



Initial Client Packet

Thank you for thinking of Prentice Financial Planning for your needs. We hope we can make your due diligence process in picking a financial planner as easy as possible. We have assembled this initial packet to be upfront and transparent to help you make an informed decision. If you have any questions prior to your initial meeting please don't hesitate to give us a call or email.



Company Info

Prentice Financial Planning is an independent fiduciary offering advanced financial planning to a select group of individuals and families in the greater Olympia area. We are dedicated servant leaders to our clients as they delegate the financial planning process to us so they can focus on their own passions.



We started Prentice Financial Planning to set the bar for financial planning services in Olympia. We combine expert financial advice with a process-driven approach to managing wealth. We enjoy delivering on our servant leadership model by keeping our business client-focused. We are obsessed with every detail of your financial life so you don't have to be. We know the value of enjoying time with your loved ones.

Services

We offer an Advanced Financial Planning process through our Prentice Playbook

The Prentice Playbook is both a verb and a noun. It is the fifty step process-driven approach that we walk our clients through in order to make sure we give appropriate recommendations in investment management, tax, retirement planning, financial planning, social security planning, estate planning and risk mitigation. Too often we see good recommendations go unimplemented. Our value doesn't end at recommendations. We also implement the plan for our clients where appropriate, or help our clients implement the plan by holding their hand through the process. The Prentice Playbook then becomes a noun when we organize this plan into an easily understood document in order to effectively communicate the customized strategies to the client. The Prentice Playbook will then be monitored, reviewed and updated in order to be an active living document that changes with the client's evolving life.



Who

This is for the client that wants their entire financial picture working in unison in order to keep costs down, pay less in tax, maximize income and protect their plan against negative events. They want someone to help implement these strategies for them and stay by their side through out the process.

Long-term investors who have \$1,000,000 or more saved in their retirement and investment accounts (excluding real estate).

Wants to delegate the investment decisions and financial planning to an expert.

Service Details










Here is a diagram of our Prentice Playbook service so you may see the scope of what Advanced Financial Planning covers. It also includes corresponding research, if available, on the additional value that each can add to your plan. While all of our services bring value, security and simplicity to your financial life, some can also show a direct return on investment. A comprehensive financial planner can add about 3%¹ annual value over time, but like any approximation the value will vary per client. This is how we continually earn our fee and help you achieve your financial plan.

INVESTMENT MANAGEMENT








	Advanced Financial Planning	Potential Added Value
Calculated personal risk incorporating your risk tolerance		.45% ²
Investments aligned with your personal beliefs		
Cost effective implementation		.45% ¹
Behavioral coaching		1.50% ¹
Efficiently rebalanced portfolio within your specified risk tolerance		.35% ¹
Minimized trade costs		
Management fee payment efficiencies		
Required Minimum Distribution tracking		
Client Portal including document storage		

 Offered within that service structure






TAX PLANNING

	Advanced Financial Planning	Potential Added Value
Taxable vs. tax-free bonds		
Asset location		up to .75% ¹
Tax-loss harvesting		up to .30% ³
Tax efficient trading		
Appropriate contribution placement		
Roth conversion strategy		
Spending strategy (withdrawal order)		up to .70% ¹
Tax efficient charitable giving		
Estate Tax planning		

RETIREMENT PLANNING



	Advanced Financial Planning	Potential Added Value
Establish a retirement plan		
Continual monitoring and updating of retirement plan		
Savings required to meet your goals		
Dynamic withdrawal strategy		.70% ²
Analyze benefits of annuity allocation		.10% ²
Pension timing		
Pension survivor benefit selection		

FINANCIAL PLANNING








	Advanced Financial Planning	Potential Added Value
Debt payoff vs. savings vs. investing		
Debt analysis (consolidate/refinance)		
Property tax exemptions		
Continual search for unclaimed assets		
Collaborate with other advisors (Accountant, Attorney, Insurance agent)		

SOCIAL SECURITY PLANNING









up to 7.5 years of portfolio longevity⁴

	Advanced Financial Planning	Potential Added Value
Social Security benefits timing		
Coordinate with other assets in order to maximize payouts		




ESTATE PLANNING

	Advanced Financial Planning	Potential Added Value
Will reviewed		
Burial arrangements reviewed		
Gifting list reviewed		
Power of Attorney – Healthcare reviewed		
Power of Attorney – Financial reviewed		
Non-probate asset beneficiary reviewed		
Trust needs reviewed		








RISK MITIGATION PLANNING

	Advanced Financial Planning	Potential Added Value
Life insurance needs reviewed		
Disability insurance needs reviewed		
Medical insurance reviewed		
Long-term care insurance needs reviewed		
Property insurance reviewed		
Personal security measures		
Document shredding		
Implement fee-only insurance product (life, annuity, etc.)		

EDUCATIONAL PLANNING

	Advanced Financial Planning	Potential Added Value
How much to save		
Where to save		
Withdrawal strategy		

BUSINESS OWNER PLANNING

	Advanced Financial Planning	Potential Added Value
Review tax structure		
Key Man insurance		
Review buy-sell agreement		
Review Cross-Purchase plan		
Retirement plan		
Review errors and omissions/malpractice insurance		
Review business insurance		

PRICING

Advanced Financial Planning

Portfolio sizes of \$1,000,000 +

1.5% on the first \$850,000 and under
 0.9% on the value between \$850,001 and \$1,500,000
 0.1% on anything \$1,500,001 and over

1. Kinniry, Francis M. Jr., CFA, Colleen M. Jaconetti, CPA, CFP®, Michael A. DiJoseph, CFA, and Yan Zilbering, 2014. Putting a value on your value: Quantifying Vanguard Advisors' Alpha. Valley Forge, PA.: The Vanguard Group
 2. Blanchett, David, CFA, CFP® and Paul Kaplan, Ph.D., CFA, 2013. Alpha, Beta and Now...Gamma.
 3. Kitces, Michael E. MSFS, MTAX, CFP®, CLU, ChFC, RHU, REBC, CASL, 2014. Evaluating the Tax Deferral and Tax Bracket Arbitrage Benefits of Tax Loss Harvesting.
 4. Cook, Kirsten, Ph.D., William Meyer, and William Reichstein, Ph.D, 2015. Tax-Efficient Withdrawal Strategies. Financial Analysts Journal, Vol. 71, No. 2 (March/April 2015), pages 16-29.
- + The value add of services for actual clients may vary significantly from these projections based on several factors.

What to Expect

This workflow is an example of the onboarding experience of a typical client. Everyone's experience is slightly different depending on the complexity of their plans but typically we can complete the onboarding process within four to five meetings. Meetings generally last about an hour and a half and rarely go over two hours.

1 An initial meeting is scheduled and we collect your pertinent information. An initial client packet is e-mailed to you which includes basic information about Prentice Financial Planning, LLC, our services, and what to expect.



2 The 1st initial meeting will be a "kick our tires" complementary meeting where you learn about us and we get to learn about you. We will discuss what the Prentice Playbook is, our fee structure and strategies we employ to meet your goals.

3 After the 1st initial meeting we decide if the relationship is a proper fit and mutually beneficial to move forward.



4 At the 2nd initial meeting we answer any lingering questions and go over paperwork. This includes reviewing and signing account opening, transfer paperwork and our advisory contract. We will guide you through a risk profile questionnaire/quiz which allows us to better understand your comfort zone with regard to investing. We will also review the first section (Investment Management) of our Prentice Playbook.

5 The next step is the data gathering stage. This step involves you providing us all of the necessary information we will need in order to provide sound financial advice. We use the "fact gatherer" to help our clients organize all of their information. We ask that this information be provided to us at least two weeks before your 3rd initial meeting.



6 In the 3rd initial meeting we will discuss the results of your retirement planner to make sure that you can either retire or be financially independent at a certain age and not outlive your assets. We will also review the rest of the Retirement Plan section of the Prentice Playbook.



7 In the 4th initial meeting we will review the Estate Plan and Risk Mitigation sections of the Prentice Playbook. We will then schedule your six month follow-up appointment.

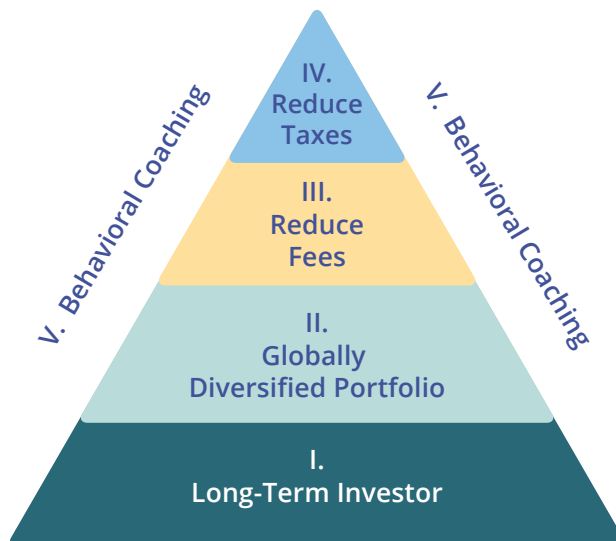


8 After the initial planning meetings we will continually implement the plan and then will want to meet at least annually to review your plan's progress and make changes as your life evolves.

Investment Philosophy

At Prentice Financial Planning we believe in utilizing five core tenets in order to achieve success in investing

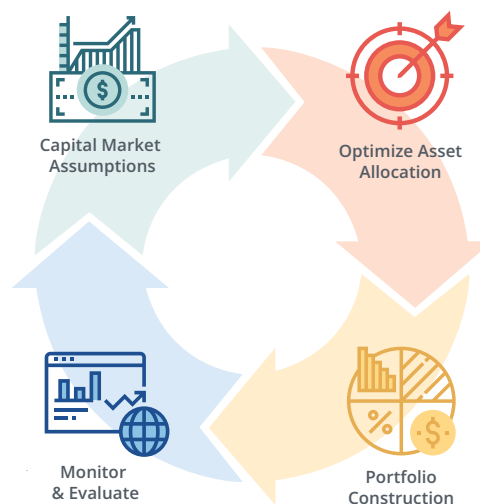
- I. The foundation of these tenets is to be a long-term investor. Year by year investment returns will hit peaks and valleys but focusing on a long term plan will result in better decision making.
- II. “Don’t put all your eggs in one basket” – it might be a cliché, but it’s true for investing. A globally diversified portfolio enhances your risk-adjusted return.
- III. With all other factors being equal, the more we can reduce the internal and trading fees of an investment, the more money you will keep in your pocket.
- IV. By using certain techniques to reduce taxes we can increase your net return.
- V. The last and usually most significant piece that we provide our clients is behavioral coaching. The natural human instinct of fight or flight does not play well with the investing world. It is our job to guide you through the roller coaster ride of the markets and to remind you to be patient, persevere and focus on your goals.



Investment Process

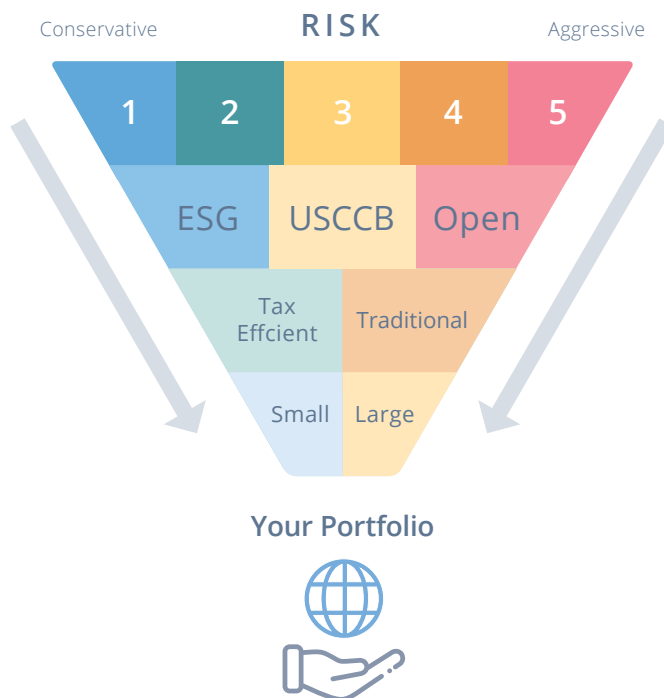
We follow a process driven approach to building portfolios in order to ensure that academic research and not emotional biases direct their construction.

1. Capital Market Assumptions – Assign all asset classes a ten year return and risk expectation.
2. Optimize Asset Allocation – Using the Capital Market Assumptions find the mix of asset classes that give you the best risk adjusted return.
3. Portfolio Construction – Find the most appropriate vehicle (mutual fund, exchange traded fund, etc.) to represent each asset class.
4. Monitor and Evaluate – Constantly monitor portfolio construction and re-evaluate the capital market assumptions and asset allocation on an annual basis.



How We Build Your Personal Portfolio

When building a portfolio we start by analyzing your comfort level with risk and return, then look at your current financial status in order to not only build a portfolio that you feel comfortable with but that also fits within the structure of your overall financial plan. After establishing the risk of your portfolio we will discuss your personal beliefs to see if you want those reflected in your investments (Environment, Social Governance (ESG) or United States Conference of Catholic Bishops (USCCB)). The next step is to evaluate your tax bracket to determine if using a more tax efficient portfolio would benefit your after tax return. The last step is to know the size of the portfolio in order to align the investments with the appropriate size trades. After all of this analysis we can then build an appropriate portfolio that fits your needs and goals.



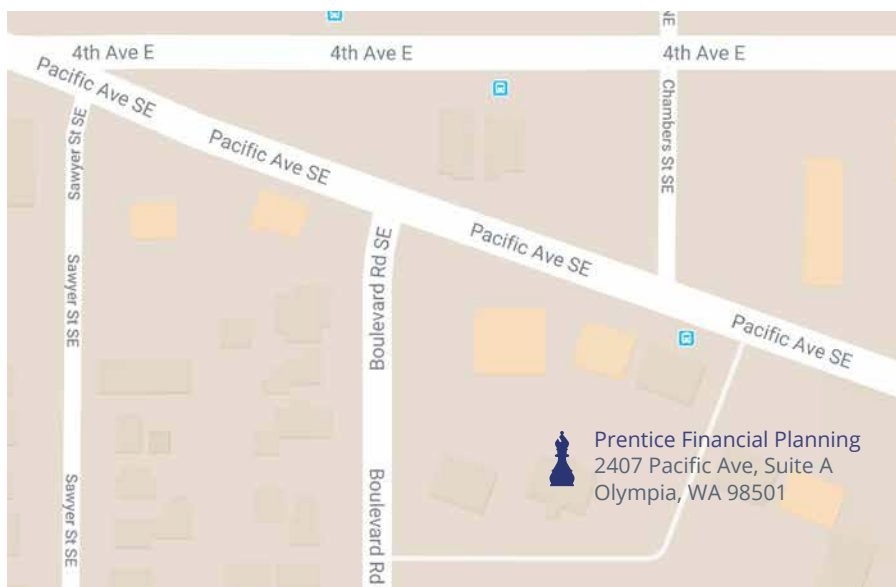
✓ What to Bring

None of these items are necessary in order to have your initial meeting. However, if you feel comfortable, bringing the following items to the initial meeting can help direct our conversation. If we plan to proceed forward we can make copies for you during the meeting.

- ☐ Income Information: Most recent pay stubs, W-2 or 1099.
- ☐ Current Investment Statements: Brokerage accounts, mutual funds, stocks, retirement plans, etc.
- ☐ Social Security Statements
- ☐ Most Recent Tax Return: Tax return with all schedules and/or statements.
- ☐ Mortgage/Loan Statements
- ☐ Insurance Declaration Pages (life, disability, property, etc.)

Your Own Parking Spot

For our client's convenience we have reserved parking directly in front of our entrance. You may park in one of these five spots anytime you come to visit.



Prentice Financial Planning, LLC "PFP" is a registered investment adviser in the State of Washington and Oregon. PFP may not transact business in states where it is not appropriately registered, excluded or exempt from registration. Individualized responses to persons that involve either the effecting of transactions in securities or rendering of personalized investment advice for compensation is prohibited and will not be made without registration, an exemption and a fully executed advisory agreement in place to do so. Information presented is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial adviser and/or tax professional before implementing any strategy discussed herein. Past performance is not indicative of future performance.