



# Financial Planning

## What should you gain from financial planning?

### CLARITY

of your financial circumstance, objectives and strategy.

### FOCUS

to accomplish your objectives.

### EMPOWERMENT

to make more informed decisions for yourself and your family.

### TIME

to devote to other aspects of your life.

## The Key Areas of Your Financial Life

The development of your financial plan will help you define your objectives and goals and will provide you with structure, direction and focus across the key areas of your financial life. These are common planning questions to think about when looking at important aspects of your financial life.

LIFESTYLE	LONGEVITY	LEGACY
<p><b>Goal Planning</b></p> <ul style="list-style-type: none"> <li>• What are your 12 month, 5, 10+ year goals?</li> <li>• Are you on track to achieve them?</li> <li>• Who holds you accountable for these goals?</li> </ul>	<p><b>Retirement Planning</b></p> <ul style="list-style-type: none"> <li>• What does retirement mean to you?</li> <li>• How much money do you need to retire?</li> <li>• When can you comfortably retire?</li> </ul>	<p><b>Execute Intentions</b></p> <ul style="list-style-type: none"> <li>• Are you protected should something happen?</li> <li>• What documents do you need in place now?</li> <li>• What do you want your legacy to look like?</li> </ul>
<p><b>Financial Fitness</b></p> <ul style="list-style-type: none"> <li>• Does your income support your lifestyle?</li> <li>• Are you optimizing your benefits at work?</li> <li>• What is your net worth?</li> </ul>	<p><b>Investment Strategy</b></p> <ul style="list-style-type: none"> <li>• Is your strategy aligned with your goals?</li> <li>• Are you taking too much risk? Not enough?</li> <li>• Are your investments performing efficiently?</li> </ul>	<p><b>Protect Wealth</b></p> <ul style="list-style-type: none"> <li>• How much do you need for emergencies?</li> <li>• What is an adequate amount of insurance?</li> <li>• Is there a business succession plan?</li> </ul>
<p><b>Family</b></p> <ul style="list-style-type: none"> <li>• How much should I be saving for college?</li> <li>• How do you teach the value of money?</li> <li>• Will your family be taken care of?</li> </ul>	<p><b>Tax Planning</b></p> <ul style="list-style-type: none"> <li>• What are my tax savings opportunities?</li> <li>• Does a tax deferral make sense?</li> <li>• Should you use a health savings account?</li> </ul>	<p><b>Charitable Giving</b></p> <ul style="list-style-type: none"> <li>• How can you give efficiently?</li> <li>• How do you support your community?</li> <li>• What organizations does your family value?</li> </ul>

## The Financial Planning Process



### 01 | ESTABLISH THE RELATIONSHIP

Determine how you will work with your advisor and discuss expectations for the process.



### 02 | GATHER DATA

Clarify goals and provide statements, policies and other financial information to help your advisor understand your finances.



### 03 | ANALYZE YOUR SITUATION

Combine your advisor's understanding and insight with advanced financial planning software to determine suitable and practical options for your personal circumstances.



### 04 | DEVELOP AND REVIEW RECOMMENDATIONS

Understand the probability of success and potential challenges of your current path, as well as the changes that can be made to better position you attain your goals.



### 05 | IMPLEMENT SOLUTIONS

Work with your advisor to apply recommendations, which may include adjustments to your asset allocation, savings, strategy, tax planning, insurance structure, philanthropic vehicles and the anticipated timeline of life events



### 06 | MONITOR AND UPDATE PROGRESS

Monitor your progress and incrementally update aspects of your personal financial plan to reflect more recent data, including (but not limited to): investment returns, life events and amendments to previous goals

## What do you think about when you contemplate your future?

We encourage our clients to articulate their ideal futures in terms of their individual near- and long-term goals, their family's goals and the legacies they want to leave. What we've found is that whatever their goals, their finances are an essential component of their larger picture.

What we at Natoma Wealth do for you as an advisor, is develop personalized, thoughtful and comprehensive financial plans that clarify your present finances and future objectives to provide actionable strategies to achieve your vision. Our collaborative process enables you to define your financial objectives while we integrate cash flow and tax considerations, savings needs, insurance protection estate, legacy and philanthropic objectives into your customized blueprint for action.

We cherish the conversations to get to know you and your vision as if it were our own, and take pride in our fiduciary duty to provide solutions aimed at achieving the future you dream of.

## Financial Advisor Compensation

While there are typically costs associated with financial planning, the plan's sustainability and long-term benefits should outweigh the expense. When choosing a financial advisor, qualification and experience are important considerations, but with potential conflicts of interests in all compensation models, trust and integrity are paramount. There are three common compensations structures for financial advisors. At Natoma Wealth, our services are exclusively fee-only or fee-based.

TYPE OF ADVISOR	DESCRIPTION	KEY CONSIDERATIONS
<b>Fee-Only (one time)</b>	Compensated for financial plan preparation only; fee will likely be high enough to support a viable business.	<ul style="list-style-type: none"> <li>• No incentive to sell products.</li> <li>• No assistance with plan implementation.</li> <li>• Potentially the most expensive option.</li> </ul>
<b>Fee-Based (Continued advisory relationship)</b>	Partially compensated for financial plan preparation, but provides other advisory and investment management services.	<ul style="list-style-type: none"> <li>• Planning fee is part of the asset management relationship.</li> <li>• Assistance with implementations.</li> <li>• Legal obligation to disclose potential conflicts of interest</li> </ul>
<b>Commission-Based</b>	Compensated based on commissions generated by transactions.	<ul style="list-style-type: none"> <li>• Incentivized to sell products and/or open accounts.</li> </ul>