



Dare Capital Management & Advisory Engagement Standards

We believe in the value of comprehensive planning. Financial Planning (although I dislike that term-will) is one of the most important services that successful people use to create an extraordinary business career and personal life. We expect to build a trusted advisory relationship with you over your lifetime.

Effective financial planning requires a commitment from both the planner and the client. These Engagement Standards will help you get the most out of the experience, and help both of us produce beneficial, lasting results in your life. If the Engagement Standards are followed carefully, there is a higher probability that you will benefit from our services for the rest of your life.

A. Clientele: Who are our current clients? What kind of people work with us and utilize our services?

Financial planning (there it is again-w) works best with people who are willing to learn, grow and take action, and when there is a gap between where you are now and where you want to be.

Most of our clients are affluent or semi-affluent individuals and families who desire ongoing professional assistance and coaching in the creation and implementation of strategies to reach their life goals, as they may exist now or develop in the future.

Over the years, we have found that our firm works most effectively with people who share some or all of the following characteristics:

A desire to live a more meaningful life;

An open mind and a willingness to creatively brainstorm with us--to engage in a continuing dialogue about the goals that drive their life values;

An understanding that there are many ways to live and an openness to exploring their choices;

A willingness to consider making a shift in behavior if it furthers their long- term goals;

A recognition that no one has a crystal ball, but that big goals can be achieved by making small changes consistently over time.

B. What services does Dare Capital Management & Advisory provide you?

Comprehensive financial planning integrates seven key areas of your financial life:

- 1) asset management (your total investment picture)
- 2) disability and risk management (protecting you from catastrophe)
- 3) tax planning and management (improving your wealth-building efficiency)
- 4) debt management (reducing unnecessary expenses)
- 5) estate planning (helping you transfer your lifetime assets to your heirs and/or to worthy causes)
- 6) charitable (or social capital) planning, to help you give back to the community
- 7) An evaluation of the goals and objectives that provide all context for the financial plan as a whole.

All of these areas are important to helping you achieve personal financial success. Successful people need and value all aspects of financial planning. If any one of these areas is not examined before decisions are made, then there is a danger of providing advice that may conflict with your actual needs.

Our planning services include mathematical analysis and forecasting, professional evaluation and advice, specific recommendations, support, a structure for making decisions, and accountability--all so that we can enable people to make effective financial decisions, and to find ways to become more effective in their personal and business lives. Often people work with us to put issues into perspective, and to make important decisions that require professional analysis.

In the broadest possible sense, our goal and duty is to be your advocate in every area of your life in which we are allowed to be a part. We are willing and ready to stand between our clients and the difficulties of life, to help you make decisions that will resolve existing problems and prevent future ones.

When it is not possible for our team to handle your problems alone, we will call in outside professionals and monitor the relationship to ensure that the work done on your behalf is of the highest standards. We also strive to be the best friend, confidant and mediator of conflict a person can have.

C. Grounds for a good working relationship: What are our core beliefs and philosophies?

It is our view, not that "Life is too short," but rather that "Life is too long, not to be doing those things that are fun and rewarding," and that the majority of people in our society and culture don't spend enough time examining these issues.

We believe that the money is "the means, not the goal." While money can assist the achievement of these goals, often there are other ways to achieve these goals which may have little to do with personal finance, and which are instead related to astute lifestyle choices.

Our investment activities are generally defined by principles that are collectively known as Modern Portfolio Theory, based on the work of Harry Markowitz, who was awarded

the Nobel Prize in Economics in 1990. One of the primary tenets of Modern Portfolio Theory is the idea that the future cannot be predicted, and neither can stock prices. Another is that a portfolio composed of several asset classes will experience fewer price movements and volatility than more concentrated portfolios--even though the more diversified portfolio will inevitably include some losing positions at any given time.

Despite the scientific underpinnings, we believe that the investment discipline that we provide is not rocket science. Many of our clients have the intellectual ability to practice it without us. Yet our investment services are valuable to them because we take the emotions out of their decisions, and because we handle the messy paperwork associated with maintaining and monitoring an investment portfolio.

We believe that much of the “financial advice” people receive comes in the form of advertisements, which suggest, in powerful images, that happiness and/or fulfillment can be achieved by the purchase of this or that advertised item. Our goal is to help people recognize their individual view of happiness and/or fulfillment, so they can determine which personal expenditures further their progress toward that goal.

Ultimately, our role is to provide financial leadership. It is said that a good leader takes people where they want to be, while a GREAT leader takes people where they ought to be.

D. Mutual commitments: What are our obligations to you, and what are yours to us?

In consideration of the trust you place in us, we will commit:

To act as your fiduciary – treating your money with the same care and prudence that we would treat our own. We will routinely make recommendations that we believe are best for you even if it means less revenue to our firm.

To have no allegiance to any company, product, or service, beyond our belief in its ability to help you reach your goals.

To get to know you, your personal goals, your struggles and challenges around money, and to tailor our recommendations so that they help you create an abundant and free financial life.

To treat your financial information in strict confidentiality.

To treat you with respect, professionalism, honesty, and to maintain a nonjudgmental attitude toward the goals and information you present to us.

To deliver important advice even if it may create discomfort in the short-term. The people we work with prefer us to be honest whenever we encounter what seem to be unrealistic expectations or a pattern of living beyond one’s means, or a disconnect between stated goals and financial or purchase decisions.

Recognizing our fiduciary responsibility to clients and the public, we will uphold the highest standards of care in the industry by espousing and practicing:

Objectivity, Fairness, and Suitability, Full Disclosure, Confidentiality, Integrity and Honesty, Professionalism, Competence, and Regulatory Compliance.

Our mission is to offer you an open architecture structure in which we can customize a plan for them. Your unique plan will be created using only the tools in my toolbox that add value for your situation. Together, we will function as architect and builder of your plan of action. Additionally, we freely make available the wisdom we have acquired through years of experience to each of our clients as the opportunity arises.

We promise you that throughout all the years and even decades we work together, you will never find another private financial consultant who'll care more about you and your family, or who'll be more deeply committed to the realization of your financial goals than us.

In situations where a specialist (attorney, tax or insurance professional) is appropriate, we will provide referral options and offer to coordinate with that specialist.

The end result is a financial plan that is specific to the client and addresses both intangible and tangible goals. It tries to strike a balance between the financial choices you make that consume capital and the value based goals you wish to activate that are intangible in nature but have everything to do with creating a satisfying life.

In our work with other successful people, we have learned that your goals and objectives will change over time. Life is a journey. If your goal today is to reach the farthest hill you can see from here, then eventually we expect you to be standing on that hill. When that happens, it will be time to look around and create new objectives to be achieved.

E. Fees and terms: What do you charge for your services?

Financial planning is an investment. You are not just paying for the work we do; you are paying for the commitment you make to yourself to become financially independent and secure. This commitment extends into everyday life.

The following services are available from our firm:

Hourly Financial Planning Consulting or Research: \$120
Hourly Administrative: \$60
Hourly Technology support: \$75

The fee will be billed to you monthly or upon completion of the services rendered.

Asset management fee:

for amounts up to \$500,000: 1.25% of assets under management.
\$500,000-\$1 million: 1.00%
\$1 million and up: determined case by case

After the initial payment of our fee, we will begin deducting our ongoing fees from your brokerage account. You will receive an invoice each quarter with a calculation showing how we arrived at your fee per your contract. This method of paying our fee allows us to keep the fees for our services in the middle range of the national fee scale for financial advisors.

F. Supportive termination: Is there a procedure to end this business relationship?

Effective financial planning should be proactive, flexible, value-added and enjoyable. If we ever stop enjoying or respecting one another, then our relationship needs evaluating.

We provide the right to end our working relationship at any time, and that if you decide to do so, it will be in the context of a paid scheduled session for that purpose.

In addition, you agree to give advance notice of the end of our work together. Several weeks is sufficient; however, long-term clients generally discuss the decision to terminate a few months in advance.

You understand that by handling termination this way, it often turns out to be a productive part of the financial planning engagement.

G. Referrals: Is there a procedure for making other people aware of these financial planning services?

Our organization works primarily with people who are referred to us by our existing clientele. If your experience has enabled you to generate the results you want in your life, then we encourage you to share your experience with others.

H. Final thoughts: What does this owner's manual do for me?

At the end of this document, we want to make sure that you are truly committed to the financial planning process.

You understand the importance of collaborating with us, and agree to review our work together regularly.

You agree to take 100% responsibility for understanding if and agreement with the information above. You understand that by honoring these engagement standards, you double the effectiveness of the financial planning process.

I have read and agree to the terms of the "Dare Capital Management and Advisory Engagement Letter"

Signed: _____

Date: _____

Signed: _____

Date: _____