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**I N V E S T M E N T S, I N C.**

 Taking Stock:

Your Complete Financial Inventory





Data Gathering Booklet – Table of Contents

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## The Financial Planning Process

Comprehensive financial planning includes budgeting, cash management, investments, insurance, and the structuring of your estate. Onyx Investments will personalize this experience according to the objectives of each client, rather than simply offering up boilerplate recommendations. We move beyond simple dollars and cents.

### Goal Setting

Typical life goals are related to career, travel, business formation, home ownership, and establishing a family legacy. Your life arc may carry you through putting two children through college – before retiring off to the Southern California coast for eighteen holes of golf. We will calculate the costs of this life journey, before offering up real solutions.

### Financial Inventory

Taking stock of your financial inventory is very much critical to this process.

Our data gathering process assists the client and planner to record financial inventories – before agreeing upon actionable recommendations. Data gathering categorizes the current client portfolio according to assets, liabilities, insurance policies, and expenses. Ultimately, the data gathering process calculates net worth and free cash flow available to build assets and pay down debt. This step also addresses the viability of aforementioned financial goals. If goals appear unattainable, Onyx Investments will suggest viable adjustments according to time frame and expenses. Retirement and home purchases may need to be pushed back several years. In terms of expenses, spending on discretionary items, such as luxury clothing and resort travel can always be eliminated to free up cash.

### Recommendations

After agreeing upon a budget, Onyx Investments will propose cash management, and investment ideas that bridge the gap between raw data and tangible accomplishments. Cash management strategies build and protect cash reserves – for meeting daily expenses and preserving liquidity amid emergency. Strong cash reserves, minimal debt, and adequate insurance protection are primary foundations of any successful financial plan.

From here, Onyx Investments will ultimately craft an optimal investment portfolio that is accommodative to growth, while also effectively managing downside risks.



Data Gathering Booklet – Tools of The Trade

The following tools of the trade will help us to complete this data-gathering booklet. By default, the data gathering process will opens up the lines of communication between Onyx Investments and its clientele. Most financial information is now readily available online. Recent banking statements will streamline our budgeting analysis.

Most recent paycheck stubs

Most recent banking statements

All investment statements

Employee benefit statements and booklets

401(k) / 403(b) statements

Summary of insurance coverage statements

Income tax returns

Pension plan information

Mortgage statement

Credit card statements

All other loan information

## I. Identification

Comprehensive financial planning is highly specialized. To work best, it is critical that Onyx Investments constructs a detailed portrait of each client, before moving ahead. Intimate knowledge of your personality, investment acumen, and tolerance for risk will help Onyx Investments articulate productive investment recommendations. The Client

One / Client Two headers are to be completed by married couples and domestic partners.

### Client One

Name

Date of Birth

Hometown / Alma Mater

Occupation / Employer

Investment Sophistication ( Low / Moderate / High )

Risk Tolerance (L/M/H)

Satisfaction w/ Current Finances (L/M/H)

### Client Two

|  |
| --- |
| NameDate of BirthHometown / Alma MaterOccupation / EmployerInvestment Sophistication ( Low / Moderate / High ) |
|
|
|
|
| Risk Tolerance (L/M/H)Satisfaction w/ Current Finances (L/M/H) |
|

## II. Life Goals

Financial planning begins with goal setting. The goal here is to incorporate specifics within this brainstorming session, rather than lofty idealism. For example, “Enroll child at Southern Public University,” and “Buy Florida Beach House” are more defined than “college fund” and “retirement.” Onyx Investments recognizes that life evolves and the company is accommodative towards change. For now, it is imperative that you document both immediate and long-term life goals – that taken together support a comfortable standard of living. Onyx Investments will help you to realistically prioritize each goal.

|  |  |  |
| --- | --- | --- |
| Objective | Target Date | Cost in Today’s Dollars |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  |  |  |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Again, today’s stated goals are far from absolute. To state the obvious, life happens. The purpose of this exercise is to open up the lines of communication between Onyx Investments and its clientele. Interestingly, many people have never taken the time to formally articulate their life goals.

Couples may not be perfectly in tune with the aspirations of each other, individuals may not appreciate the costs associated with a particular item, or clients may have become too immersed within their respective daily grinds – to effectively declare milestones.

What exactly is it that you are working for?

Common goals are often related to higher education, business formation, retirement planning, and systematic savings. In either scenario, Onyx Investments promotes capital allocation models that take both personal priorities and prospective time frames into account. The resulting financial plan will strike an optimal balance between income, expenses, assets, and liabilities that will generate sufficient growth while mitigating risk.

Risk may be defined as both the probability of loss and the probability of a missed opportunity. Opportunity costs reside in all actions—the loss of a potential gain associated with selecting one activity over another. Cash reserves are especially subject to opportunity cost risks – when economic growth powers strong stock market returns.

III. Net Worth

This section effectively takes a snapshot picture account of your current finances. Net worth is the statistic associated with real ownership and subtracts total liabilities away from total assets. Our ultimate goal remains to grow and protect net worth. To do so, we will propose productive recommendations for saving and investing the free cash flow available each month after meeting committed expenses. Onyx Investments helps you bridge the divide separating today’s calculated net worth from tomorrow’s stated ideals.

### A. Assets

1. Personal Assets

Ex: Personal Residence, Vacation Home(s), Automobiles, Boats, Recreational Vehicles, Collectibles, Etc.

|  |  |  |  |
| --- | --- | --- | --- |
| Description | Owner | Market Value | Purpose |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. Business Assets

Ex: C Corporation, S Corporation, LLC, General Partnership, Investment Property, Etc.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description | Owner |  | Market Value | Purpose |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. Cash Reserves

Ex: Checking, Savings, Money Market, Certificates of Deposit, Commercial Paper, Repos, Treasuries, Etc.

|  |  |  |  |
| --- | --- | --- | --- |
| Description | Owner | Market Value | Purpose |
|  |  |  |  |
|  |  |  |  |
| Checking Acct |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. Fixed / Equity Investments

Ex: Stocks, Bonds, Mutual Funds, IRA, 401(k), Annuities, Variable Universal Life, Etc.

|  |  |  |  |
| --- | --- | --- | --- |
| Description | Owner | Market Value | Purpose |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

### B. Liabilities

Ex: Auto Loans, Credit Cards, Mortgages, Student Loans, Margin Debt, Home Equity Loan, Etc.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Liability 1 | Liability 2 | Liability 3 | Liability 4 |
| Description |  |  |  |  |
| Debtor / Payee |  |  |  |  |
| Balance |  |  |  |  |
| Interest Rate |  |  |  |  |
| Term to Pay Off |  |  |  |  |
| Monthly Payment |  |  |  |  |
|  | Liability 1 | Liability 2 | Liability 3 | Liability 4 |
| Description |  |  |  |  |
| Debtor / Payee |  |  |  |  |
| Balance |  |  |  |  |
| Interest Rate |  |  |  |  |
| Term to Pay Off |  |  |  |  |
| Payment |  |  |  |  |

Again, total liabilities are to be subtracted from total assets in order to calculate your net worth. You will break down your monthly mortgage payment further – within the Expenses Section VI following later on page 10 of this data-gathering booklet. The total mortgage payment is typically further divided between principal, interest, property tax, and mortgage insurance payments. Mortgage insurance and tax payments often come out of your escrow account. Mortgage interest is a tax deductible expense – if itemized.

## IV. Risk Management

1. **Life Insurance Policies**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Policy 1 | Policy 2 | Policy 3 | Policy 4 |
| Description |  |  |  |  |
| Owner |  |  |  |  |
| Person Insured |  |  |  |  |
| Beneficiary |  |  |  |  |
| Death Benefit |  |  |  |  |
| Cash Value |  |  |  |  |
| Premium |  |  |  |  |
| Prem. Frequency |  |  |  |  |

1. **Disability Income / Health Insurance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Policy 1 | Policy 2 | Policy 3 | Policy 4 |
| Description |  |  |  |  |
| Person Insured |  |  |  |  |
| Benefit/Deductible |  |  |  |  |
| Waiting/Benefit Pd |  |  |  |  |
| Monthly Premium |  |  |  |  |

## V. Income

1. Earned Income

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Client |  1 | Client |  2 |
|  | Amount | Frequency | Amount | Frequency |
| Gross Salary |  |  |  |  |
| Bonus |  |  |  |  |
| Business |  |  |  |  |
| Other |  |  |  |  |
| Other |  |  |  |  |

1. Investment Income

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Client |  1 | Client |  2 |
|  | Amount | Frequency | Amount | Frequency |
| Interest |  |  |  |  |
| Dividends |  |  |  |  |
| RentalProperty |  |  |  |  |
| Passive Income |  |  |  |  |
| Other |  |  |  |  |

\*Separate dividend and interest payments by taxation. Qualified dividends and interest income are nontaxable, courtesy of Roth IRA, SEP IRA, municipal bonds, etc.

1. Current Retirement Income

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Client |  1 | Client |  2 |
|  | Amount | Frequency | Amount | Frequency |
| Pension |  |  |  |  |
| Annuity Distrib. |  |  |  |  |
| IRA Distributions |  |  |  |  |
| Social Security |  |  |  |  |
| Other |  |  |  |  |

1. Other Income

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Client |  1 |  | Client 2 |
|  | Amount | Frequency | Amount |  | Frequency |
| Alimony |  |  |  |  |  |
| Child Support |  |  |  |  |  |
| Trust Income |  |  |  |  |  |
| Other |  |  |  |  |  |

## VI. Expenses

Expenses are grouped according to taxation, regular savings, committed, and discretionary categories. The difference in definitions between committed and discretionary expenses is similar to the difference between needs and wants.

Discretionary spending can be sharply reduced, or even eliminated altogether, if you are in jeopardy of falling short of your financial goals. Alternatively, committed expenses cannot be significantly lowered – without undergoing drastic changes to your lifestyle, such as taking up a new residence. Over the long term, or goal is to at least maintain your current standard of living through retirement.

Onyx Investments recognizes the gray area separating committed and discretionary spending as a matter of personal preference. The company, however, will not waiver with respect to the absolute necessity of systematic savings. The idea of a securing any “retirement loan” is a pipe dream.

1. Income Taxes

|  |  |  |
| --- | --- | --- |
|  | Client 1 | Client 2 |
|  | Amount | Frequency | Amount | Frequency |
| Federal |  |  |  |  |
| State and Local |  |  |  |  |
| FICA-Soc.Securit y |  |  |  |  |

1. Systematic Savings

|  |  |  |
| --- | --- | --- |
|  | Client 1 | Client 2 |
|  | Amount | Frequency | Amount | Frequency |
| 401(k) / 403(b) |  |  |  |  |
| Employer Match |  |  |  |  |
| Cash Reserves |  |  |  |  |
| DRIP |  |  |  |  |
| Other |  |  |  |  |

1. Committed Expenses
	1. Housing

|  |  |  |
| --- | --- | --- |
|  | Amount | Frequency |
| Principal and Interest |  |  |
| Property Taxes |  |  |
| Mortgage Insurance |  |  |
| Rent |  |  |
| Home – Rent Ins. Prem. |  |  |
| Electricity |  |  |
| Heating |  |  |
| Natural Gas |  |  |
| Land Line Telephone |  |  |
| Improvements / Repairs |  |  |

* 1. Other Committed Expenses

|  |  |  |
| --- | --- | --- |
|  | Amount | Frequency |
| Food (Groceries) |  |  |
| Clothing |  |  |
| Automotive Fuel |  |  |
| Auto Insurance Premiums |  |  |
| Auto Loan Payments |  |  |
| Vehicle Taxes |  |  |
| Public Transportation |  |  |
| Personal Care |  |  |
| Gym Membership |  |  |
| Cellular Phone |  |  |
| Internet Service |  |  |
| Education Costs |  |  |
| Medical Costs |  |  |
| Other Insurance Payments |  |  |
| Credit Card / Loan Payments |  |  |
| Gifting and Tithing |  |  |

1. Discretionary Spending

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | Amount | Frequency |
| Cable Television |  |  |  |
| Food ( Restaurant Dining ) |  |  |  |
| Dues |  |  |  |
| m |  |  |  |
| Hobbies |  |  |  |
| Recreation |  |  |  |
| Subscriptions |  |  |  |
| Travel |  |  |  |
| Other |  |  |  |
| Other |  |  |  |
| Other |  |  |  |

Free cash flow defines money available each month – after meeting total expenses. Onyx Investments will propose recommendations for free cash flow to efficiently pay down debt and purchase assets. As always, the ultimate goal is to accommodate growth, while also protecting against downside risks. This work builds towards a greater purpose.

VII. Notes

Use this blank space to brainstorm and detail notes that may have been outside the general scope of this data-gathering booklet. Constructive feedback is also encouraged and will be taken into consideration – to help Onyx Investments improve its financial planning process and modeling.