



1040 ANALYST[®]

MAKE IT PERSONAL

YOUR ROADMAP TO PROVIDING
PERSONALIZED FINANCIAL SERVICES

HD VEST
FINANCIAL SERVICES[®]

TABLE OF CONTENTS

A UNIQUE ADVANTAGE 1

THE 1040 ANALYST – DESIGNED WITH YOU IN MIND 2

INNOVATION YOU CAN DEPEND ON 3

CLIENT TOOLS TO HELP YOU DELIVER – THE 1040 ANALYST CLIENT OUTPUT 4

CUSTOMIZATION TO HELP YOU GROW 5

PROTECTION FOR YOU AND YOUR CLIENTS – IRS CONSENT FORMS 6

GO FORWARD WITH CONFIDENCE 7

A UNIQUE ADVANTAGE

In our more than 30-year history of helping tax professionals become successful financial advisors, we have learned a thing or two about the unique advantages our Tax Professional Advisors bring to the table, and how they can be leveraged to help your clients pursue financial freedom and seize valuable opportunities. For Advisors without a tax practice, through our innovation, you too can leverage the 1040 Advantage.

Your clients' tax data reveals a wealth of information about their ability to potentially reach their financial goals. That's why we created the **1040 Analyst**[®], an automated tool that allows you to either seamlessly integrate your clients' tax data from the Form 1040, or manually input key data, and provide a customized client output highlighting financial services that can help them chart a new course. This roadmap provides a thoughtful forum for financial services conversations.

In addition, we've made discussing these findings with your clients even easier by directly aligning the recommendations with our trademarked process for systematically addressing key financial opportunities, the 8 Wealth Management Issues[®]:

- 1. Retirement Planning**
- 2. Investment Management**
- 3. Education Planning**
- 4. Business Planning**
- 5. Family Risk Management**
- 6. Legacy Planning**
- 7. Cash Flow and Debt Management**
- 8. Special Situations Planning¹**

By aligning the 1040 Analyst client output with these wealth management issues enables you to leverage client-approved materials, such as the *8 Wealth Management Issues: How They Affect Your Financial Future* brochure to effectively convey to clients the importance of addressing these key concerns.

¹The 1040 Analyst does not generate recommendations for Special Situations as this wealth management issue is based on unexpected events.

THE 1040 ANALYST – DESIGNED WITH YOU IN MIND

FOR TAX ADVISORS

The holistic approach tax professionals can bring to their clients' planning process by leveraging the 1040 Analyst is unrivaled. Exclusively available through HD Vest and meticulously designed with our Advisors in mind, it is specifically intended for tax professionals offering financial services. As a result, it is streamlined to integrate the top four tax software programs used by most tax professionals, which saves you time and money, while allowing a deeper cultivation of client relationships. Put simply, no other Advisor in the industry can approach the financial planning* conversation this way.

FOR NON-TAX ADVISORS

Starting your investment conversation rooted in the Form 1040 data provides you with the advantage of addressing potential gaps from an informed position

EXPLORE THE BENEFITS

Available at no cost to our Advisors, utilization of this tool allows you to work smarter and not harder as you meet the following growth objectives for your practice:

- deliver recommendations based on client data,
- conduct more efficient client meetings,
- retain more clients,
- acquire new clients, and
- communicate more effectively.

“As a non-tax Advisor, the 1040 Analyst is a great tool to start a conversation with tax clients. The solutions provided are easy for the tax client to understand and it looks professional enough so the client has something to take home with them. It makes the next step of follow up with the client so easy!”

Kelly Renner,
HD Vest Advisor since 2003

*Subject to appropriate licensing. Not all HD Vest Advisors are licensed to offer all products or services, including investment advisory or financial planning services.

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INNOVATION YOU CAN DEPEND ON

The 1040 Analyst is an innovative tool that allows you to illustrate your clients' financial opportunities and blind spots based on their actual, individual tax data, which results in a fully customized report.

It is also scalable – you can upload, or input some or all of your clients' tax data into the 1040 Analyst and a highly sophisticated algorithm analyzes that data and generates a customized, client-presentable report that communicates their specific vulnerabilities and opportunities. The tool not only provides you with an easy, repeatable process, but the customized data helps you “make it personal.” That personal experience, coupled with the right recommendations, is what drives your clients back to you and compels them to refer you to their friends and family.

THE 1040 ANALYST AT A GLANCE:

Features	Benefits
Export a CSV file from the six most commonly used tax software programs	<ul style="list-style-type: none">• Promotes quick, efficient transfer of data from software you already use and trust
Manually input Form 1040 data through the “Snap” entry	<ul style="list-style-type: none">• Provides you with a tool to selectively load specific client tax form data to segment your business.• Ability to automatically retrieve client input data from prior tax year.
Complete integration and sharing of data tables with Vest360™	<ul style="list-style-type: none">• Allows you to manage clients and prospects from a single location on HDVLink®• Automatically adds all clients uploaded from the CSV file as prospects in Vest360
Analyze and generate professionally- branded individual client output reports for one or multiple clients at a time	<ul style="list-style-type: none">• Saves you time and provides optimal flexibility• Strengthens your credibility and positions you as a tax and financial services expert with clients and prospects
Provides a comprehensive review of opportunities and allows you to elect which to include in the client output	<ul style="list-style-type: none">• There's no pressure to cover it all. You are able to discuss the opportunities and blind spots you decide on
Ability to sort through client output based on key criteria, i.e. AGI greater than/less than	<ul style="list-style-type: none">• Zero in on key client needs and targeted conversations

CLIENT TOOLS TO HELP YOU DELIVER

Your ability to demonstrate your value to your client is enhanced by the customized output for your client presentation and discussion. The result is a discussion document that enables you to have meaningful conversations while also delivering a product set recommendation tailored to your client's needs.

Customized to represent the Advisor

Prepared by: Advisor Name

Based on 2014 Tax Data

1040 ANALYST®

Your roadmap to address potential gaps as you plan for your future

Customized with your client's information

Prepared for:
Client Name
Address, City, State Zip

We understand that taxes play an integral role in all of life's circumstances, I have been able to identify your investment planning opportunities based on the information within your tax return. What follows is a highly personalized view of potential gaps and suggestions that may assist me in aligning your wealth management approach with your future goals. I believe you will find this to be a transformational process that will guide us both as we work together to address your financial needs and options. Let's review these opportunities together to share important insights.

Based on the specific 8 Wealth Management topics every client should address

Retirement Planning

With improvements in healthcare, life expectancy is on the rise. The first step in addressing this growing concern is obtaining a clear vision of how you define retirement. In other words, what are you hoping to achieve? Identifying these desires will give us a starting point for determining the level of assets needed to fund that vision.

Deductible IRA

Contributions you make to a Traditional IRA may be fully or partially deductible, depending on your circumstances, and generally, amounts in your Traditional IRA (including earnings and gains) are not taxed until distributed. The maximum contribution is the smaller of \$5,500 (\$6,500 if you're age 50 or older) or your taxable compensation for the year. Given your current income level and filing status, you may be able to take advantage of a Traditional IRA.

Roth IRA

Contributions made to a Roth IRA cannot be deducted on your tax return, but if you satisfy certain requirements your qualified distributions are tax-free. The maximum contribution is the smaller of \$5,500 (\$6,500 if you're age 50 or older) or your taxable compensation for the year. Based on your current income level and filing status, you may be able to take advantage of a Roth IRA.

Social Security

Now that you are eligible for Social Security, you probably have the question, "What is the best age to start receiving retirement benefits?" The answer is that there is no "best age" for everyone, and ultimately, it is your choice. And the choice depends on many factors such as age, annual earnings, retirement income needs, and tax filing status. You should make an informed decision about when to apply for benefits based on your individual and family circumstances.

Customized output based on their individual 1040 analysis

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CUSTOMIZATION TO HELP YOU GROW

The 1040 Analyst can benefit any Advisor who is interested in working smarter and not harder. It will help you effortlessly zero in on clients' needs and communicate clearly to the client their vulnerability, the reason for that vulnerability and a recommended solution. This allows you to save time, retain existing clients and acquire new ones by providing tangible evidence of your unique value proposition. More importantly, it helps to establish a clear perception in the client's mind that their tax professional should also be their investment professional.

For Advisors with large tax practices, it provides a fully automated way to identify client opportunities on a large scale, while still being "personal," and it allows you to mine your book of business more efficiently. Because of the automation, your team can easily utilize the 1040 Analyst, which provides optimal systematization of your practice.

RESOURCES TO ASSIST YOU IN LEVERAGING THE 1040 ANALYST:

- PDF and Video instructions for uploading your clients' information from the following tax software programs:

Lacerte

ProSeries

UltraTax

Drake

ATX

ProSystem fx

- Sample 1040 Analyst client output PDF
- Sample IRS client consent forms that can be printed on your own letterhead
- Guide to Using the 1040 Analyst that outlines how to discuss the client output with your client, your next steps and additional resources you may find helpful
- 8 Wealth Management Issues Advisor and client brochures
- HD Vest Wealth Management Support

“When I first became a financial advisor, I was shy and lacked the knowledge and confidence on how to transition to the investment conversation with tax clients. The 1040 Analyst was my key to starting the conversation.”

**Nolan Schexnayder,
HD Vest Advisor since 1987**

TAX PROFESSIONALS: PROTECTION FOR YOU AND YOUR CLIENTS – IRS CONSENT FORMS

Tax professionals are required to obtain client consent in writing as outlined in Internal Revenue Code Sections 6713 and 7216 when using and/or disclosing a client's tax return information. As tax professionals, you most likely already utilize "consent for use" and/or "consent for disclosure" forms in your practice and you should be familiar with the requirements imposed on you by the IRS. Advisors without a tax practice are **NOT** required to use these forms.

Because you will be importing your clients' tax return information into the HD Vest 1040 Analyst tool to discuss investment products, the IRS could construe this as you disclosing and using your clients' tax return information. Therefore, if you use the 1040 Analyst tool you should obtain each client's consent by completing "consent for use" **and** "consent to disclose" forms.

At HD Vest, we acknowledge that you have significant obligations to complete, manage and retain a lot of paperwork. With this in mind, we have worked with experienced Advisors who are also experienced tax professionals to provide you with "consent for use" and "consent for disclosure" templates, which we believe contain the minimal wording you'll need to use the HD Vest 1040 Analyst tool. Please note that the IRS does not permit you to combine these consent forms. You can access the separate templates on HDVLink.

- Consent to use tax return information
- Consent to disclose tax return information

We encourage you, at a minimum, to use the wording provided in the templates; however, based on your clients' particular needs, circumstances and the services you provide, you may need to revise the forms to include additional consents for use and/or disclosure.*

"The 1040 Analyst is positive proof of HD Vest's strong commitment to listen to its Advisors and deliver tools and technology that enrich the natural way we, as tax professionals, approach the financial services conversation with our clients. They have really outdone themselves with this tool, and I am confident that the automation and customization will help deepen my client relationships and allow me to run a more efficient practice."

**Gene Bell,
HD Vest Advisor since 2000**

*The suggested forms provided by HD Vest are intended to help you comply with applicable consent requirements, but do not constitute legal advice, have not been approved by the IRS and are not guaranteed to ensure compliance. Consult your own legal counsel if you have questions regarding these issues.

GO FORWARD WITH CONFIDENCE

The 1040 Analyst is more than tax and investment planning integration software. It's a chance for you to reinvent how you do business and enhance your competitive advantage. It presents a real opportunity to provide a holistic approach to address your clients' greatest financial needs in a way that hasn't been done before – using real tax data automation software. In fact, having access to this tool is like having an experienced Wealth Management Support consultant there to walk you through each and every client situation. Let this invaluable tool be the roadmap that guides your client conversations, gives you confidence in offering investment solutions and positions your practice for success.

About HD Vest

Since its inception in 1983, HD Vest Financial Services® has supported an independent network of tax and non-tax professionals who provide comprehensive financial services including securities, insurance, money management services, and banking solutions. Ranked as one of the top 20 independent broker-dealer firms,² we know what it takes to make your practice really flourish. Approximately 4,500 independent contractors manage over \$37 billion in assets for individuals, families and small businesses in all 50 states.³

²Investment Advisor *2014 Broker-Dealer Reference Guide*, which measured/ranked the top 25 independent broker-dealers by annual revenue.

³As of January 1, 2015



HD Vest Financial Services® is the holding company for the group of companies providing financial services under the H.D. Vest name. Securities offered through HD Vest Investment ServicesSM, Member SIPC, Advisory services offered through HD Vest Advisory ServicesSM
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