



C A M B R I D G E

C A P E C O D A D V I S O R S

BECAUSE LIVING LIFE WELL IS THE ULTIMATE REWARD.

BUYER'S GUIDE

We have provided this Buyer's Guide to help prospective clients make the very important decision of how to select a Financial Advisor. You can use this to make comparisons of services offered by Cambridge Cape Cod Advisors, an alternate advisor or if you were to provide the services yourself. It can also be helpful to our existing clients to confirm the value of our ongoing relationship.

OPPORTUNITY	Cambridge Cape Cod Advisors	ALTERNATE ADVISOR(S)	DO-IT- YOURSELF
Credentials	CFP, NAPFA,		
Compensation Method	Fee Only		
Registered as Investment Advisor	Yes		
Products Sold	None		
Committed to Client Education	Yes		

Scorecard

Comprehensive net worth evaluation, including Real Estate	Yes		
Evaluation of savings rate and tax efficiency	Yes		
Good debt and bad debt evaluation	Yes		
Education on credit score	Yes		
Evaluation and underperforming and loafing assets	Yes		

Cash Management

Liquidity management	Yes		
Understanding of income and expense flows; and real cost of living	Yes		
Simplified structure of bank and brokerage accounts	Yes		
Budgeting assistance	Yes		

Goal Setting

Short and long-term goals setting and prioritization	Yes		
Understand probability of achieving goals	Yes		
Goal based planning	Yes		
Annual review of goals and progress achieved	Yes		

Financial Independence

Evaluation of savings needed to achieve Financial Independence	Yes		
Evaluation of cash flow during Financial Independence	Yes		
Estimate of time required to achieve Financial Independence	Yes		
Probability of meeting Financial Independence goals	Yes		
Assistance with tax efficient management of retirement account	Yes		
Periodic review of asset allocation	Yes		
Periodic review of investment strategy	Yes		

Risk Management

Evaluation of various risk exposures	Yes		
Discussions of options to mitigate risk exposures	Yes		
Evaluation of current insurance needs: <u>Income replacement</u> – Life/ Disability, Buy/Sell <u>Health</u> – Medical/Dental/ Long-Term Care <u>Property</u> – Auto/Homeowners/ Personal/Umbrella Estate Planning/Special Needs	Yes		
Recommend changes in coverage, as appropriate	Yes		
Review of Employee Benefit plans with recommendations in line with Risk Management needs	Yes		

Investment Strategy/Implementation

Risk Tolerance Analysis	Yes		
Investments with proper asset location and asset allocation	Yes		
Devise investment strategy in line with life situation and goals	Yes		
Support execution of investment strategy. Offer lower costing “institutional class” mutual funds	Yes		
Periodic review of asset allocation	Yes		
Period review of investment strategy	Yes		

Tax Management

Application of legal strategies to minimize tax liability	Yes		
Integration of tax strategies to Investments & Real Estate	Yes		
Education on client's effective and marginal tax rates	Yes		
Education on recordkeeping/ record retention requirements	Yes		
Income tax projection	Yes		
Monitoring of tax withholding and estate tax payments	Yes		
Prepare tax returns	Yes		
Evaluation of past tax returns for necessary amendments	Yes		
Tax return amendment	Yes		
Coordinate with tax authorities if audited	Yes		

Estate Planning

Education of high-level concepts of Estate Planning	Yes		
Assess Estate Planning goals	Yes		
Education of various Estate Planning strategies to meet goals	Yes		
Coordination with Estate Planning attorneys to ensure effective implementation of estate documents	Yes		
Ensuring beneficiary designation is in line with Estate Planning objectives	Yes		
Evaluation of current and potential Estate Tax liability	Yes		
Facilitation of charitable giving intent	Yes		
Ongoing review of Estate Planning as needed	Yes		

Specialized Client Situations

Discuss and address (as needed) Retirement, College, Marital change, Real Estate, Monetary Settlement, Eldercare	Yes		
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