

New Client Questionnaire

Investment advisory services are the core of what Dann Asset does. However, we also provide for clients related financial planning services, including cash flow analysis, retirement planning, 401K counseling and college funding strategies.

To help you with your investments and related financial planning we'll need you to think about and answer the following questions. Thereafter we'll have one or more additional conversations to make sure we fully understand your goals, needs and concerns. Once we have a good understanding of your circumstances we'll develop an investment program and a related financial roadmap to help you get where you want to be.

In addition to thinking about/answering the following, please also complete the enclosed Balance Sheet and Cash Flow statements. We're happy to help you complete these.

I. Financial Planning Questions.

1. Sources of income. What are your sources of income? How might this change over time? Please see the Cash Flow statement for examples of income categories. If you're working, do you like your current job/career? If not, would a change potentially have an impact on your income?

- Potential one-time or extraordinary income: sale of home, inheritance, etc.

2. Expenses. Do you have a good feel for your annual expenses? Have you ever done a budget? Recently? Please see the Cash Flow statement for examples of spending categories.

- How do you think your expenses will change over time?
- Potential one-time or extraordinary expenses: education, paying off a mortgage, unforeseen medical, home improvements/repairs, new car, etc.

3. Assets and liabilities. Please see the Balance Sheet for potentially applicable asset and liability categories.

- What do you believe is a comfortable amount to "have in the bank" (serve as an emergency reserve)?
- To the extent applicable, are you building reserves (saving) for potential large future expenses – see examples above.
- Retirement: Are you building assets (saving) to fund retirement or later years when income might be lower?

- Estate planning: Do you have a will? Have you done any estate planning?
- Investments, other assets and liabilities as mentioned on Balance Sheet – to be discussed.

4. Goals and Priorities. It may be helpful to break these down into different time periods ... where do you see yourself and family in the next three, five, 10 and 20+ years? The goal here is not to plan your life to the last detail but to frame goals to help you set priorities for spending and saving over the near and longer term. Some people also find it helpful to think in terms of “must haves” and “in my dreams” as they consider the future. Some specific items to contemplate:

- When do I want to retire?
- What will my retirement look like? What will I be doing?
- Where will I be living?
- If you have children (and grandchildren) do you want to be supportive financially? Do you want them to inherit assets?
- Is travel a priority? Doing charitable work?
- Do I have a reserve or insurance for medical and related expenses?

For most people, the only certain thing about their goals and priorities is that they’ll change over time. Still, we believe it makes sense to try to prioritize where you want to be. And if you can do that, then we’ll help you focus your financial/investment strategies to try to get you there in the timeframe you want.

II. Investment Planning Questions.

1. Investment goals. What are your goals for this Account(s)? Potential goals include:

- Maintain principal
- Generate income
- Generate returns that match inflation
- Generate returns in excess of inflation
- Some combination of above

2. Other investment accounts. How does this Account fit with other investment accounts you might have? Do you have different goals for those accounts?

3. Timeframe for Account; need to access funds. Is it possible that you’ll need to withdraw money from the Account in the near to intermediate term? How soon might that occur? Do you have other sources of cash/income in the event that you have an unforeseen need for money? Your investment timeframe may impact the types of investments we make.

- How does this investment Account fit into your overall financial plan?

4. Market volatility and comfort with temporary loss. How would you feel if the market and potentially the Account declined 25%? 50%? Would you be concerned? Would you lose sleep? Would you want to sell everything?
- Simplified investment example: If you have \$100 to invest, invest it all in stocks and the stock market declines 30% in a year, at the end of the year your account will be worth \$70. If your \$100 were invested more conservatively, say 60% in stocks and 40% in fixed income, at the end of the same year your account would be worth \$82, a decline of 18% rather than 30% (equivalent to a 30% decline on the \$60 worth of stock, and assuming no change in value on the fixed income). Example does not include impact of dividends/interest.
5. What do you consider the biggest risks in investing?
6. What do you believe is a reasonable annualized rate of return for stocks over the next five, 10 and 20 years?
7. Restrictions on or requests for specific investments. Are there any types of investments you do or do not want to make?