



Freedman Financial

10 Reasons It's Time for a New Financial Plan

It's more important than ever to have a Financial Plan that places your interests first. The following ten ideas will lend pause as you think about whether it's time to revisit your current financial plan.

YOUR LAST FINANCIAL PLAN IS COLLECTING DUST

If you're like many people, the allure of a "free financial plan" was just the medicine you needed to alleviate your financial worries. Unfortunately, it's likely that the leatherette binder with the fancy gold-embossing is now buried on your bookshelf and hasn't been updated to reflect your current situation. If you're serious about financial planning, pay for the advice – after all, when it's free you should expect to get what you pay for. Your plan should be easy to follow, monitored regularly and filled with personalized advice – not cookie-cutter strategies.

NEW BABY, NEW SPOUSE, NEW JOB, NEW TRANSITION IN LIFE

Financial Planning is a fluid process which requires change over time. Think back five or ten years. Ask yourself how different your life looks today. Does your financial plan reflect today's outlook on life or what you hoped it would be? The decisions you make today are likely to change. At Freedman Financial we know that. In fact, we have almost 50 years of experience serving individuals and families like you, and we've continued building plans that are both flexible and personalized. New financial questions will arise in your life all the time. You should feel certain that whomever you work with, that they listen to changes in your hopes and dreams and re-adjust your financial plan to reflect them.

YOU'RE ACTUALLY CONSIDERING FINANCIAL ADVICE FROM STRANGERS

Walk into most pizza parlors, dry cleaners or barber shops today and you're likely to see the talking heads on television making stock recommendations and offering tactical strategies. While it makes for entertaining television, their advice does not have your specific interest in mind. How can it? They know nothing about your personal financial goals and objectives. The best advice – the kind you should follow – needs to come from people who know your situation and can offer advice that's just for you; not just a generalization.

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IT WAS FUN FOR A WHILE, BUT NOW IT'S TIME TO GET SERIOUS

Perhaps you elected to do financial planning on your own, or worried about putting all your eggs in one basket so you spread your money among several financial advisors to see who could make you the most money. But today, times have changed, and you need to build a strategy that isn't fragmented anymore. You need to consolidate your financial life and find someone who will view your retirement plan as serious as you do. The days of chasing hot stocks are over – it's time to be prudent.

YOU'RE UNSURE WHETHER YOU'RE ON TRACK TO ACHIEVE YOUR GOALS

Just because the market fluctuates or your 401(k) plan drops in value doesn't mean that you have a greater or lesser chance of achieving your goals – that's only one piece of a financial plan. A financial plan integrates the impact of your employment income, spending patterns, major expenses, current savings, lifestyle etc. Does your current advisor have a mechanism for tracking your progress? How can you tell whether you're on track?

YOUR FINANCIAL PLANNING REVIEW IS LIMITED TO ANALYZING THE PERFORMANCE OF YOUR INVESTMENT ACCOUNT

Financial Planning is not a slice in the proverbial pie – it **IS** the pie. Investments are just the slice. When you have a comprehensive financial plan, you are able to recognize that cash flow, taxes, insurance, estate issues, and major expenses are integral parts of your financial plan. If your advisor doesn't help you look at ALL the pieces, perhaps it's time for a new relationship.

YOU STILL THINK U.S. SAVINGS BONDS WILL DOUBLE IN VALUE IN 7-10 YEARS

Amazingly people continue to purchase US EE Savings Bonds as gifts for children and grandchildren with hopes they can use them to help pay for college costs. The Rule of 72 is a calculation that allows someone to determine when an investment will double in value. Today's EE Savings will reach Face Value in closer to 24 years*. So, if you thought you were buying these bonds to help pay for college, think again. It's more likely the beneficiary will use them to pay off some student loan debt.

YOU DON'T KNOW HOW YOUR FINANCIAL ADVISOR GETS PAID

How do you pay your financial advisor? If you don't how he or she is paid, or how much you're paying them, it's time to find out. In today's world, advisors can charge you a number of ways to help with your financial planning and investment needs. Commissions, fees, retainers, and servicing fees from financial institutions are some of the more popular approaches. Next time you visit your advisor, ask! After all it's your money and you should know what you're buying. At Freedman Financial you can always count on our transparency.



YOU WONDER WHETHER YOU ARE STILL YOUR FINANCIAL ADVISOR'S IDEAL CLIENT

Your life has changed and so too has your financial advisor's. Do your financial planning needs reflect the services and advice that fall into your advisor's "sweet spot?" Never asked before? Go ahead; you have a right to do so. Ask them to describe what the "typical client" looks like in their office. If you don't measure up, it may be time to rethink the relationship.

YOU KNOW THAT NOW'S THE TIME TO GET YOUR FINANCIAL HOUSE IN ORDER

Do you know where everything is and what it's worth? If you don't know – you should. If you want to know you can. At Freedman Financial our CERTIFIED FINANCIAL PLANNER® professionals abide by a code of ethics which requires us to place the interests of our clients first. As such, you should expect that, at a bare minimum, we will build a comprehensive net worth statement, prior to ever making an investment recommendation to you.

Remember that finding a financial planner is a personal decision. You should feel exceedingly comfortable, and willing to share personal issues surrounding money with your planner. After all, if you truly want to achieve your financial goals and objectives, you need to draft a map that is prepared to encounter roadblocks, detours, cobblestones and freeways.

