



2017 | 2018

ANNUAL REPORT

Carver Financial Services Inc. | Personal Vision Planning® since 1990



VISION

TO MAKE PEOPLE’S LIVES BETTER EVERY DAY
– OUR CLIENTS, OUR TEAM MEMBERS AND OUR COMMUNITY.

MISSION STATEMENT

HELP OUR CLIENTS MAINTAIN AND ENHANCE THEIR STANDARD OF LIVING IN THE FUTURE WHILE BEING COMFORTABLE TODAY BY PROVIDING THE INVESTMENT PRODUCTS AND SERVICES THAT THEY NEED, THE PERSONAL SERVICE THAT THEY DESERVE AND THE UNBIASED ADVICE TO ACHIEVE THEIR GOALS THAT IS PROFESSIONALLY AND MORALLY REQUIRED.

PHILOSOPHY

WE BELIEVE IN A LONG-TERM APPROACH TO INVESTING, UTILIZING A DIVERSIFIED PORTFOLIO THAT IS UNIQUE TO EACH CLIENT BASED UPON THEIR NEEDS, OBJECTIVES AND RISK TOLERANCES. INDIVIDUAL INVESTMENTS NEED TO BE SELECTED AS PART OF AN OVERALL WEALTH MANAGEMENT PLAN THAT IS DEVELOPED FOR EACH CLIENT THROUGH A SYSTEMATIC PROCESS.

The information contained in this Annual Report does not purport to be a complete description of the securities, markets, or developments referred to in this material. The information has been obtained from sources considered to be reliable, but we do not guarantee that the foregoing material is accurate or complete. Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation. Any opinions are those of Randy Carver and not necessarily those of RJFS or Raymond James. Investments mentioned may not be suitable for all investors. Past performance may not be indicative of future results. You should discuss any tax or legal matters with the appropriate professional. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Individual investor’s results will vary. Be sure to contact a qualified professional regarding your particular situation before making any investment or withdrawal decision. Diversification does not ensure a profit or guarantee against a loss. Investing involves risk and you may incur a profit or loss regardless of strategy selected.

CONTENT

WELCOME	4-5
YOUR FAMILY OFFICE	6
THANK YOU & CONTINGENCY PLANNING	7
2017 AWARDS & RECOGNITION	8-9
2018 EVENTS	10-11
MEET THE TEAM	12-15
TEAM ACCOMPLISHMENTS	16-17
REFERRALS & RELATIONSHIP SIZE	18
SECOND OPINIONS, AND QUESTIONS TO ASK ADVISORS	19
MULTIGENERATIONAL WEALTH PLANNING	20-21
A LOOK BACK AT 2017	22-23
CLIENT TRIP EXPERIENCE	24
BUSINESS CONTINUITY	25
ALLOCATION & OUTLOOK	26-27
THE WILD CARD- TECHNOLOGY	28-29
PHILANTHROPY IN 2017: FOOD, CLOTHING, K9 UNITS AND MORE	30-31



It has been said that never has the pace of change been this fast, and never will be it be this slow again. We are being inundated with information and are required to make more decisions than ever. Our role at Carver Financial Services Inc. is to proactively help you achieve your personal vision while simplifying your life. This report is part of helping you sort through all the noise and focus on what is important to you. As always, our entire team is here to discuss any questions, concerns or ideas you have.

Thank you for the opportunity to be your partner and present to you our annual report. Driving down the road and looking in the rearview mirror works, but only until the road turns. We believe there are many turns in the road ahead. That's why we are focusing on the future in this report while reviewing key information from 2017.

Our Advisors believe in a proactive approach to wealth management, tax planning and helping you achieve your vision. Although we do not have a crystal ball about the markets, we can plan based on your needs and vision and then make adjustments as needed. We call this Personal Vision Planning®. The year 2016 was historic in many respects, including the election and how the broader markets reacted. It seemed like the amount of information just increased in 2017.

LET'S FOCUS ON THE OPPORTUNITIES

Once again, the pundits and polls got it wrong with regard to both the presidential election and how markets would react. In the hours before the election, results were announced, and futures plunged. Then, once Donald Trump won his surprise victory, the markets made an even more surprising move. They went up and then continued to increase the following day, reaching a record high. Once Trump was elected, it was predicted that 2017 would see a correction.

In April 2017, CNN reported that Trump's rally was the second best since JFK's election. The article stated, "The S&P 500 has rallied 11.6 percent between Trump's election victory and the final day before the 100-day mark. That's the second-best performance for that period, since an 18 percent surge under President Kennedy in 1961, according to CFRA Research."¹

We wrote last year, "We believe that a policy of less regulation and lower taxes bodes well for investors over the next few years, and this is being reflected in the broader market reaction." We believe this continues to be the case.

We see an increased onslaught of media attention to everything from the 2018 elections to tensions with North Korea, from health care to tax policy, and of course with Donald Trump and his administration. The pace of change is growing exponentially, and there

are many opportunities for those who can see beyond the challenges and problems. At the same time, we understand that there are challenges both here in the United States and globally, both socially and economically.

As we look forward to 2018 and beyond, the economic and geopolitical landscapes will continue to evolve and that the only constant is change itself. Our best defense in this ever-changing environment is to have our financial houses in order.

WE VALUE LONG-TERM PARTNERSHIPS

A lot of practices seek to provide financial planning advice or sell investments; we are not one of them. We are here to help you achieve your personal goals and vision while simplifying your life. We believe that the key to doing so is taking a holistic and proactive approach to planning for your needs and objectives as a long-term partner. We do not base our advice on short-term market trends or media hype. We use a customized approach for each client rather than models or proprietary products.

We also believe it is important to keep you informed. Each year, we host events that will inform and update you and your family. A list is included in this report.

Uncertainty remains with regard to taxes, health care and regulatory policy. Whatever the specific outcome, we will face a number of challenges, including a more complex tax and investment planning climate, potentially higher interest rates, inflation and market volatility. Our practice was founded in 1990 with the simple vision of making peoples' lives better. Although much has changed with the world, the economy and investments, our commitment to this important vision remains steadfast.

THANK YOU FOR ENTRUSTING YOUR FINANCIAL FUTURE TO US

The past few years have been challenging for many, and it is easy to forget how much we truly have to be thankful for. Our entire team is grateful for your confidence and business. We remain committed and determined to do our best for you, no matter what the financial markets throw at us, and we are thankful for the opportunity to do so. We also appreciate your support with all our philanthropic work. If there is anything we can do to improve your experience, or if you have ideas that would benefit others, please let us know.

Best wishes for a healthy, happy and prosperous 2018!

Respectfully,

Randy Carver, *President Carver Financial Services Inc./RJFS Registered Principal*

1. Matt Egan, "Trump Rally Is 2nd Best Since JFK," CNN, April 28, 2017, <http://money.cnn.com/2017/04/28/investing/trump-rally-wall-street-100-days/index.html>

YOUR FAMILY OFFICE

WE ARE HERE FOR YOU.

As a client we are here to make your life as **easy as possible**. There is **no cost** for any of the following and **no appointment needed!**

- 1 | Feel free to bring in items needing shredding any day and we will take care of it
- 2 | We can Notarize or Signature Guarantee documents for you
- 3 | We can FAX documents – we know a lot of folks don't have a FAX machine at home anymore
- 4 | With advance notice we can provide space to meet with your attorney, CPA or family member

THANK YOU & CONTINGENCY PLANNING

Our entire team has a singular vision of making your life better. We view you as family and are always here to support you and your family. With that being said your support of Randy, and our team, after the September 25th 2017 accident has meant more to us than you can know. We were moved by all your letters, emails, calls and cards of support. Your kind words, thoughts and prayers mean more to us than you could know and made a huge difference in Randy's recovery. **Thank you!**

We will always face challenges whether they are financial, physical, professional or personal. We are here to help you with these and appreciate you being there for us. Carver Financial Services Inc. has continued to develop a large, experienced professional team so that we can always serve you, on your schedule, even if something happens to any of our advisors. The September 25th incident highlighted the value and effectiveness of the team approach. We have contingency plans in place so that we can continue to serve you for generations to come, regardless of what should happen to any team member, including me. Our business continuity plans also have contingencies for natural and man made disasters impacting our office.

Regardless of the status of the advisor you generally meet with, we are a team, and we are monitoring your portfolio and overall plan. The location or status of any advisor will have no impact on the attention you receive. We are also prepared for any issues with the office or technology. As we monitor your portfolio, we might reach out with recommendations, so you might hear from various team members in this regard.

Please let us know if your **email address changes** or if you are **not receiving emails** from us. Email is **the best way** that we can communicate in a timely manner so let us know if we need to update your email so you **don't miss out!**

Please contact your advisor with questions about our business continuation planning.

We appreciate your support and look forward to being your partner for generations to come and appreciate your continued friendship and support.

2017 AWARDS & RECOGNITION

MARCH 4, 2017 | Barron's Magazine named Randy Carver as one of the top advisors in the Nation and one of Ohio's ten best financial advisors. Randy has been recognized by Barron's each year since 2008. Rankings are based on data provided by the nation's 4,000 most productive advisors. Factors included in the rankings: assets under management, revenue produced for the firm, regulatory record, quality of practice and philanthropic work. Investment performance isn't an explicit component because not all advisors have audited results and because performance figures often are influenced more by clients' risk tolerance than by an advisor's investment-picking abilities. According to Reuters (February 11, 2015) there are roughly 285,000 financial advisors in the United States. Barron's listed their top 1,200 putting Randy in top 4/10ths of 1% of all advisors.

RANDY CARVER NAMED ONE OF THE TOP ADVISORS IN THE COUNTRY BY BARRON'S MAGAZINE



FINANCIAL TIMES NAMES RANDY CARVER TO FT 400 TOP FINANCIAL ADVISORS LIST



**Top
Financial
Advisors
2017**

MARCH 30, 2017 | Randy Carver was recognized as one of the 400 most elite advisors at national, independent, regional and bank broker-dealers across the U.S. Each member of this prestigious group manages an average of \$1.7 billion in assets. To create this list the Financial Times asked the largest U.S. broker-dealers for lists of their advisors with 10+ years of experience and \$300 million or more in assets under management; the brokerages had no subjective input. The Financial Times then invited qualifying advisors – a list which totaled roughly 800 to fill out an online application and they were scored on several factors, including assets under management (AUM), AUM growth rate, compliance records, years of experience, industry certifications, and online accessibility. Selection was independent and objective and fully at the discretion of the Financial Times.

RANDY CARVER NAMED AS A TOP FINANCIAL ADVISOR BY BARRON'S MAGAZINE



JUNE 29, 2017 | Randy Carver was again named to Barron's Top Advisor Rankings list for Ohio. Randy placed in the top ten again this year improving his ranking by two spots as he is currently the #7 Top Ranking Advisor for the state of Ohio.

**BARRONS NAMES
RANDY CARVER TO "TOP 100
INDEPENDENT WEALTH ADVISORS"
IN THE COUNTRY**



SEPTEMBER 20, 2017 | Carver Financial Services Inc. was recognized on September 20th by Case Western University as a 2017 Weatherhead 100 company stating "this is a true testament to the hard work and dedication of you and your company". The Weatherhead companies are recognized for their percent of revenue growth over the past five years.*



FORBES RECOGNIZES RANDY CARVER AS ONE OF THE "TOP WEALTH ADVISORS IN THE UNITED STATES"



SEPTEMBER 18, 2017 | Randy Carver, the President of Carver Financial Services, Inc., an independent practice, was once again included on the Barron's list of the "Top 100 Independent Wealth Advisors" in the country.

"It's a tremendous honor to be recognized as one of the top independent financial advisors in the country," Caver said. "I'm proud to be in the company of such a distinguished group. While Barron's has recognized me this really reflects on the quality of the team at Carver Financial Services Inc. without all of whom this would not be possible," he commented.

Barron's produced the listing of top advisors after weighing factors such as client assets under management, philanthropic work, compliance record and the overall quality of their practices. Investment performance is not a criteria because client objectives and risk tolerances vary, and advisors rarely have audited performance reports. There are more than 450,000 licensed financial advisors in the United States so being named one of the top 100 independent advisors is a prestigious recognition. Sterling Shea, the head of Advisory Programs at Barron's commented *"The advisors included in this group represent teams with extraordinary talent, expertise, and passion for helping clients to achieve better financial outcomes."*

"Congratulations to Randy Carver on being recognized as one of the very best independent advisors in the nation," said Scott Curtis, President of Raymond James Financial Services. "Being named to Barron's list is a testament to Randy's longstanding commitment to putting his clients' interests first and helping them achieve their financial objectives."

SEPTEMBER 26, 2017 | FORBES recognized the Top Wealth Advisors in the United States. For the second year in a row Randy Carver was recognized on this prestigious list. "This recognition is a testament to the commitment and professionalism of our entire team", commented Carver. Randy Carver and his team manage \$1.2 billion in assets for clients globally.

Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved. The rankings are based on data provided by over 4,000 individual advisors and their firms and include qualitative and quantitative criteria. Data points that relate to quality of practice include professionals with a minimum of 7 years financial services experience, acceptable compliance records, client retention reports, charitable and philanthropic work, quality of practice, designations held, offering services beyond investments offered including estates and trusts, and more. Financial Advisors are quantitatively rated based on varying types of revenues produced and assets under management by the financial professionals, with weightings associated for each. Investment performance is not an explicit component because not all advisors have audited results and because performance figures often are influenced more by clients' risk tolerance than by an advisor's investment picking abilities. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of the advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Barron's is not affiliated with Raymond James. Rankings are compiled of weatherhead, independent and RIA advisors; individual advisors not required to be individually registered with FINRA. *Barron's Top 100 Independent Financial Advisors Source: Barron's "Top 100 Independent Financial Advisors," September 2017. Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved. The rankings are based on data provided by over 4,000 individual advisors and their firms and include qualitative and quantitative criteria. Data points that relate to quality of practice include professionals with a minimum of 7 years financial services experience, acceptable compliance records, client retention reports, charitable and philanthropic work, quality of practice, designations held, offering services beyond investments offered including estates and trusts, and more. Financial Advisors are quantitatively rated based on varying types of revenues produced and assets under management by the financial professionals, with weightings associated for each. Investment performance is not an explicit component because not all advisors have audited results and because performance figures often are influenced more by clients' risk tolerance than by an advisor's investment picking abilities. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of the advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Barron's is not affiliated with Raymond James. Case Western University Weatherhead 100 rankings are based on data from the following: 12-month period of net sales from 2012-2016, 2012 net sales must be at least \$100,000, Headquarters in Ashland, Ashland, Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit, Tiramall or Wayne County, not a franchise or subsidiary of another company between 2012-2016 and must be a for-profit organization. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Case Western University / Weatherhead 100 is not affiliated with Raymond James. The Forbes ranking of America's Top Wealth Advisors, developed by SHOOK Research, is based on an algorithm of qualitative and quantitative data, rating thousands of wealth advisors with a minimum of seven years of experience. Ranking algorithm is based on quality of practice, including telephone and in-person interviews, client retention, industry experience, review of compliance records, firm nominations, and quantitative criteria, including assets under management and revenue generated for their firms. Investment performance is not a criterion because client objectives and risk tolerances vary, and advisors rarely have audited performance reports. Rankings are based on the opinions of SHOOK Research, LLC which does not receive compensation from the advisors or their firms in exchange for placement on the rankings. Research Summary (as of September 2017): 19,872 Advisor nominations were received, based on thresholds, 4,504 Advisors were invited to complete the online survey, 4,432 Advisors were interviewed by telephone, 923 Advisors were interviewed in person at the Advisors' location. Final list of the top 250 Advisors was then compiled based upon the quantitative criteria. Raymond James is not affiliated with Forbes or Shook Research, LLC. This ranking is not indicative of advisor's future performance, is not an endorsement, and may not be representative of individual clients' experience. Neither Raymond James nor any of its Financial Advisors or RIA firms pay a fee in exchange for this award/rating. The FT 400 was developed in collaboration with Iyentis Research, a subsidiary of the FT that provides specialized content on asset management. To qualify for the list, advisors had to have 10 years of experience and at least \$300 million in assets under management (AUM) and no more than 60% of the AUM with institutional clients. The FT reaches out to some of the largest brokerages in the U.S. and asks them to provide a list of advisors who meet the minimum criteria outlined above. These advisors are then invited to apply for the ranking. Only advisors who submit an online application can be considered for the ranking. In 2017, roughly 750 applications were received and 400 were selected to the final list (53.3%). The 400 qualified advisors were then scored on six attributes: AUM, AUM growth rate, compliance record, years of experience, industry certifications, and online accessibility. AUM is the top factor, accounting for roughly 40-70 percent of the applicant's score. Additionally, to provide a diversity of advisors, the FT placed a cap on the number of advisors from any one state that roughly correlated to the distribution of millionaires across the U.S. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. The FT is not affiliated with Raymond James.

2018 EVENTS

We have a number of unique, informative and exciting events planned for 2018. You are encouraged to invite family and friends. These events fill up quickly so you will want to note the dates now! For more information, or to make reservations, please contact our office at (440) 974-0808 or email : carverfinancialservices@raymondjames.com

We look forward to having you join us!

JANUARY 10, 2018 | ANNUAL EATON PARTY

We would like to personally invite you to an Eaton employee's night out. This special event is for past and present employees of Eaton. You do not have to be a client of Carver in order to attend so please invite friends and co-workers.

TIME | 7:00 pm – 9:30 pm (*Heavy Hors D'Oeuvres*) **PLACE** | **Fourk** – 8500 Station St., Mentor, OH

JANUARY 13, 2018 | 22ND ANNUAL RESOURCES BREAKFAST

Join us for an informative breakfast to hear what is happening in the world and how it will impact your personal vision planning. This annual event is presented by the Carver Financial and Raymond James teams and will provide a wealth of information on how we can serve you, upcoming events, new technology, Cyber Security and much more. You do not have to be a client of Carver in order to attend so please invite family and friends.

TIME | 8:30 am (*Breakfast*) – 9:00 am (*Presentation*) **PLACE** | **LaMalfa Conference Center** Heisley Rd., Mentor OH

FEBRUARY 8, 2018 | ANNUAL AVERY PARTY

This special event is for past and present employees of Avery. You do not have to be a client of Carver in order to attend so please invite friends and co-workers.

TIME | 7:00 p.m. – 9:30 pm (*Heavy Hors D'Oeuvres*) **PLACE** | **Fourk** – 8500 Station St., Mentor, OH

MARCH 8, 2018 | ANNUAL LUBRIZOL PARTY

This special event is for past and present employees of Lubrizol. You do not have to be a client of Carver in order to attend so please invite friends and co-workers.

TIME | 7:00 p.m. – 9:30 pm (*Heavy Hors D'Oeuvres*) **PLACE** | **Fourk** – 8500 Station St., Mentor, OH

APRIL 17, 2018 | WHAT DOES IT ALL MEAN?

A SPECIAL EVENING WITH BRIAN WESBURY - CHIEF ECONOMIST: FIRST TRUST ADVISORS

From Brexit, to Trump, the Italian Referendum, to the rise of a Thatcherite in France; the world is changing in massive ways. Add in activist central banks, bloated bureaucracies, and acrimonious politics – it's no wonder investors are nervous. Will the aging economic expansions stumble? Will the bull market in U.S. stocks continue? Are inflation and rising interest rates in the cards? Brian Wesbury promises to cut through the noise to provide a solid, actionable game plan for investors in the years ahead. Wesbury called the bull market in U.S. stocks starting in 2009. He's ready to tell you where he thinks they will go from here. Back by popular demand please join us for this exclusive event.

TIME | 7:00 pm **PLACE** | **LaMalfa Conference Center** – Heisley Rd., Mentor OH

MAY 15, 2018 | TRANSITION TO RETIREMENT - A TOWN HALL MEETING

Many people spend more time planning their next vacation than their retirement. Save the date for this informative town hall meeting to learn about how to plan and make the transition to retirement. The Carver team will present and answer questions.

TIME | 7:00 pm **PLACE** | **LaMalfa Conference Center** – Heisley Rd., Mentor OH

JUNE 18, 2018 | 21ST ANNUAL CHARITY GOLF EVENT - TIM GROVES MEMORIAL CLASSIC

Join us at the scenic Fowlers Mill Golf Course located in Geauga County in Chesterland. Fowlers Mill was recently ranked by Golf Digest (2011) as the 2nd Best Public Course in the State of Ohio and 16th Best Course Overall. 100% of net proceeds from this event benefit charity.

TIME | 11 am - Shotgun Start **PLACE** | **Fowlers Mill Golf Course** – Chesterland, OH

JULY 20, 2018 | 30TH ANNUAL CLIENT APPRECIATION EVENT

Join us at Classic Park in Eastlake to watch the Lake County Captains. As in previous years, we will have a food drive. This is an invite only event and we won't be taking reservations until the invitations go out in June 2018.

TIME | 5:30 pm **PLACE** | **Classic Park Vine St.** - Eastlake, OH

AUGUST 4, 2018 | 7TH ANNUAL CARVER/ CLASSIC WINGS & WHEELS EVENT

Our seventh annual plane and car show will be held sometime in early August. There is no admission for participants or spectators so come and enjoy the live entertainment and a specialty food truck or two along with all of those fabulous planes and automobiles. Please follow Carver Financial correspondence in the near future to confirm the date.

TIME FOR PARTICIPANTS | 8:00 am - 11:00 am **TIME FOR SPECTATORS** | 11:00 am - 2:00pm
PLACE | **Lost Nation Airport** – Willoughby, OH

OCTOBER 18, 2018 |

Speaker to be announced...

TIME | 9:00 am - 7:00 am **PLACE** | **LaMalfa Conference Center** – Heisley Rd., Mentor, OH

DECEMBER 2018 | 31ST ANNUAL ACCREDITED CLE EVENT

Annual accredited continuing education for attorneys held at LaMalfa Conference Center. Save the Date cards will be mailed in July of 2018 with further details.

TIME | 7:00 am - 5:00 pm **PLACE** | **LaMalfa Conference Center** – Heisley Rd., Mentor, OH

MEET THE TEAM



Our staff has cumulative experience in the financial services profession in excess of 120 years. While it is important to bring new ideas to clients, it is equally - if not even more - important, to have experience with all types of markets and economic conditions. Over the last 3 decades, we have formed a team of experienced professionals to help serve our clients. We look forward to working with you to help meet your individual needs and objectives with the investment vehicles that you need and the personal service that you deserve.



RANDY CARVER
PRESIDENT, CARVER FINANCIAL SERVICES INC., RJFS REGISTERED PRINCIPAL
randy.carver@raymondjames.com

Randy Carver was born in New York City, grew up in Baltimore, Maryland, and spent his teen years in Toronto, Canada. As a teenager, Randy started and ran several successful businesses, including a catering firm and two home renovation companies. He attended Oberlin College where he earned his degree in economics. Upon graduating in 1987, Randy opened a branch office for a regional brokerage firm in Mentor, Ohio. The office became one of the company's most successful within three years.

In 1990, Randy founded Carver Financial Services Inc. to provide Personal Vision Planning™ by offering clients unbiased investment information and a wide range of financial products and services through an international firm. He has offered securities through Raymond James Financial Services since 1990.

Randy is a General Securities Principal (Series 24 license), Municipal Securities Principal (Series 53 license) and holds Series 7 and Series 63 securities licenses, in addition to a life, health and annuity insurance license. Randy has earned the Chartered Retirement Planning Counselors designation from the College for Financial Planning®.

Randy has taught accountancy board-approved continuing education courses for certified public accountants, as well as Supreme Court Commission on Continuing Legal Education-approved courses for attorneys since 1989. Randy has appeared as a commentator on Fox News, CNN and CNNfn. Barron's has named Randy Carver one of the top 1000 advisors in the United States and one of the top 10 in Ohio each year since 2010. Factors included in the rankings: assets under management, revenue produced for the firm, regulatory record, quality of practice and philanthropic work.*

Randy has been featured in Forbes, The News Herald, Crain's Cleveland, the New York Times and Toledo Blade. He lives in Kirtland Hills, Ohio, with his significant other, Christine, and their four dogs, Zeus, Olympia, Athena and Hercules. His daughter Cid is now living in Tel Aviv, Israel. Randy is a licensed private pilot, flying a twin engine Cessna for both business and pleasure and pursues other eclectic hobbies ranging from gourmet cooking to riding motorcycles.

**These recognitions are bestowed by independent third party organizations not affiliated with Raymond James. These recognitions are not indicative of future investment performance and may not be representative of individuals clients' experience.*



RAJ CHATTERJEE
FINANCIAL ADVISOR, RJFS
raj.chatterjee@raymondjames.com

A native of Mentor, Ohio, Raj was eager for the opportunity to come back to his hometown and join the Carver Financial Team. He works in close collaboration with families and business owners to

help develop customized strategies related to financial planning and investments. Raj is a member of the firm's Investment Committee and is pursuing his CERTIFIED FINANCIAL PLANNER™ certification. After graduating from Bowling Green State University in 2007, Raj began his career as a Financial Advisor with Wells Fargo Advisors. He has spent the last nine years helping families understand financial markets and guide strategies to help ensure they can reach their goals. Raj received his MBA from Cleveland State University in 2012, focusing his studies on finance. Additionally, he maintains a Series 7 and 66 license, as well as a life, health, and annuity insurance license. Raj, his wife Heta, and their son Kalin live in Shaker Heights. He is a member of the Board of Directors at the Cleveland Public Theater where he enjoys promoting arts education. In his free time, Raj enjoys golfing and spending time with his family and friends.



KALE SCHULZ, CFP®
FINANCIAL ADVISOR
kale.schulz@raymondjames.com

Kale is a CERTIFIED FINANCIAL PLANNER™ professional and part of the leadership group within Carver Financial Services Inc. Since joining the team in 2004 as a financial advisor, Kale enjoys helping individuals

and their families identify their goals and develop a detailed plan to reach them. Along with managing client relationships, Kale is a member of the Carver Financial Services Investment Committee. Kale graduated from Miami University with a bachelor's degree in finance and marketing. To provide clients with the appropriate guidance and service, he stays current in the financial planning field through rigorous continuing education required for his CFP® certification as well as his involvement in the Cleveland chapter of the Society of Financial Service Professionals. Additionally, Kale maintains his Series 7, 24, 63 licenses, as well as a life, health and annuity insurance license. In his free time, Kale enjoys golfing and spending time with his family on Lake Erie. He is an avid Cleveland sports fan. Kale resides in Brecksville with his wife, Sarah, and their two children, Lucas and Adelyn.



MARK SPOERKE, CFP®
FINANCIAL ADVISOR
markspoerke@raymondjames.com

Mark is part of the leadership group and is a CERTIFIED FINANCIAL PLANNER™ professional within Carver Financial Services Inc. Since joining the team in 1999 as a financial advisor, Mark works with

individuals and their families on all aspects of their financial planning needs. He prides himself in developing highly personalized, yet simple solutions to complex financial situations. Mark graduated from Allegheny College where he majored in psychology and minored in English. After college, he worked as a financial advisor for Wheat First Butcher in Fairlawn, Ohio, and Morgan Stanley Dean Witter in Westlake, Ohio. Mark maintains his Series 7, 63 and 65 licenses, as well as a life, health and annuity insurance license. In the summer, you'll find Mark boating on Lake Erie with his wife, Joelle, his dogs, Morgan and Larry and his cat, Tito.



NIK WEARSCH, CFP®
FINANCIAL ADVISOR
nik.wearsch@raymondjames.com

Nik is a CERTIFIED FINANCIAL PLANNER™ professional and part of the leadership group within Carver Financial Services Inc. In 2009, he joined the team as a financial advisor, relocating from Columbus, Ohio.

Nik works closely with families and small businesses to develop comprehensive solutions for their personal financial goals. Along with managing client relationships, Nik is a member of the firm's Investment Committee and helps oversee retirement plans for small businesses. Nik graduated from Ohio University with a bachelor's degree in finance and in business law. Before joining the team, he worked as a financial advisor at Prudential Securities and Smith Barney in Columbus, Ohio. With over 14 years of experience, he provides clients with the appropriate guidance and service by staying current in the financial planning field through rigorous continuing education required for his CFP® certification. Additionally, he maintains a Series 7 and 66 licenses, as well as a life, health and annuity insurance license. You'll find Nik and his wife, Megan, and their kids, Olivia and Greyson, hiking at one of the great parks in Lake County and Geauga County, or visiting one of the many museums in Cleveland. A couple of their favorites are the Cleveland Art Museum, the Cleveland Botanical Gardens and the Holden Arboretum.



DARLENE HANUS
OFFICE MANAGER
darlene.hanus@raymondjames.com

Darlene is the Office Manager and started working for Carver Financial Services in 2013. Darlene's responsibilities encompass taking care of the entire team's needs including HR, event planning, IT and accounting duties. In Darlene's spare time she enjoys spending time with family and friends. Other hobbies include decorating, golfing, gardening and she is an avid sports spectator for Cleveland sports teams, in particular, the Cleveland Indians.



TRACY GOLDHARDT
CLIENT CONCIERGE II
tracy.goldhardt@raymondjames.com

Tracy joined the Carver Team in spring of 2015 as a Client Concierge. Her responsibilities include greeting clients, scheduling appointments, assisting with event coordination and several other related client service functions. She also assists Randy with all of the marketing duties and many administrative duties. Tracy grew up in Fairport Harbor and in 1991 she married her high school sweetheart, Scott. Together they have a son and daughter-in-law. Tracy now resides with her husband and two rescue dogs, Bruiser and Layla in Perry Township. Outside the office Tracy loves camping, hiking, and being active outdoors.



MARJ PHELPS
CLIENT CONCIERGE II
marjorie.phelps@raymondjames.com

Marj graduated from Eastlake North High School and earned her Information Systems certificate from Lakeland College in 1994. Prior to joining Carver Financial Services in the spring of 2003, she worked as a customer service representative at a local manufacturing company. Her responsibilities at Carver Financial Services include greeting clients, coordinating communication with outside investment companies and related client service functions. Outside of the office, Marj enjoys spending time with her family, especially with her grandchildren.



ANDREA BRNADA
CLIENT SERVICE ASSOCIATE
andrea.brnada@raymondjames.com

Andrea joined the Carver team in July 2017 as a Client Service Associate. She has 10 years' experience in the financial industry primarily focusing on personal and private client banking and building long lasting relationships. She is also currently studying for her Series 7 securities license, as she would like to grow and be more knowledgeable in the investment industry. She was born in Croatia, raised in Germany before moving to the United States. Andrea is fluent in Croatian and German. During her personal time Andrea enjoys spending time with family and friends, going to the park, traveling and attending a yoga class every now and then.



LINDSAY NECCI
CLIENT SERVICE ASSOCIATE
lindsay.necci@raymondjames.com

Lindsay joined the Carver team January 2017 as a Client Service Associate. She graduated from Baldwin Wallace College in 2005 with a Bachelor of Science in Business Administration. Lindsay holds licenses series 6 and 63, life, health, and annuity insurance licenses, and is currently studying to acquire a series 7 license. Lindsay has 9 years in the financial industry primarily focusing in private banking. She grew up in Willowick and currently resides in Mentor with her husband Tony and their two sons, Anthony and Ilario. Outside the office Lindsay loves spending time with her family at the parks, camping, and traveling to Arizona to visit relatives.



DEANNA KOCHENSPIRGER, RP®
REGISTERED ASSOCIATE
deanna.kochensparger@raymondjames.com

Deanna graduated from Mentor High School in 1980 and Ohio University in 1984 with a Bachelor of Fine Arts in graphic design. She joined Carver Financial Services team in 1997 as a client service associate. Her responsibilities include entering mutual fund and equity orders, processing disbursements from client accounts, assisting in client meetings, helping clients with administrative questions and concerns, and preparing the necessary reports for client planning meetings. Deanna currently holds a Series 7 license. In addition, she obtained her Registered ParaplannerSM designation from the College for Financial Planning. When out of the office, Deanna enjoys spending time with her family, which includes her two daughters, Lauren and Hannah, as well as her four grandsons Aiden, Liam, Grayson, and Nolan.



POLLY SMALL
REGISTERED ASSOCIATE
polly.small@raymondjames.com

Polly joined the Carver team in 2014 as a Client Concierge and broadened her knowledge base by obtaining her Series 7 license in 2017. Polly is currently pursuing her Life and Health Insurance and Registered ParaplannerSM designations. Polly helps coordinate each client's experience with Randy by assisting in client meetings, helping clients with administrative questions and preparing necessary reports for client planning meetings. Her previous work experience includes construction and interior design. Polly grew up in Kirtland, and spent some time in Cincinnati and Orlando before returning to Ohio. Her daughter, Riley, recently completed her Masters in finance and management from the University of St. Andrews, Scotland and her son, Cooper, is a sophomore attending The Ohio State University. She currently resides in Kirtland with her two rescue dogs, Louie, a miniature dachshund and Tigger, a miniature pinscher-Chihuahua. Polly likes traveling, skiing and cooking. She also enjoys spending time outside in Northeast Ohio's beautiful parks.



BOBBI J BRUNER, RP®
ASSOCIATE ADVISOR
bobbi.bruner@raymondjames.com

Bobbi is a senior registered associate and part of the leadership group within Carver Financial Services, Inc. Bobbi helps coordinate each client's overall experience with our team by working closely with Mark and Kale. Bobbi joined the team in 1999, but has known the Carver family since shortly after the birth of Sidney, in 1988. She holds a Registered ParaplannerSM designation, which she uses to assist advisors when addressing a client's overall financial goals. Bobbi also maintains a Series 7 license, as well as a life, health and annuity insurance license. She is currently pursuing a Bachelor of Science degree with a financial planning certificate. Upon completion Bobbi will sit for her CERTIFIED FINANCIAL PLANNERTM exam. Locally born and raised, Bobbi and her husband Brent, stepson Bobby, and their dog Bugsy, still reside in Mentor.



REBECCA 'BECKY' MULLENAX, RP®
SR. REGISTERED ASSOCIATE
rebecca.mullenax@raymondjames.com

Becky is a senior registered associate. She helps coordinate a client's overall experience with our team by working closely with Nik and Raj. She holds a Registered ParaplannerSM designation, which she uses to assist advisors when addressing a client's overall financial goals. Becky also maintains a Series 7 license, as well as a life, health and annuity insurance license. Becky resides in Perry with her two children.



SARA O'NEIL, RP®
SR. REGISTERED ASSOCIATE
sara.oneil@raymondjames.com

Sara joined the Carver team in December 2015 as a Senior Registered Associate. She has 15 years of financial industry experience. Sara holds Series 7 and 66 licenses, Registered ParaplannerSM, and has a life, health and annuity insurance license. She helps coordinate each client's overall experience by working closely with Kale. Sara understands the diverse needs of clients and prides herself on delivering exceptional client service. She has participated in many community support efforts, most recently participated in the Relay for Life. Originally from Monroeville, PA, she moved to Ohio in 2001. Although she loves her Pittsburgh sports teams, she married a Cleveland fan. She and her husband Ryan live in Mentor with their 6-year-old son, Alex. Her family enjoys working on their '62 Chevy C10, hiking in the local parks, visiting the zoo, and the Lake County Farm parks. She and her husband also participate in a local dart league.



NANCY WILLIAMS, CFP®
FINANCIAL ADVISOR
nancy.williams@raymondjames.com

Nancy is a CERTIFIED FINANCIAL PLANNERTM professional and part of Carver Financial Services leadership group as well as Investment Committee. Nancy works closely with families to identify their goals and to develop a customized plan to reach them. Nancy joined the team in 1997, after working at the Federal Reserve Bank and Huntington National Bank. She has a bachelor's degree from Miami University in finance. Nancy maintains a Series 7 license as well as a life, health and annuity license. She enjoys attending her kids' sporting events and relaxing on the water with her husband, Steve, her sons, Jake and Sam, and their two dogs.



DEJANE TOKI, RP®
SR. REGISTERED ASSOCIATE
de.toki@raymondjames.com

A Cleveland native, DeJane started her finance career in 2000 in Pittsburgh, Pennsylvania, at Parker/Hunter Inc. She held various positions in both the financial and legal departments until 2007, when her husband was transferred back to Cleveland. DeJane credits her interest in numbers to her mother, who played dominoes with her at an early age. DeJane holds a Series 7 license and has a life, health and annuity insurance license. In addition, she obtained her Registered ParaplannerSM designation from the College for Financial Planning. Her responsibilities include assisting in client meetings, helping clients with administrative questions and concerns, and preparing the necessary reports for client reviews. In her personal time, DeJane enjoys entertaining, gourmet cooking for family and friends, and is an avid reader.



ROSEANN DIVINCENZO, RP®, CRPC®
RJFS REGISTERED PRINCIPAL, OPERATIONS
MANAGER, BRANCH 71U
roseann.divincenzo@raymondjames.com

RoseAnn has been working in the investment industry since 1994, holding a number of progressively more responsible positions throughout her career. A lifelong learner, RoseAnn earned her bachelor's degree in business administration from Franklin University, Columbus, Ohio, in 2006. RoseAnn holds many financial industry licenses including Series 4, 7, 24, 31, 63 and 65 as well as a life, health and annuity insurance license. RoseAnn gives back to the community by volunteering her sewing skills to the Little Dresses for Africa organization—she has made more than 200 dresses to date. RoseAnn and her husband Bob, reside in Willowick, with their cat, Buddy.

CFP® [CERTIFIED FINANCIAL PLANNER™]

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.



TEAM ACCOMPLISHMENTS

Carver Financial Services team members believe in consistent improvement and seek learning opportunities in each and every day. Conrad Hall is quoted “You are always a student, never a master. You have to keep moving forward.” We pride ourselves on the active search to deepen our knowledge through team work, individual studies, seminar attendance and earning additional credentials each New Year. As a result of this dedication you benefit from cutting-edge, practical team-based solutions based on your personal needs and objectives.

This year we have several individuals seeking the CFP® certification. One must first pass seven tests before even earning eligibility to sit for the board exam and spend an average of 1000 hours in total study time. Congratulations goes out to Sr. Registered Associate, Nancy Williams RP® who passed her final exam in November and has earned her CFP accreditation. Advisor Raj Chatterjee is also working toward his CFP® certification. Raj has completed 3 of the 6 modules and is on target to sit for the final exam in summer of 2018. Sr. Registered Associate, Bobbi Bruner RP® is currently enrolled in Franklin University studying for her Bachelor of Science with a Financial Planning Certificate. This year Bobbi has completed 3rd and 4th semesters with straight A's and was on the President's list both semesters. Upon completion at the end of summer 2018, Bobbi will sit for her CERTIFIED FINANCIAL PLANNER™ certification.

Advisor Kale Schulz, CFP® has attended numerous continuing education seminars as a member of the Society of Financial Service Professionals on topics ranging from estate planning, insurance and financial planning.

Sara O'Neil RP® and Deanna Kochensparger RP® have also earned new designations this year both earning their Registered Para Planner License. Our Compliance Officer RoseAnn DiVincenzo, RP®, CRPC® earned her Chartered Retirement Planning Counselor designation in October this year. As a CRPC® RoseAnn will be able to assist clients with all aspects of the retirement process. Polly Small acquired her Series 7 License this year and is currently pursuing her Ohio Life and Health Insurance License and her registration in Florida. The office administrative team of Marj Phelps, Tracy Goldhardt and Darlene Hanus attended multiple seminars this year to hone their customer service skills and to continue to maintain the cohesiveness of the Carver team.

Lindsay Necci and Andrea Brnada are currently hitting the books and studying for their Series 7 designations. Lindsay plans to take her test in mid-December and Andrea's target is for mid-summer, 2018.

Enriching knowledge and achieving personal goals are also very important aspects of the Carver team. This year the office participated in the American Cancer Society's "Relay for Life" as a part of our charity work. deJane Toki was our chairperson and our event leader. As a pancreatic cancer survivor, deJane worked enthusiastically planning fundraisers, both inside and outside the office. We had delicious, specialty lunches, super bowl squares, and most fun of all wine glass painting parties where we had a great time finding our creative side. All of which led up to the big event in June, Relay For Life at Memorial Middle School. We had a great time watching our co-workers get dunked in the Dunk Tank, we even dunked them a few times ourselves. We sold survivor hats to support hope for all cancer patients both past and present. Delicious, homemade cookies were sold at our table and were a very popular snack with the walkers. Together we raised over \$3,700 for the American Cancer Society.

Learning goes beyond just studying, reading and test taking. We believe in sharing our knowledge, ideas and collaborating with others. We sent a team of staff members to the 2017 Raymond James National Conference in Orlando, FL that included Kale Schulz, Bobbi Bruner, RoseAnn DiVincenzo, Sara O'Neil, Tracy Goldhardt as well as Randy Carver.

Randy Carver authored his fourth book in 2017. Titled *1440 What the Ultra-Successful Do to Get More Out of Every Minute- And How You Can, Too* the book is being published in January 2018 and available on Amazon and other retailers. Randy was named to the Barron's Top 100 Independent Individual Advisors in the U.S. and for the second year in a row Randy was recognized by Forbes as one of America's Top Wealth Managers for 2017.¹

In local awards, Case Western Reserve's Weatherhead 100 and the Lake-Geauga Fast Track 50 named Carver Financial Services, Inc as a growing successful business.²

We love to learn, from formal courses to designations, from seminars to webinars, from books to online articles. We are constantly feeding the knowledge base and staying on the cutting edge of the industry to better prepare for your needs and objectives. The knowledge we gain from all of these activities is incorporated into our daily process and ultimately creates a better experience for you, our valued client. We believe you can achieve more as a team than we can as individuals. Improvement is accomplished a little each day and all adds up over time. We are excited to share with you our knowledge and thus, improve your quality of life and make our community a better place to live.

¹Source: Barron's "Top 100 Independent Financial Advisors," September 2017. Barron's is a registered trademark of Dow Jones & Company, L.P. All rights reserved. The rankings are based on data provided by over 4,000 individual advisors and their firms and include qualitative and quantitative criteria. Data points that relate to quality of practice include professionals with a minimum of 7 years financial services experience, acceptable compliance records, client retention reports, charitable and philanthropic work, quality of practice, designations held, offering services beyond investments offered including estates and trusts, and more. Financial Advisors are quantitatively rated based on varying types of revenues produced and assets under management by the financial professional, with weightings associated for each. Investment performance is not an explicit component because not all advisors have audited results and because performance figures often are influenced more by clients' risk tolerance than by an advisor's investment picking abilities. The ranking may not be representative of any one client's experience, is not an endorsement, and is not indicative of advisor's future performance. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Barron's is not affiliated with Raymond James. The Forbes ranking of America's Top Wealth Advisors, developed by SHOOK Research, is based on an algorithm of qualitative and quantitative data, rating thousands of wealth advisors with a minimum of seven years of experience. Ranking algorithm is based on quality of practice, including: telephone and in-person interviews, client retention, industry experience, review of compliance records, firm nominations, and quantitative criteria, including: assets under management and revenue generated for their firms. Investment performance is not a criteria because client objectives and risk tolerances vary, and advisors rarely have audited performance reports. Rankings are based on the opinions of SHOOK Research, LLC which does not receive compensation from the advisors or their firms in exchange for placement on the ranking. Research Summary (as of September 2017): 19,872 Advisor nominations were received, based on thresholds: 4,504 Advisors were invited to complete the online survey, 4,432 Advisors were interviewed by telephone. 923 Advisors were interviewed in-person at the Advisors' location. Final list of the top 250 Advisors was then compiled based upon the quantitative criteria. Raymond James is not affiliated with Forbes or Shook Research, LLC. This ranking is not indicative of advisor's future performance, is not an endorsement, and may not be representative of individual clients' experience. Neither Raymond James nor any of its Financial Advisors or RIA firms pay a fee in exchange for this award/rating.

²The rankings are based on data from the following: 12-month period of net sales from 2012 – 2016, 2012 net sales must be at least \$100,000, Headquartered in Ashland, Ashtabula, Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull or Wayne County, not a franchise or subsidiary of another company between 2012 – 2016 and must be a for-profit organization. Neither Raymond James nor any of its Financial Advisors pay a fee in exchange for this award/rating. Case Western University / Weatherhead 100 is not affiliated with Raymond James. The Fast Track 50 recognizes the contribution of local companies to Lake and Geauga county economies. The Fast Track 50 Committee compiles a list of the fastest-growing companies in Ohio's Lake and Geauga counties. Companies are ranked by sales and employment growth over the previous five-year period and the top 50 are recognized. Neither Raymond James nor any of its advisors paid a fee in exchange for this recognition. Raymond James is not affiliated with Fast Track 50. The American Cancer Society is not affiliated with Raymond James.



SECOND OPINIONS, AND QUESTIONS TO ASK ADVISORS

In 2017, we had a record number of requests for second opinions on financial portfolios and plans. Most were from friends and family members of current clients, and a few were from clients who held some assets elsewhere. We are happy to provide a second opinion on a financial plan or portfolio without any cost or obligation to you, your family or your friends.

Whether or not someone wants us to review their portfolio, there are some questions that are important for investors to understand when working with advisors. Here are six key questions to find the answers to when comparing advisors and deciding which one you want to work with, along with facts to consider about our practice.

REFERRALS & RELATIONSHIP SIZE

In 2018 we will be selectively taking on new clients. We are accepting a limited number of new clients by referral only from our existing clients and local professionals. We appreciate your referrals and look forward to helping any of your family, friends or business associates who can benefit from our services. If you know of someone who we could help we are always happy to meet with them without cost or obligation and regardless of assets. Simply ask the person contacting us to let us know that you referred them.

The other question we get asked is if we have an investment minimum. Our relationship minimum is generally \$500,000; however, this is waived for family members of existing clients who do not meet our investment minimum. We are happy to help your family members at any time.

The relationship minimum for new clients does not affect any existing client, regardless of your portfolio size. Moreover we will work with children and relatives of existing clients who may not meet our current minimum. The purpose of the account minimum and referral only practice is so that we can continue to provide our existing clients with the highest levels of service and attention. We are proud of the fact that we have a large and highly trained staff so that we can continue to provide the highest levels of personal attention that you need and deserve. *Our team is here to serve you, your family and your friends.*

- 1 Are the advisors providing a truly customized portfolio, or do they use models or proprietary products? We develop customized portfolios based on your personal goals, objectives, tax-planning needs and risk tolerance.
- 2 Do they make changes to your portfolio without your permission? We work in partnership with you and do not make any changes without speaking with you. In this way, we can better understand your current needs and make appropriate recommendations.
- 3 Who would you work with if something happened to your advisor? We work as a team with 18 professionals and more than 200 years of combined experience. You can read more about our multigenerational approach in this Annual Report.
- 4 What type of contingency plan is in place if there were a natural disaster or if something happened to the advisor's office? We have full business continuity plans in place.
- 5 What level of assets do they manage? We currently manage more than \$1.2 billion for our clients. Because we manage a large amount of assets, we can minimize fees and operate with increased business efficiencies.
- 6 What other resources can they provide? Because of our relationship with Raymond James we can provide full trust company, investment banking and personal lending solutions. Moreover, we have access to hundreds of highly trained professionals and provide you the backing of a global company.



MULTIGENERATIONAL WEALTH PLANNING

For many families, we design their financial plans to include not one generation, but rather two and sometimes three generations. Multigenerational wealth planning requires a level of continuity rarely found in the financial planning industry today because of the aging financial advisor population.

Although none of the senior advisors at Carver Financial Services Inc. have any plans to retire in the near term, we want to make sure we are prepared to serve you for generations to come - and in the event that something unexpected happens to one of our team members. As we look to the future, we plan to provide that level of continuity through our Multigenerational Wealth

Planning Initiative by adding younger, highly skilled financial advisors to our staff. These young professionals add immeasurable value to the service we provide by helping you achieve your financial goals through your retirement and and working with your beneficiaries as they inherit your assets. This initiative ensures that we will be here to serve your family for generations to come.

Also, many young investors may not have access to a quality financial advisor or may want to work with someone closer to their own age. Carver Financial is positioned to help younger investors create a long-term financial plan geared toward their goals and objectives. In addition to working with a broad spectrum of clients, advisors such as Bobbi Bruner and Raj Chatterjee can relate directly to the challenges and opportunities that face younger investors while delivering the level of expertise you have come to expect from Carver Financial Services.

We encourage any clients with children or grandchildren who may need assistance with their finances to make an appointment with us to review their financial situations. Moreover, we are happy to do a family meeting with multiple generations to review your estate and wealth-transfer plans. Please note that we can go over the structure of your planning without disclosing amounts or other information you wish to keep private. At the very least, this type of family meeting allows your heirs a chance to *"put a face with a name."*

A LOOK BACK AT 2017

IT IS IMPORTANT TO THE TEAM AT CARVER FINANCIAL SERVICES, INC. TO PRESENT SPEAKERS AND SEMINARS THAT WILL CONTINUE TO ENRICH OUR CLIENT'S KNOWLEDGE. EACH YEAR A LOT OF THOUGHT IS PUT INTO DETERMINING WHAT EVENTS WE WILL BE PRESENTING.

2017 WAS A GREAT YEAR AND WE HAVE SOME EXTRAORDINARY EVENTS PLANNED FOR 2018.

1ST QUARTER

The **Resources Breakfast** was held on January 14th with almost 400 clients, family and friends in attendance. Randy Carver, David Lillis from Raymond James Technology and David Sisemore, Raymond James Regional Director for the Midwest presented Investment philosophy, strategy and outlooks for the year and we learned about the new mobile and online technology that was available for 2017. Lake/Geauga Educational Assistance Foundation (LEAF) was our Carver Cares partner. **2018's Resources Breakfast will be held on Saturday, January 13, 2018 at LaMalfa.**

- On January 18th, we hosted the Eaton group at Mentor Harbor Yachting Club.
- On February 1st, we hosted the Avery group at Red, Wine & Brew Loft.
- On February 22nd we hosted 7 companies – Cleveland Clinic, First Energy, Lincoln Electric, Parker Hannifin, Progressive, Steris and Swagelok at Mentor Harbor Yachting Club.
- On March 15th, we hosted the Lubrizol group at Red, Wine & Brew Loft. **In 2018, the company parties will include Eaton (1.10.18), Avery (2.8.18) and Lubrizol (3.8.18).**

On March 29th, we enjoyed the charisma and energy of **David Rutherford and his Froglogic Concepts**. David showed us how to gain the competitive edge to deal with stress, elevate performance, and strengthen teamwork to develop a strong team culture. Our Carver Cares partner was Big Creek Search Dog Team.

2ND QUARTER

On May 17th, the Carver team of Randy Carver, Nik Wearsch and Kale Schulz presented **Transition to Retirement; a town hall meeting**. Over 350 clients listened to a variety of topics including health care costs & consideration in retirement. After the presentation was over, members of the audience were able to ask questions which were answered by the team. Carver Cares partner was The Hope Chest. **We have scheduled May 15, 2018 for Transition to Retirement seminar.**

In June we celebrated 20 years of our annual golf outing, **Tim Groves Memorial Golf Outing**. Held for a second year at Fowlers Mill Golf Course, we had a full flight of 120 golfers and got through the outing without any rain. We raised almost \$10,000 for our six charities; Mentor Rotary, Magnolia Clubhouse, the Cleveland Ronald McDonald House, Crossroads, Hospice of the Western Reserve and Big Brothers Big Sisters. **Mark your calendars now for the 21st annual golf outing to be held at Fowler's Mill Golf Course on Monday, June 18th, 2018. We have scheduled August 22, 2018 for Transition to Retirement seminar.**

3RD QUARTER

Over 130 car entries and airplane entries rumbled and descended into Lost Nation Airport for the **6th Annual Classic Jet Center/Carver Financial Services Wings and Wheels** event. The hundreds of spectators, including families and children of all ages, enjoyed the great weather, food trucks and DJ Ryno, but most of all they enjoyed the variety of historic vehicles, hot rods and classics that were proudly displayed by their owners. Nine different auto and airplane classes were awarded trophies including Best of Show and People's Choice Award. **Join us for our 7th Annual Wings & Wheel event on August 5, 2018.**

On August 18th we held our **29th Annual Client Appreciation Event** at Classic Park home of the Lake County Captains. About 1,600 clients were in attendance for a Captain's win and even though it was a windy evening an abbreviated fireworks show was presented. This year's food drive benefactor was End 68 Hours of Hunger-Lake County. **Make sure to mark your calendars for July 20, 2018 for our 30th Annual Client Appreciation Event.**

4TH QUARTER

On October 18th the Mentor Fine Arts Building was packed with clients and friends to enjoy the **Songwriter Experience**. Wynn Varble & Jon Randall from Songwriter City rocked the house with their songs, stories, and guitar playing. With over 500 people in attendance the auditorium was filled with music and applause and a great time was had by all. Our Carver Care partner was Fine Arts Association of Willoughby.

Travel Buddies II back by popular request was held at Fourk in early November. One of Carver's own, Polly Small; Registered Associate, presented travel trips and encouraged the attendees to network amongst each other. The ultimate goal was to learn about traveling successfully and to meet other travel lovers to gain a potential 'Travel Buddy'.

On December 15th, Carver Financial and Dicello Levitt & Casey Law Office presented the **30th Annual Accredited CLE Update**. This event allows attorneys to earn Continued Learning Credits as required by the Supreme Court of Ohio Commission on Continuing Legal Education. Over 120 attorneys were in attendance at LaMalfa.

CLIENT TRIP EXPERIENCE



2017

In February of 2017 we traveled to Cuba, for a fun and educational experience. The group of 58 enjoyed the culture, food and interaction with the Cuban people on this eight day trip. We wanted to experience the country as it continues to transition from a communist political and economic structure or more of a capitalist and open society. As with all of our trips the group once-in-a-lifetime experiences that one could not do on their own. Several of the group have already returned for trips to Cuba.

2018

In February 2018 we will be doing a small ship yachting experience aboard the Royal Clipper – the largest masted sailing vessel in the world. This year's trip will be traveling from Barbados to Grenada, Tobago, St. Vincent, St. Lucia and Martinique. We believe that the smaller ships tend to be more stable than the large boat (which is great for people who are concerned about seasickness) and can travel to destinations larger ships cannot access.

2019

South Africa Safari - We are in the initial stages of planning a once-in-a-lifetime South Africa Safari to Kruger National Park with time at Victoria Falls and Johannesburg. All accommodations are deluxe 5 star. We should have final details by late January 2018. Space will be on a first come first served basis.

MORE THAN 20 YEARS AGO WE BEGAN OFFERING TRIPS TO CLIENTS WITH

3 OBJECTIVES :

- 1 | Provide Opportunities for unique travel experiences that you might not otherwise be able to do on your own
- 2 | To spend time with you, and your guests getting to know you on a personal level and to share these great experiences
- 3 | To help clients enjoy some of the hard earned wealth they have accumulated

All trips are open to any clients and their friends and family; whether they are clients or not. Space is allotted on a first come, first reserved basis. If you see a trip you are interested in we always encourage you to contact our travel coordinator or Randy Carver ASAP to reserve space. Hundreds of clients have joined us over the years for experiences ranging from an Amazon River Cruise to a trip to Israel and Jordan. Our upcoming trips promise to be fun, educational and unique with all of the important details handled for you

If you have questions on any of the trips, would like to be put in a list for early notice about 2019 or have ideas for future trips - **please let Randy know!**

"The use of traveling is to regulate imagination with reality, and instead of thinking of how things may be, see them as they are."
– Samuel Johnson

BUSINESS CONTINUITY

In 2017, we saw several major natural disasters and a huge data breach at Equifax, and Randy experienced an accident. The vision of Carver Financial Services Inc. has always been making people's lives better. To do that, we must have definitive business continuity plans in place so that we are here for you, regardless of what may happen. Carver Financial Services Inc. and Raymond James are committed to providing continuous service to you and your family for generations to come. We have taken steps to be able to operate in the event of a natural or man-made disaster or with any changes to personnel. While we always want to hope for the best, it is important to plan for the worst.

RAYMOND JAMES

Raymond James has established the Business Continuity Planning (BCP) department, a dedicated team of professionals who oversee the Firm's business continuity management strategy. The BCP Department works closely with business units and the Information Technology Department to employ a standardized framework for building, maintaining and testing business continuity plans.

Plans are designed to allow for continued operations of critical business functions in the event of a disaster so that we can provide clients with prompt access to their funds and securities. The plans were successfully implemented during Hurricane Irma and Rita in 2017. Although the Tampa office was closed, there was no interruption to client services.

As part of the overall BCP strategy, Raymond James maintains geographically dispersed operational locations (for example, in Tampa, Florida, and Southfield, Michigan) to diminish risks posed by local and regional disruptions. Raymond James employs a dual data center strategy in which critical client data and systems are replicated to an alternate location to ensure accessibility. In addition, data retention and backup procedures are in place, including tape backup and off-site storage, offering a tertiary layer of data accessibility, should the need arise.

CARVER FINANCIAL SERVICES

Our Business Continuity planning ensures business continuity with regard to the death, disability or termination of any personnel (including Randy) or a problem affecting the physical office. Every one of our staff members has a backup person trained in his or her job. All clients are working with a team of financial advisors so that the death, disability or termination of employment of an advisor with Carver Financial would not affect them or the service they receive.

Finally, we have a written succession plan in place would something happen to our senior advisors including; Randy, Mark, Kale and Nik.

Also, Carver Financial Services has made provisions for an alternative location in the event that our physical office is impacted by a natural or man-made disaster. We employ multiple off-site data backup procedures to offer data accessibility, should the need arise.

We continue to expand our team of professionals, adding younger advisors who will be here for the next generations. This multi-generational initiative is key to providing continuous service to your family.

The business continuity plans we have implemented in the past have worked flawlessly. We continue to update and enhance them so there will never be an interruption of service to you.



ALLOCATION & OUTLOOK

People often think that once retired they need to be more conservatively allocated with their investments. Is that the case? Is there a magic formula for how a 66-year individual should invest their monies? What does conservative even mean? In many cases the answers are counterintuitive and the wrong decisions can lead to more risk not less.

Investing has many nuances and identifying what is important to the individual is most important. When looking at any given allocation it is important to consider the underlying assets as opposed to the broader view. When crafting an investment allocation, there is no one answer. Additionally, an 80% equity and 20% fixed income portfolio may be more conservative than a 70% equity portfolio and 30% fixed income portfolio depending on what is in the portfolio. Determining the correct allocation for you depends on what your needs are and then looking at what the underlying investments are.

Determining the underlying investments is what makes or breaks a portfolio's return. We mentioned above that an 80/20 portfolio could be more conservative than a 70/30 portfolio. How is that possible if conventional wisdom says bonds are typically more conservative or less volatile than stock? Today, we are at historically low interest rates. We

believe that in 2018 and beyond rates may increase and investors will see downward pressure on the price of bonds. One of the mistakes investors make is looking at the past rather to the future. While we do not have a crystal ball we know that the last two decades have been very favorable for bonds as interest rates have dropped. With the prospect of higher rates in the coming years we do not believe bonds will do as well.

So how does a retiree that has to have investments in fixed income work through this? The first is to determine what types of fixed income you should hold in a rising interest rate environment. What has historically done well? In a rising interest rate environment, "duration" is a major aspect to consider. Duration is a way of measuring how much bond prices are likely to change if and when interest rates move. It is essentially a measure of interest rate risk. Duration is measured in years and as a general rule, for every 1% increase or decrease in interest rates, the bonds price will change by approximately 1% in the opposite direction. Many diversified portfolios have fixed income that consists of short-term, intermediate, term and long-term bonds. The risk in a portfolio is reaching for yield investing in longer-term fixed income during a rising interest rate period. The mistake many investors make is chasing a higher interest rate without the thought of risk. A short-term bond with a yield of 2.5% versus a long-term bond with a yield of 5% is a perfect example. Many investors will seek the higher yielding security but do not see the inherent risk. Using this example, say the short-term bond has a duration of 2 years and the long-term bond has a duration of 8 years. If rates rose by 1%, the short-term bond price of the bond fall by roughly 2% and the and the longer term bond would fall by roughly 8%. The total return of the short term bond would be .50% (2.5% yield minus 2% decline). The longer-term bond fund would have a total return of -3%, (5% yield minus 8% decline). While people think they are getting better yield, the total return is what the investor see's in their pocket and the longer term bond has more risk to the total return.

As rates rise, having shorter term and shorter duration fixed income is key to navigating a rising interest rate environment. A portfolio of 80/20 with all short-term fixed income can be less risky than a 70/30 portfolio that has longer-term fixed income trying to enhance yield. We believe that investing is shorter duration fixed income, senior bank loans, and convertibles can be an effective way to navigate the current fixed income environment.

The same consideration applies to the equity side. An 80% equity portfolio made up of diversified companies may be more conservative than a 50% equity allocation made up of just emerging market securities.

We develop customized asset allocations based on your personal needs, objectives and risk tolerance and with a view of the broader markets. We work to re-allocate on a proactive basis based on change to your situation. While we do not believe that markets can or should be timed, we do feel that some trends can be foreseen. Over the next few years we envision rising interest rates and higher inflation and believe that portfolios should be maintained with this in mind.

Our team monitors your portfolio and will reach out between regular reviews with any recommendations. It is important that you let us know of any changes to your situation that may dictate a change in how you are allocated. We do expect additional volatility in both the equity and fixed income markets and are here for you. As always please contact your advisor with questions or whenever we can otherwise be of service.



THE WILD CARD- TECHNOLOGY

Elections come and go, pundits discuss markets and the media often shout about how bad the world and our country are. The three main things that the media say are threatening us (a global epidemic, terrorism and approaching problems with our economy) have not changed for 100 years.

Over the past century, there have been global pandemics (tuberculosis, polio, AIDs, Ebola, bird flu, etc.), terrorist events (Pearl Harbor, the attacks on the USS Cole and the World Trade Center, the Vegas shooting etc.) and natural disasters. What we don't hear about, though, is how much technology impacts us positively.

TECHNOLOGY ENHANCES OUR LIVES

Regardless of the political climate or how the economy is doing, one wild card has always been technology. Technology can increase efficiencies, create new markets and create new demand for goods and services while shaping entirely new industries. The cool thing is that the pace of development and invention continues to grow exponentially. Focusing on politics, economics or social issues can lead you to miss some of the most important developments for each of us - personally and for our country generally. New technologies continue to change the way we live, work and play, and in so doing, generate new jobs and opportunities.

Think about the past 14 years. Camera phones were introduced to the North American marketplace in 2002, and an estimated 80 million camera phones were sold in 2003. Also in 2003, the iPod was introduced, and in 2004 DVRs and Facebook went live for the first time. In 2005, YouTube was created and opened to the public. The original smartphone was first sold in stores on June 29, 2007, just nine years ago. On a snowy Paris evening in 2008, Travis Kalanick and Garrett Camp had trouble hailing a cab. So they came up with a simple idea: tap a button, get a ride. Uber was born. The iPad was introduced in 2010 and Siri in 2011. These are just a few of many technological innovations that now enhance our lives. Do you use any of these technologies? Have they positively impacted your life?

New technology creates new paradigms for everything from shopping to travel. Consider all the businesses that have been built around eBay and now Uber. Think about how Airbnb has grown the lodging and travel market and how ubiquitous smartphones are. As more innovation and new ways of doing things emerge, new jobs are created.

TECHNOLOGY GENERATES NEW TECHNOLOGY

We believe the pace of this innovation will continue. Moore's law refers to an observation made by Intel cofounder Gordon Moore in 1965. He noticed that the number of transistors per square inch on integrated circuits had doubled every year since their invention. Moore's law predicts that this trend will continue into the foreseeable future. Applying this concept on a broader scale, technology generates new technology. For example, Uber would not exist if we did not have smartphones.

We cannot predict exactly what new technologies will be developed or how they will impact our society in the future. We do know that new technologies will change (for the better) how we live and continue to generate opportunities for those who take advantage of them. The future is incredibly bright in this regard. This is a key wild card for the future of our economy and country.

At Carver Financial Services Inc., we believe using cutting-edge technology to help manage your wealth and vision planning and to communicate with you. Each year, we hold a Resource Breakfast to discuss the resources available to you. You are invited to join us on January 13th, 2018, for this event.

PEOPLE STILL COME FIRST

There is a place for high tech and a place where people make a difference. While many organizations are moving to more automation for everything from phone calls to portfolios, we continue to expand our team of people. We do not believe that technology can replace the care and understanding that a person can provide. We have continued to expand our service team to better serve our clients and do not use things like robo-advising, model portfolios or limited investments. The synergy between our team and the utilization of technology where it is best deployed creates a personalized and efficient experience to best serve you. We have developed and refined a process for helping you that takes advantage of high tech while providing a personalized high-touch experience.

The media often focuses on the negative in most areas, including technology. No doubt the headline when the first lightbulb came out was "Death of the Candle Industry." We believe technology will continue to improve our lives, our economy and our country. Three areas in particular that we continue to follow are artificial intelligence, robotics and block chain technology. We believe that those who take advantage of new technologies will benefit, while those who do not will be left behind.

WE LOOK FORWARD TO HAVING YOU TAKE ADVANTAGE OF
THE NEW RESOURCES COMING IN 2018 AND BEYOND.



PHILANTHROPY IN 2017:

FOOD, CLOTHING, K9 UNITS AND MORE

We have made it our mission to help our clients, our community and our team members live better lives. We appreciate your support of all our efforts. In 2013, we launched a new initiative called “Carver Cares” with the goal of raising awareness about local nonprofit organizations and helping support them monetarily. In 2017, we hosted a number of successful events, and we look forward to a full schedule in 2018.

At events throughout the year, a Carver Cares partner is invited to provide an overview of his or her organization’s mission, needs and services. Carver Financial matches all donations (up to \$4,000) made to that particular charity, within four weeks of the event. In 2017, we invited four great organizations to introduce themselves at our events.

Thanks to the generosity of our clients, friends and families, we have been able to donate more than \$80,000 in total cash donations and serve more than 40,000 meals, just since 2013.

Here are highlights from some of our 2017 philanthropic efforts.

JANUARY 2017: RESOURCES BREAKFAST

The Carver Cares partner was the L.E.A.F. Lake/Geauga Education Assistance Foundation. Although the cash donations were small, the work this organization does to assist parents and students in preparing for college is invaluable. L.E.A.F. advisors help students file free applications for federal student aid, understand student loans, apply for college admissions and obtain scholarships for Lake and Geauga County public high schools.

MARCH 2017: FROGLOGIC WITH NAVY SEAL DAVID RUTHERFORD

For this event, we partnered with Big Creek Search Dogs. This K9 Search and Rescue team responds to calls from fire departments and law-enforcement units with Certified Ground Searchers who deploy with dogs that are certified in Tracking, Wilderness Area Search, Cadaver and Water Cadaver. Because of our client support, we donated \$3,000, which Carver Financial matched, for a total of \$6,000. Big Creek was able to purchase important equipment for its handlers.

MAY 2017: TRANSITION TO RETIREMENT

For this town-hall meeting, our Carver Cares partner was Hope Chest, an organization that is dedicated to serving Lake County families in need. Their mission is to provide clean clothing and new shoes, socks and underwear to school children in Lake County so that they may attend school with dignity and pride. With our client donations and Carver’s match, Hope Chest was able to purchase almost 350 pairs of shoes for kids!

JUNE 2017: ANNUAL TIM GROVES MEMORIAL CHARITY GOLF OUTING

We raised and distributed almost \$10,000 to Mentor Rotary, Magnolia Clubhouse, Hospice of the Western Reserve, Crossroads/New Directions, Big Brothers Big Sisters and Ronald McDonald House. All these charities continue to provide important services for our local area.

OCTOBER 2017: SONGWRITER EXPERIENCE

Our Carver Cares partner for this event was the Fine Arts Association. For more than 50 years, the mission of this organization has been to serve the community by enhancing lives through arts education, therapy, performance, community partnerships and advocacy. With our clients donations and Carver’s match, the Fine Arts Association received \$3,440 in donated funds.

Also in 2017, Carver Cares held our annual Client Appreciation Event to say “Thank you” to our clients, and it has been a wonderful way for our clients to help others throughout the community.

This year’s event was held on August 18th at Classic Park, home of the Lake County Captains. More than 1,600 clients, family and friends attended the event and donated more than 2,500 pounds of food that will feed school-aged children from Friday afternoon until Monday morning. The food collection was handled by End 68 Hours of Hunger.

THE FOLLOWING ARE OTHER ORGANIZATIONS THAT CARVER FINANCIAL HAS SUPPORTED IN 2017:

Big Brothers Big Sisters
Captains Charities
Cardinal Parents Club
Citizens for Lake Metroparks Golf Classic
Crossroads
Hospice of the Western Reserve
Johnnycake Ridge Singers
Lake County Council on Aging Foundation
Lakeland Foundation
MACC
Magnolia Club House
Marine Toys for Tots Foundation
Mentor Rotary
Mentor Rotary Foundation
Montessori Development Partnerships

New Directions
PAWS Ohio
Perry Pirate Booster Club
Puppy Raisers for the Blind, Inc.
Rescue 911/Amy’s Adoptables
Ridge Middle School
Riverside Swimming
Ronald McDonald House
Rotary Club of Mentor
Shore PTSA
St. Basil the Great Golf Outing
The Salvation Army
US Coast Guard Foundation
Wounded Warrior Project

*Do you have an organization in mind that needs help? Please contact us and tell us about it. **We appreciate your continued support!***

Unless noted otherwise, Raymond James is not affiliated with any of the above mentioned individuals or organizations.

CARVER FINANCIAL SERVICES INC.

7473 Center Street Mentor OH 44060
www.carverfinancialservices.com

Securities through Raymond James
Financial Services Inc. Member (SIPC/FINRA)



2017-2018 | ANNUAL REPORT