

2023 · WHAT ISSUES SHOULD I CONSIDER DURING A RECESSION OR MARKET CORRECTION?

CASH FLOW ISSUES	YES	NO
<p>Will your cash flow be tight? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Reexamine your budget looking for areas to reduce spending, especially discretionary expenses. ■ Fund any shortfalls strategically, using the most advantageous source of cash. ■ You may need to prioritize your obligations, and take advantage of opportunities to extend due dates or alter payment schedules, minimizing fees, penalties, and any negative impact upon your credit. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to review or increase your emergency fund? If so, evaluate the size of your fund and assess the number of months that it can support your living expenses.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Have you experienced a disruption in your employment? If so, and you were laid off from work through no fault of your own, you may be eligible for unemployment benefits.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Were you planning to retire in the near future? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Review your options to make sure you are still comfortable with retiring or if you would prefer to work a little longer. ■ Review your budget, and possibly reduce spending in non-essential categories in the first few years of retirement. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are you taking a distribution from an investment or retirement account? If so, consider the impact of changing your distribution schedule to protect accounts (defer remaining distributions until the end of the year or spread the distributions over the rest of the year).</p>	<input type="checkbox"/>	<input type="checkbox"/>

ASSET & DEBT ISSUES	YES	NO
<p>Do you have a mortgage or debts? If so, consider if you should refinance any debts now while interest rates are low.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you want to rebalance your investment and retirement accounts? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Revisit your target asset allocation and overall investment philosophy. ■ Identify holdings that you have retained only because of their low basis, and consider reducing your position while valuations are low, minimizing realized gains. ■ As always, exercise discretion and discipline, taking a long-term view and prudent action. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you have extra cash that is not earmarked for an upcoming expenditure? If so, consider investing it to take advantage of low valuations.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you typically make contributions to a traditional IRA or Roth IRA? If so, consider making a contribution now, to take advantage of low valuations.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are you a small business owner? If so, you may be eligible for a small business loan, or other forms of federal, state, and community relief.</p>	<input type="checkbox"/>	<input type="checkbox"/>

TAX PLANNING ISSUES	YES	NO
<p>Do you have a traditional 401(k) or IRA? If so, converting some of the assets into a Roth IRA could be beneficial while valuations are low. If you are laid off, you may have more room in your tax bracket to do Roth conversions.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you have any assets with a tax loss? If so, consider harvesting the loss, which could reduce your tax liability.</p>	<input type="checkbox"/>	<input type="checkbox"/>

2023 · WHAT ISSUES SHOULD I CONSIDER DURING A RECESSION OR MARKET CORRECTION?

LONG-TERM PLANNING ISSUES	YES	NO
<p>Do you have an annual gifting strategy in place to pass assets to your heirs? If so, consider gifting assets (up to \$17,000, per person, gift tax-free) now, while valuations are low, and while support may be particularly helpful to the donee.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are you in a position to help family members in need of financial assistance? If so, consider making intrafamilial loans when the AFR is low. This avoids gift tax, locks in a favorable interest rate for the borrower, and can act as an “advance” on an inheritance when structured with your heirs.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you need to update your estate plan? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Review the impact of any change in asset values upon the ultimate distribution of your estate including probate and non-probate assets. ■ Consider implementing wealth transfer techniques that take advantage of low valuations and rates (such as GRATs, CLATs, IDGTs, and private annuities). ■ Reference the “What Issues Should I Consider Before I Update My Estate Plan?” checklist. 	<input type="checkbox"/>	<input type="checkbox"/>

IMPORTANT DISCLOSURE INFORMATION

Past performance may not be indicative of future results. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended and/or undertaken by Evensky & Katz / Foldes Financial Wealth Management), or any non-investment related content, will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Evensky & Katz / Foldes Financial Wealth Management is neither a law firm nor accounting firm, and no portion of its services should be construed as legal or accounting advice. Please remember that it remains your responsibility to advise Evensky & Katz / Foldes Financial Wealth Management, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment advisory services. A copy of our current written disclosure statement discussing our advisory services and fees is available upon request. The scope of the services to be provided depends upon the terms of the engagement.

Please Note: Rankings and/or recognition by unaffiliated rating services and/or publications should not be construed by a client or prospective client as a guarantee that he/she will experience a certain level of results if Evensky & Katz / Foldes Financial Wealth Management is engaged, or continues to be engaged, to provide investment advisory services, nor should it be construed as a current or past endorsement of Evensky & Katz / Foldes Financial Wealth Management by any of its clients. Rankings published by magazines, and others, generally base their selections exclusively on information prepared and/or submitted by the recognized adviser. Rankings are generally limited to participating advisers.

1-800-448-5435 | Evensky.com



EVENSKY & KATZ / FOLDES
— WEALTH MANAGEMENT —