paperwork won't stop us.

As changes occur, you will receive information from TDAmeritrade and I will provide emails with details and clarification. Keep an eye out for them and please read them. If you have any questions, concerns or issues as the process unfolds, please let me know and I'll get them worked out for you.

Year-to-Date Quarter 2020 Market Performance

<i>Index</i>	<i>09/30/2020 Ending Value</i>	<i>3Q 2020 Performance</i>	<i>YTD 2020 Performance</i>
Dow Jones	27,781.70	7.62%	<2.65%>
S&P 500	3,363.00	8.47%	4.09%
NASDAQ	11,167.51	11.02%	24.46%
Lehman Aggregate Bond	118.07	<0.11%>	5.07%



Your Individual Investment Reports

The following reports for 3rd Quarter 2020 are provided for your review:

- + **Year-to-Date 2020 Portfolio Performance** – Compares the 1/1/20 – 9/30/20 percentage performances of the S&P 500 & Lehman Aggregate Bond Index with your portfolio performance.
- + **Year-to-Date 2020 Portfolio Performance vs. Inflation** – Performance of your investment portfolio compared to the rate of inflation as measured by the Consumer Price Index (CPI) for both the since inception period of your accounts and the 2020 through the end of September.
- + **Account Summary** – Current market value of each asset within your accounts as of 09/30/2020
- + **Investment Billing Statement** for the 4th Quarter 2020**: Investment advisory fees for the period of 10/01/2020 through 12/31/2020 (based on 09/30/2020 values). *This is an informational billing only.* Your account is automatically debited unless other arrangements have been made.

Please remember that this investment reporting is for informational purposes only. You should also refer to the monthly account statements you receive from TD Ameritrade Institutional.

If you happen to know anyone who might benefit from the services I provide in assisting you in managing your investment portfolio and reaching your financial goals, I would enjoy speaking with

them. Don't keep me a secret! ☺ And as always, please do not hesitate to contact me if you have any questions about your reports or wish to discuss any other financial matters.

Sincerely,

Anna M. Popke, CFP®, RICP®

*Index performance is provided as a benchmark only. The performance of your individual investment portfolio will vary from that of any one index. Past performance of an index is never a guarantee of future results.

****PLEASE NOTE:** Clients who hold "cash reserves" within their brokerage accounts will have slightly different portfolio balances depicted on the Statement of Assets Summary and the Billing Statement. This is because "cash reserves" are excluded from the advisory fee. However, cash held awaiting investment in the upcoming quarter *will* be subject to the normal quarterly fee.

Investment Advisory Fee Calculations:

Fees are paid in advance on the 7th (or prior closest business day) of the month following the end of the quarter. The amount due is calculated by applying the prorated annual fee percentage to the previous quarter-end account value(s). Fees are further prorated for accounts opened after the beginning of a new quarter. Fees may be paid directly from the investment account(s) or consolidated and paid from a specified account. Money market/cash reserves are excluded from totals. Statements have been prepared by Majestic Oak Financial from information provided by TD Ameritrade and while deemed reliable, are not guaranteed.