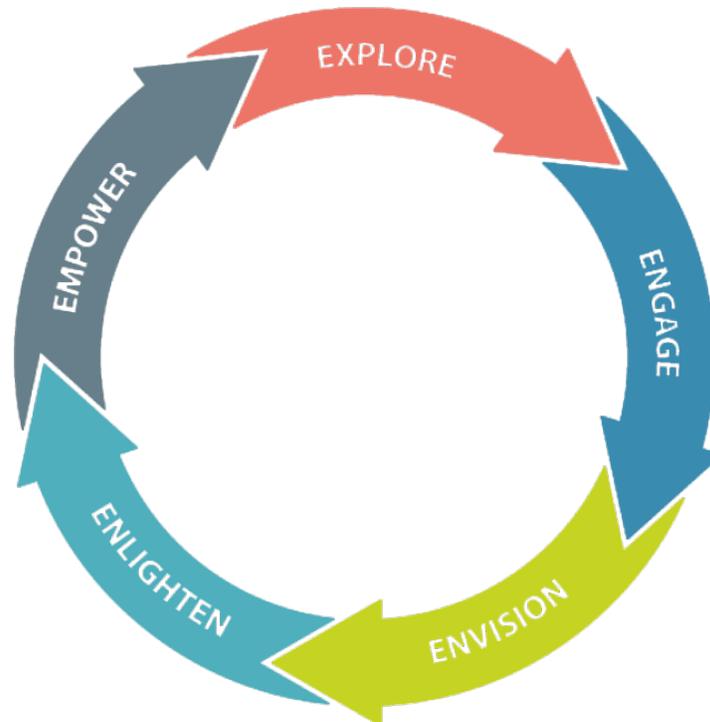


The MQ Financial Life Planning Process



5-E MODEL FOR FINANCIAL LIFE PLANNING

There are five stages to the MQ Financial Life Planning process. In each stage, there are several outcomes that will benefit both the advisor and the client.

Explore: This is the initial data gathering stage that applies to all prospective clients. In this stage, the advisor's main objective is to gather enough qualitative and quantitative information to 1) understand the client's main issues and concerns, 2) estimate the scope of the engagement, and 3) verify that the client/advisor relationship will be a good fit for both parties. This is also the time when the trust building process begins, making it an important opportunity for the advisor to differentiate himself/herself from other financial professionals. Both research and experience have shown that trust in the advisor is developed by expressing the importance of having the client's values and priorities shape the financial plan as well as having the client experience a more holistic process via life-centered exercises and conversation.

Engage: The second stage begins when a commitment has been made—by both the advisor and the client—to move forward with a working relationship. The main purpose of this stage is to identify and clarify the client's true values and priorities. It involves an in-depth data gathering process of both qualitative and quantitative information which fully engages the client's heart and mind. One of the goals in this stage is to understand where the client is now in several areas of life as well as the journey that brought him/her to this point in time. This insight will help the advisor to understand the client's unique perspective on many issues and how best to communicate with him/her. For the client, this discovery process increases self-awareness, develops a sense of connection to advisor, and builds enthusiasm for the financial planning process.

Envision: The objective of this stage is to assist the client in creating a vision for the future that is compelling, fulfilling, and inspiring. This mental picture will include everything that is important to the client and contributes to his/her happiness and life satisfaction. The next step is to mutually define personal and financial goals that align with and support that image. For the advisor, the visualization and goal setting process will establish clear guidelines for creating a financial plan that is aligned with the client's values and priorities. For the client, this process will foster trust in the advisor and commitment to the plan and advice that is developed

Enlighten: In this stage, the advisor will summarize and clarify his/her new insights and knowledge about the client's values, priorities, concerns, transitions, goals and objectives. The purpose of this stage is to verify understanding of what the client has communicated and to demonstrate a commitment to putting the client's interests first. When presenting the financial plan, the advisor can then explain how the financial solutions he/she proposes supports the life vision and goals the client has created.

Empower: Armed with new insight and knowledge, the client is "empowered" to take action. Because of the direct link between 1) the financial plan or advice delivered and 2) the client's unique perspective of "quality of life," he/she will be motivated and committed to implementing the advisor's recommendations. The advisor will continue to act as a guide in this stage, monitoring progress and helping to maintain focus on the client's personal and financial goals. Because unanticipated events occur and priorities shift over time, it is important for the client and the advisor to regularly review the client's Financial Life Plan to make sure it remains relevant to the client's life journey. This is also a stage where an on-going Financial Life Planning process will continue to strengthen the advisor-client relationship and nurture the client's "true wealth."

Note: The Money Quotient tools are designed to lead your clients through all five stages of the 5-E Financial Life Planning process.