



Q & A

Q: What is Max?

Max is an intelligent cash management solution that helps individual investors and their financial advisors keep cash safe while earning dramatically more than they would in traditional bank or brokerage accounts. Max helps depositors earn more by taking advantage of the higher rates offered by leading FDIC-insured online banks, which don't have the same overhead costs as "brick-and-mortar" banks. The top online banks currently offer interest rates of more than 1.00% (100 basis points) while the traditional banks typically earn between zero and 15 basis points (a basis point is 1/100th of one percent).

Q: Who runs Max?

Gary E. Zimmerman is the chief executive of Six Trees Capital LLC, the New York City-based company that developed Max. Prior to founding Max, he was a Managing Director at Citigroup, where he advised on mergers and acquisitions and served as an advisor to sovereign wealth funds that managed more than \$5 trillion of capital. He graduated *magna cum laude* from Harvard with a degree in Economics and subsequently completed an executive education program at Wharton.

Gary's inspiration for founding Max came from his personal experiences managing his own cash during the financial crisis, trying to keep it safe. In doing so, he discovered that he could simultaneously earn higher returns on cash, and developed Max to help other investors benefit from his approach.

Q: Why Max?

Depositors have put up with low interest rates for too long, mostly because they assume there aren't any better options available. Many investors who are sitting on a lot of cash would prefer to earn more in interest, but don't want to give up the protection of FDIC insurance and don't have the time to research alternatives.

Max believes investors ought to be able to deposit their cash at whichever bank pays the highest rate and it should be an easy process. Max gives investors maximum control over their assets while optimizing the returns they receive.

Q: For whom is Max designed?

Anyone can benefit from Max, but it is most useful for investors who have significant amounts cash in the bank - from a few hundred thousand dollars to several million dollars. High net worth households in the U.S. are holding \$3.5 trillion in cash and cash equivalents. These households include bankers, traders, investors, business owners, real estate investors, company executives, lawyers and doctors who know that it's important to pay attention to investment performance and that returns compound over time.

Cash, as an asset class, has often been ignored, but now with Max there is a better way to manage cash. All Americans could stand to benefit from the opportunity to earn more on their cash held at leading FDIC-insured banks.

Q: How does Max work?

Max members link their existing checking accounts to Max. Direct deposit, bill pay, and access to tellers and notaries at their brick-and-mortar banks remain unchanged.

Members then link accounts at some of the nation's leading FDIC-insured online banks to Max as well. Members can link as many or as few accounts as they like, from a curated list of online banks including UFB Direct, GS Bank, American Express Personal Savings, Barclays, and Ally Bank. For depositors who don't already have accounts at these banks, accounts can be opened online. Each online bank account takes approximately 15 minutes to set up. Some Max members designate their assistants or financial advisors to set up these accounts for them.

Max then works behind the scenes, monitoring interest rates daily. Once a month, Max tells the banks to move funds between accounts so that the investor's cash stays optimized. Max never takes custody of customer funds. Member funds remain in their own accounts, at their own banks.

Max employs a proprietary algorithm to determine an optimal allocation of cash among a depositor's accounts, based on prevailing interest rates and FDIC insurance limits. Max also periodically helps rebalance funds among a depositor's accounts to ensure that they continue to earn as much as possible on their cash, even as interest rates change.

Q: How is it possible to earn more money with Max?

Online banks have lower operating costs – no branches, tellers, or air conditioning bills. They pass on a portion of these savings to depositors.

Q: How much more can you earn with Max?

Rates are constantly changing, and the incremental earnings will vary by customer, but at current interest rates, a typical Max member can expect to earn roughly an additional 0.90% (90 basis points) on deposits over the course of a year. These benefits recur each year and compound over time.

A customer with \$1,000,000 of cash could earn approximately \$9,000 more in interest, every year. With \$100,000 of cash, a customer could earn an extra \$900 per year. Most Max members will earn tens to hundreds of thousands of dollars of incremental interest over a typical investment horizon.

Q: Are there membership fees for Max?

Max charges 2 basis points (that's 0.02 percent) every quarter, or 8 basis points annually on the cash that's being optimized. That works out to about 10% of the incremental earnings available via Max, with our members keeping the remainder.

We charge a fee because we do not have any advertising on our site, and we don't sell our members' personal information to third parties. We're big believers in privacy.

There are no other fees with Max. The online savings banks in the Max system pay for the funds transfers and these accounts bear no monthly fees.

Q: Speaking of privacy, how safe and secure is Max?

We have taken extensive measures to protect the security of our members' data and accounts. Max was designed from the ground up with security in mind, and it has been analyzed and tested by Cigital, the world's largest software security firm – the same firm that consults for many of the leading global banks.

All login credentials and passwords are encrypted immediately and cannot be accessed by Max personnel, and Max disassociates depositors' financial data from their identities, to preserve anonymity. The overall design of the funds transfer system embedded within Max also provides additional safeguards to help ensure that funds only move between a member's own accounts, via funds transfers managed by the banks themselves along channels that each member has personally verified. Max uses banking-industry-standard 256 bit EV SSL encryption, custom database architecture and other security techniques to safeguard members' information.

Q: Is Max a bank?

No, Max is a technology overlay atop your own bank accounts. Max never takes custody of your money – our computers simply tell your banks to transfer your cash between one account and another to help you earn as much as possible while keeping within the FDIC insurance limits. With Max, nothing changes about your relationship with your existing bank. You still have full use of direct deposit and bill pay, as well as access to tellers and notaries.

Q: Why does Max focus on FDIC-insured banks?

Max operates in an FDIC-insured environment to be sure that your cash can remain fully insured at each bank. All the banks with which Max connects offer FDIC insurance on customer deposits. The FDIC insurance is provided by the applicable bank to the extent provided by law, and accordingly may not cover all customer deposits if they exceed the statutory deposit insurance limits, which currently stand at \$250,000, per depositor, per account type. Max members do have the option of overriding the defaults, setting per-account limits to be lower or higher than the FDIC limits. Max does not insure or guarantee any customer funds.

Q: What features does Max offer?

Max offers streamlined account opening, account aggregation, yield maximization, automated FDIC insurance monitoring, one-click funds transfers, performance reporting, and tax reporting. With the Intelligent Funds TransferSM feature, you can tell Max to send money from savings to checking, or from savings to checking, at any time directly from your smartphone or computer. These transfers, which are at no extra cost to members, request that funds moving from savings to checking be pulled from your lowest-yielding accounts, and funds moving from checking to savings be deposited into your highest-yielding accounts. In addition, Max also offers Consolidated Tax ReportingSM. At tax time, you can request that your 1099-INT tax forms from each online bank you've linked to Max be sent directly to you in one PDF file, so you can easily forward it to your accountant. This feature is also included with your membership fee.

Q. Can Max help financial advisory clients earn more on cash?

Yes, financial advisors can take advantage of Max's services to help their clients earn higher yields, FDIC-insured. Many leading wealth managers, financial advisors, and registered investment advisors use the proprietary Max Advisor Dashboard to gain a holistic view of their clients' cash holdings. Max also offers custom enterprise solutions for large wealth management firms. Learn more about Max's offerings for financial advisors at **MaxForAdvisors.com** or contact advisors@maxmyinterest.com.

Q. Can Max help businesses, institutions, or nonprofits earn more on their cash?

Most companies are earning next to nothing on their cash. Often this cash is not fully insured, leaving companies exposed in the event of bank failure. Just as Max works for individuals, we have a partnership with The American Deposit Management Co. (ADM) to serve businesses, institutions, and nonprofits, as well as complex trusts. ADM is a leading provider of proprietary cash management solutions for treasury professionals in both the public and private sectors. Through this partnership, ADM is offering Max customers a preferred yield of 0.75% APY* on balances up to \$5 million, and a competitive yield on balances up to \$50 million, FDIC-insured. Learn more about this partnership at **MaxForBusiness.com** or reach out to us with questions at business@maxmyinterest.com for additional information.

Q. Is Max an app?

No, Max is not an app. You don't need to download or update anything. The full Max functionality is available on any browser, via desktop, mobile, or tablet, at **MaxMyInterest.com**.

Q: How can I join Max?

We welcome anyone over age 18 with a U.S. mailing address and tax ID to join Max. Visit **MaxMyInterest.com** to sign up.

Q: Where can I find more information on Max?

Please visit **MaxMyInterest.com** or view our brief explanatory video at vimeo.com/89185505.

Email press@maxmyinterest.com for more details or for media interview requests.

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