

SAMPLE DOCUMENT

## This Investment Policy Statement Is a Marketing Example

This document was prepared for a **fictitious client** to illustrate the type of analysis, recommendations, and deliverables included in a Foxholm Financial engagement. It is provided solely to give prospective clients a clear picture of our service offerings.

- The client names, account balances, holdings, and all other data in this report are entirely fabricated.
- **Nothing in this document constitutes investment advice**, a recommendation to buy or sell any security, or an offer of advisory services.
- Past performance figures, risk assessments, and projections shown are illustrative only and do not represent actual results or guarantees of future performance.
- Do not rely on any information in this document for personal financial decisions.

If you are interested in receiving a personalized Investment Policy Statement based on your actual financial situation, please contact us:

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**Foxholm Financial, Inc.**

Registered Investment Adviser — State of Georgia

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**Investment Policy Statement** | Marcus & Danielle Fakeworth | Duluth, GA | Age 48 & 47 | March 31, 2026

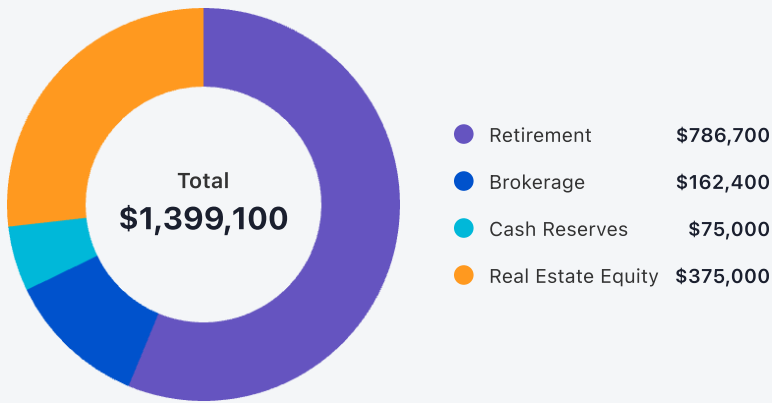
**PRIMARY OBJECTIVES**

- Long-term capital growth
- Minimize investment costs
- Coordinate household retirement readiness

**UPCOMING MILESTONES**

- 2033** Jaylen begins college
- 2036** Morgan begins college
- 2042** Marcus retirement & Medicare eligible

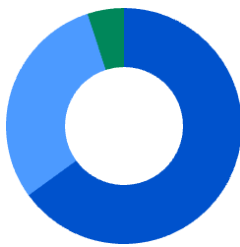
**NET WORTH BREAKDOWN**



**2026 CONTRIBUTIONS**

Solo 401(k) Marcus	\$27,500
Solo 401(k) Danielle	\$23,500
Roth IRA Marcus	\$7,000
Roth IRA Danielle	\$7,000
HSA Marcus	\$8,300
HSA Danielle	\$8,300
529 Jaylen	\$5,000
529 Morgan	\$5,000
<b>Total Annual Contributions</b>	<b>\$91,600</b>

**SUGGESTED 2026 INVESTMENT FUND ALLOCATIONS**



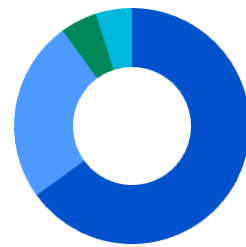
**Retirement Accounts**

- US Stocks 65%
- Intl Stocks 30%
- Bonds 5%



**Education Accounts**

- US Stocks 100%



**All Accounts**

- US Stocks 65%
- Intl Stocks 25%
- Bonds 5%
- Treasury Bills 5%

**STRATEGY OVERVIEW**

Replace high-fee active funds with low-cost index funds and rebalance from the current 78/22 equity/bond split to the 90/5/5 target. Proceeds directed 63% U.S. equity (FSKAX) and 37% international (FSPSX). All trades occur in tax-advantaged accounts with no taxable events.

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## **Important: Your Responsibilities**

This IPS governs all investment decisions and should be reviewed annually or when significant life changes occur. Foxholm Financial is an advice-only fiduciary: we provide recommendations, but **you are responsible for executing all transactions yourself.**

If you have questions about how to execute any action, review the step-by-step guides at [foxholm.com/implement](https://foxholm.com/implement) (see Related Guides appendix for links), or contact us before proceeding.

# Section 1: Client Profile, Objectives & Constraints

## Personal Information

Detail	Primary	Spouse
Name	Marcus	Danielle
Age	48	47
Birth Date	July 19, 1977	January 24, 1979
Occupation	Co-Owner / CEO	Co-Owner / CFO
Marital Status	Married	
Stated Risk Level	Aggressive	
State of Residence	GA	

## Time Horizons

Milestone	Date	Years	Notes
Jaylen begins college	2033	7	Age 18. 529 withdrawals begin for tuition and expenses. Education goal: \$83,000. Current 529 balance: \$48,000.
Morgan begins college	2036	10	Age 18. 529 withdrawals begin for tuition and expenses. Education goal: \$120,000. Current 529 balance: \$38,000.
Marcus retirement & Medicare eligible	2042	16	Age 65. Retirement accounts and brokerage begin funding living expenses. Medicare coverage begins, eliminating the need for private health insurance.
Marcus Social Security begins	2043	17	Age 66. Estimated \$52,578 per year at full retirement age.
Danielle retirement & Medicare eligible	2044	18	Age 65. Estimated Social Security of \$47,136 per year beginning at age 65.
Marcus RMD begins	2052	26	Age 75. Required Minimum Distributions from Solo 401(k) and SEP-IRA begin. Roth IRAs are exempt from RMDs.

## Primary Objectives

Long-term capital growth	Grow the portfolio at a rate that exceeds inflation, targeting a 90/5/5 equity/bond/T-bill allocation consistent with Marcus's aggressive risk profile and 17-year investment horizon.
Minimize investment costs	Reduce portfolio-wide expense ratios by replacing high-fee actively managed funds with low-cost index funds, redirecting fee savings into compounding returns.
Coordinate household retirement readiness	Align investment strategy across both Marcus's and Danielle's accounts to maximize tax-advantaged contributions and build toward joint retirement goals.

## Return Expectations

Based on the 90/5/5 equity/bond/T-bill target allocation and aggressive risk stance, the portfolio targets a 8.5% average annual nominal return (6% real, after 2.5% assumed inflation) over the full investment horizon.

TARGET NOMINAL RETURN <b>8.5%</b>	TARGET REAL RETURN <b>6%</b>	INFLATION ASSUMPTION <b>2.5%</b>
TARGET ALLOCATION <b>90% Equity / 5% Bonds / 5% T-Bills</b>	INVESTMENT HORIZON <b>17+ years</b>	RISK STANCE <b>Aggressive</b>

## 2026 Contribution Plan

SOLO 401(K) MARCUS <b>\$27,500</b> Employee deferral limit for 2026 (\$23,500 + \$7,500 catch-up if 50+). Split 75/25 equity.	SOLO 401(K) DANIELLE <b>\$23,500</b> Employee deferral limit for 2026. Split 75/25 equity.	ROTH IRA MARCUS <b>\$7,000</b> 2026 IRA contribution limit. Execute via Backdoor Roth conversion.
ROTH IRA DANIELLE <b>\$7,000</b> 2026 IRA contribution limit. Execute via Backdoor Roth conversion.	HSA MARCUS <b>\$8,300</b> 2026 family HSA limit. Split 75/25 equity.	HSA DANIELLE <b>\$8,300</b> 2026 family HSA limit (if separate). Split 75/25 equity.
529 JAYLEN <b>\$5,000</b> Georgia Path2College plan. Growth allocation for Jaylen's education.	529 MORGAN <b>\$5,000</b> Georgia Path2College plan. Growth allocation for Morgan's education.	TOTAL ANNUAL CONTRIBUTIONS <b>\$91,600</b> Combined retirement and education contributions

# Section 2: Risk Tolerance Assessment

Based on Marcus's financial situation, time horizon, and stated preferences, a **Aggressive** investment stance is appropriate.

Current Portfolio Beta	0.78 (22% less volatile than S&P 500)
Actual Risk Level	Moderate ⚠️
Stated Risk Level	Aggressive ( $\beta > 1.00$ , typically 85%+ equity)
Ideal Risk Level	Aggressive
Maximum Acceptable Drawdown	-20% to -30%
Preferred Recovery Period	3-5 years
Volatility Tolerance	High

## Why Aggressive Stance is Appropriate

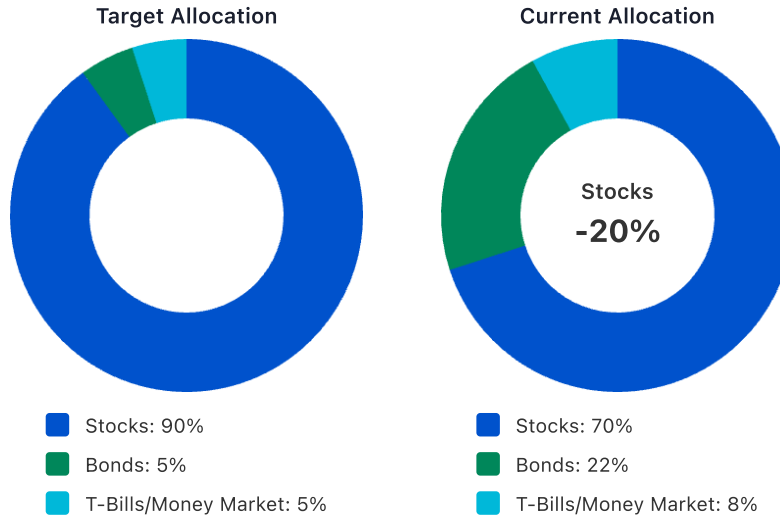
### Why Aggressive Stance is Appropriate

- Long time horizon (17+ years to retirement) provides ample time to recover from market downturns. •
- Higher equity allocation maximizes expected long-term returns, accepting greater short-term volatility. •
- Stable income from employment provides a buffer against portfolio volatility, reducing the need for conservative positioning. •

# Section 3: Target Asset Allocation

## Stocks vs Bonds Allocation Assessment

Target allocation based on your stated risk level (Aggressive), age (48), investment objectives, and time horizon.



The current allocation is 70% stocks, 22% bonds, and 8% T-bills and money market funds. Based on a total return objective with a long-term time horizon and aggressive risk profile, the recommended target allocation is 90/5/5 (equity/bonds/cash). The current allocation is 20 percentage points more conservative than the target (70% equity vs. 90% target). This may reflect a preference for stability or specific income needs.

- Current equity allocation is 20 percentage points below recommended target (70% vs. 90% target)
- Aggressive profile: typical equity range 85-100%, max acceptable drawdown 20-30%
- 2026 CME: International developed markets expected to outperform U.S. large-cap by ~2.8% annually
- All FTBFX proceeds (\$72,100) are redirected from bonds to equity. An additional \$5,190 of FXNAX is trimmed from the Solo 401(k) accounts, leaving \$102,410 in FXNAX as the 5% bond allocation per APSR guidance for Aggressive risk profile.
- Trade proceeds split approximately 63/37 between U.S. (FSKAX \$181,268) and International (FSPSX \$107,422) to bring international exposure closer to 20-30% target

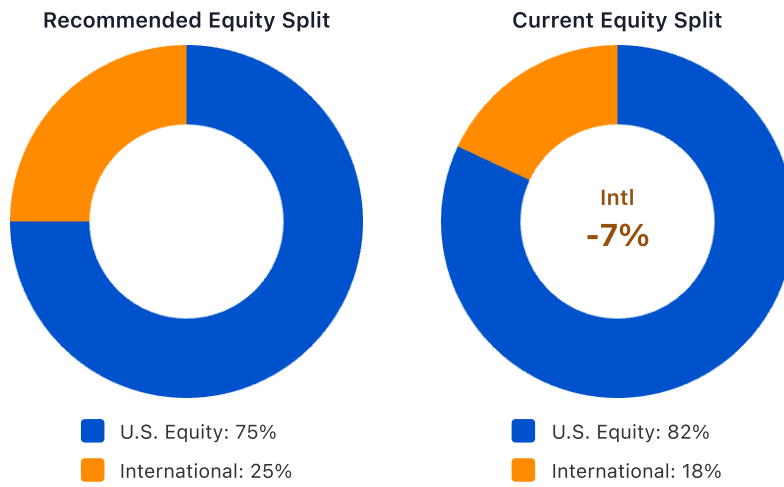
## Allocation Tolerance Bands

Asset Class	Minimum	Target	Maximum
Equity (Stocks)	85%	90%	95%
Bonds	0%	5%	10%
T-Bills & Money Market	0%	5%	10%
International (% of Equity)	20%	25%	30%

Rebalancing is triggered when any asset class breaches its minimum or maximum band. See [Rebalancing Guide](#) on our website for details.

## US vs International Allocation Assessment

Diversifying equity holdings across U.S. and international markets reduces concentration risk and captures global growth opportunities. We recommend allocating 20-30% of equity holdings to international markets.



Current international exposure (18% of equity) is below the recommended range of 20-30%. Consider increasing international holdings when rebalancing to capture the expected return premium from developed and emerging markets.

# Section 4: Retirement Spending Projections<sup>†</sup>

The following projections are based on 500 Monte Carlo spending trajectories run by MaxiFi Planner. These simulations model a range of possible stock market outcomes to determine how much you can sustainably spend in retirement.

## Spending Trajectories (Monte Carlo Results)

The table below shows what annual retirement spending looks like across different market scenarios, from pessimistic (5th percentile) to optimistic (95th percentile). The 50th percentile is the **median expected outcome**.

Scenario	Annual Spending	What It Means
Floor	\$196,119	Worst case — all stocks lost
5th Percentile	\$224,156	Poor market conditions
25th Percentile	\$239,908	Below-average returns
50th Percentile (Median)	<b>\$253,658</b>	<b>Most likely outcome</b>
75th Percentile	\$263,983	Above-average returns
95th Percentile	\$288,679	Strong market performance

Even in the worst 5% of market outcomes, the plan supports **\$224,156/year** in retirement spending — well above the absolute floor. The median outcome of **\$253,658/year** represents the plan's central target.

## Contribution Path to Retirement

Reaching the median spending target of **\$253,658/year** in retirement requires consistent contributions over the next **16 years** (until 2042).

Expected Average Annual Contributions	<b>\$128,500/year</b>
Years of Contributions Remaining	16 years (through 2041)
Current Year Spending	\$133,388/year
<b>Median Retirement Spending Target</b>	<b>\$253,658/year</b>

These contribution levels are built into the spending trajectories above. Falling behind on contributions reduces the median outcome; catching up or exceeding them improves it. See the Contribution Strategy section for the specific account priority order.

## Retirement Income Sources

In retirement, spending is funded by Social Security benefits and portfolio withdrawals. The following shows the expected income streams once both spouses have filed for benefits.

Income Source	Annual Amount	Start Year
Marcus Social Security (age 66)	\$52,578/year	2043
Danielle Social Security (age 65)	\$47,136/year	2044
Portfolio Withdrawals	\$152,177/year	2042
<b>Estimated Final Estate</b>	<b>\$1,498,362</b>	

Marcus: \$73,097/yr starting 2042 (age 65). Danielle: \$79,080/yr starting 2044 (age 65).

*Social Security amounts reflect the modeled filing age shown above. Filing before Full Retirement Age (67 for those born 1960 or later) results in a permanently reduced benefit; filing after FRA increases the benefit through delayed retirement credits.*

*† See MaxiFi Planner disclaimer for methodology and limitations.*

## Section 5: Current Account Summary & Assessment

Portfolio Composition by Account



Account	Custodian	Balance	Weight	Focus	Account Type
Solo 401(k) Marcus	Fidelity	\$300,250	29%	Retirement	Tax-Deferred
Solo 401(k) Danielle	Fidelity	\$241,500	24%	Retirement	Tax-Deferred
Roth IRA Marcus	Fidelity	\$97,250	10%	Retirement	Tax-Free
Roth IRA Danielle	Fidelity	\$75,700	7%	Retirement	Tax-Free
Joint HYSA	Marcus by Goldman Sachs	\$75,000	7%	Emergency Reserve	Taxable
SEP-IRA Legacy	Fidelity	\$72,000	7%	Retirement	Tax-Deferred
529 Jaylen	Georgia Path2College	\$48,000	5%	Education - Jaylen	Tax-Free
Business Operating	Truist Bank	\$45,000	4%	Business Operations	Taxable
529 Morgan	Georgia Path2College	\$38,000	4%	Education - Morgan	Tax-Free
HSA Marcus	Fidelity	\$17,300	2%	Healthcare	Tax-Free
HSA Danielle	Fidelity	\$14,100	1%	Healthcare	Tax-Free
<b>Total</b>		<b>\$1,024,100</b>	<b>100%</b>		

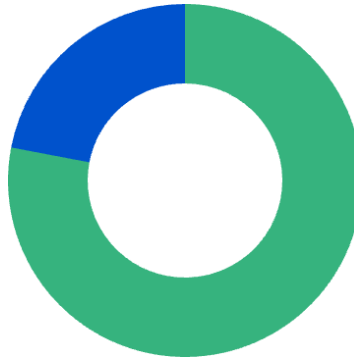
Includes \$237,400 in Regular Assets and \$786,700 in Retirement Accounts. Excludes real estate equity and future pension/Social Security values.

### Retirement Account Summary

Total Retirement Assets	\$786,700
Tax-Deferred Balance (non-Roth)	\$613,750
Tax-Free Balance (Roth)	\$172,950

Retirement accounts are split between tax-deferred (Traditional IRA, 401(k), SEP-IRA) where contributions were pre-tax and withdrawals are taxed as ordinary income, and tax-free (Roth IRA, Roth 401(k)) where qualified withdrawals are tax-free. The balance between these account types affects tax flexibility in retirement.

### Retirement Account Tax Treatment

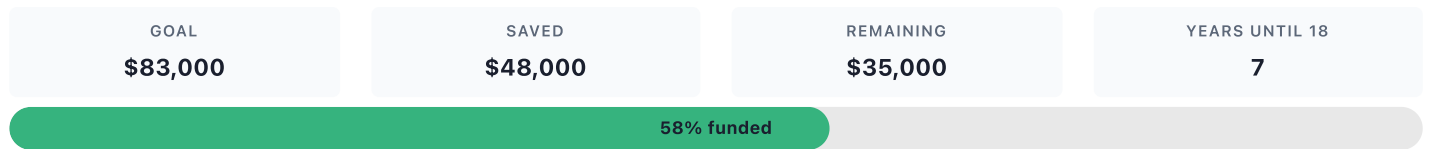


- Tax-Deferred (non-Roth): 78% (\$613,750)
- Tax-Free (Roth): 22% (\$172,950)

The current mix of 78% tax-deferred and 22% tax-free provides tax diversification, allowing flexibility to manage taxable income year to year.

### Education Account Summary

#### 529 Jaylen — Jaylen



To reach the \$83,000 goal by 2033, contribute approximately **\$5,000/year** for the next 7 years (excluding investment growth).

#### 529 Morgan — Morgan



To reach the \$120,000 goal by 2036, contribute approximately **\$8,200/year** for the next 10 years (excluding investment growth).

*Note: The current recommended contribution of \$5,000/year is below the \$8,200/year needed to fully fund this goal, because retirement contributions remain the primary funding priority (see Contribution Order). If fully funding education is a priority, consider increasing contributions or adjusting overall investment goals accordingly.*

### Correlation & Diversification Analysis

Correlation measures how holdings move relative to each other. Highly correlated investments rise and fall together, reducing diversification benefit. True diversification comes from combining holdings with low or negative correlations. A correlation above 0.50 is considered high, meaning those holdings offer limited diversification benefit relative to each other.

- Low Correlation (diversified)
- Full Correlation (compared to self)
- High Correlation (concentrated)

	FSKAX	AGTHX	FSPSX	FXNAX	FTBFX	PGOYX	FKINX
FSKAX	1.00	0.97	0.72	0.04	0.06	0.94	0.75
AGTHX	0.97	1.00	0.68	0.01	0.04	0.96	0.66
FSPSX	0.72	0.68	1.00	0.04	0.06	0.62	0.69
FXNAX	0.04	0.01	0.04	1.00	0.99	0.00	0.39
FTBFX	0.06	0.04	0.06	0.99	1.00	0.02	0.42
PGOYX	0.94	0.96	0.62	0.00	0.02	1.00	0.58
FKINX	0.75	0.66	0.69	0.39	0.42	0.58	1.00

Based on 2 years of weekly returns. Values range from -1.00 (inverse) to +1.00 (perfectly correlated). T-bill and money market holdings are excluded.

<b>Portfolio Correlation</b> Value-weighted across all holdings (T-Bills/Money Market excluded)	<b>0.51</b>
<b>Assessment</b>	<b>Strong Diversification</b>
<b>T-Bills &amp; Money Market Allocation</b>	7% (excluded from correlation)

Your portfolio demonstrates strong structural diversification. By pairing distinct asset classes (such as equities and fixed income) that do not move in lockstep, this allocation is designed to smooth out volatility and preserve capital during market stress.

#### Highest Correlations

Holdings that move together, reducing diversification benefit.

- FXNAX : FTBFX (0.99)
- FSKAX : AGTHX (0.97)
- AGTHX : PGOYX (0.96)

#### Lowest Correlations

Holdings that move independently, providing diversification.

- FXNAX : PGOYX (0.00)
- AGTHX : FXNAX (0.01)
- FTBFX : PGOYX (0.02)

### Advisor Notes on Diversification

- The planned transition to more international equity funds (FSPSX) will further improve portfolio diversification by introducing holdings with lower correlation to domestic equities.

### Position Overlap

7 holdings appear across multiple accounts. This is a common and effective approach—using consistent funds across accounts maintains a unified investment strategy while taking advantage of the tax benefits each account type offers.

- FSKAX held in 6 accounts: Solo 401(k) Marcus, Roth IRA Marcus, Solo 401(k) Danielle, Roth IRA Danielle, HSA Marcus, HSA Danielle
- FSPSX held in 6 accounts: Solo 401(k) Marcus, Roth IRA Marcus, Solo 401(k) Danielle, Roth IRA Danielle, HSA Marcus, HSA Danielle
- FXNAX held in 7 accounts: Solo 401(k) Marcus, SEP-IRA Legacy, Roth IRA Marcus, Solo 401(k) Danielle, Roth IRA Danielle, HSA Marcus, HSA Danielle
- AGTHX held in 6 accounts: Solo 401(k) Marcus, Roth IRA Marcus, Solo 401(k) Danielle, Roth IRA Danielle, HSA Marcus, HSA Danielle
- FTBFX held in 7 accounts: Solo 401(k) Marcus, SEP-IRA Legacy, Roth IRA Marcus, Solo 401(k) Danielle, Roth IRA Danielle, HSA Marcus, HSA Danielle
- PGOYX held in 2 accounts: 529 Jaylen, 529 Morgan
- PCOBX held in 2 accounts: 529 Jaylen, 529 Morgan

# Section 6: Recommended Asset Allocation Changes

## Overview

Replace high-fee active funds with low-cost index funds and rebalance from the current 78/22 equity/bond split to the 90/5/5 target. Proceeds directed 63% U.S. equity (FSKAX) and 37% international (FSPSX). All trades occur in tax-advantaged accounts with no taxable events.

### Proposed Portfolio Composition by Account



Solo 401(k) Marcus

Account	Custodian	Proposed Balance	Weight	Focus	Account Type
Solo 401(k) Marcus	Fidelity	\$97,950	20%	Retirement	Tax-Deferred
Solo 401(k) Danielle	Fidelity	\$75,990	15%	Retirement	Tax-Deferred
Joint HYSA	Marcus by Goldman Sachs	\$75,000	15%	Emergency Reserve	Taxable
SEP-IRA Legacy	Fidelity	\$52,000	10%	Retirement	Tax-Deferred
529 Jaylen	Georgia Path2College	\$48,000	10%	Education - Jaylen	Tax-Free
Business Operating	Truist Bank	\$45,000	9%	Business Operations	Taxable
529 Morgan	Georgia Path2College	\$38,000	8%	Education - Morgan	Tax-Free
Roth IRA Marcus	Fidelity	\$29,250	6%	Retirement	Tax-Free
Roth IRA Danielle	Fidelity	\$24,700	5%	Retirement	Tax-Free
HSA Marcus	Fidelity	\$4,500	1%	Healthcare	Tax-Free
HSA Danielle	Fidelity	\$4,300	1%	Healthcare	Tax-Free

## Planned Reallocation: Current → Proposed

The following tables outline the planned portfolio changes.

Solo 401(k) Marcus						
Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$72,500	24%	0.64%	\$464	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$22,750	8%	0.45%	\$102	Redirect high-fee bond proceeds to equity
Fidelity U.S. Bond Index Fund	FXNAX	\$2,700	1%	0.025%	\$1	Trim to reach 5% bond target
<b>Total Sells</b>		<b>\$97,950</b>			<b>\$567</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$61,518	63%	0.015%	\$9	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$36,432	37%	0.035%	\$13	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$97,950</b>			<b>\$22</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$567/yr	\$22/yr	\$545/yr

Tax impact: No tax impact (tax-advantaged account)

### Roth IRA Marcus

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$22,500	23%	0.64%	\$144	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$6,750	7%	0.45%	\$30	Redirect high-fee bond proceeds to equity
<b>Total Sells</b>		<b>\$29,250</b>			<b>\$174</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$18,363	63%	0.015%	\$3	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$10,887	37%	0.035%	\$4	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$29,250</b>			<b>\$7</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$174/yr	\$7/yr	\$168/yr

Tax impact: No tax impact (tax-advantaged account)

### Solo 401(k) Danielle

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$55,000	23%	0.64%	\$352	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$18,500	8%	0.45%	\$83	Redirect high-fee bond proceeds to equity
Fidelity U.S. Bond Index Fund	FXNAX	\$2,490	1%	0.025%	\$1	Trim to reach 5% bond target
<b>Total Sells</b>		<b>\$75,990</b>			<b>\$436</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$47,709	63%	0.015%	\$7	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$28,281	37%	0.035%	\$10	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$75,990</b>			<b>\$17</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$436/yr	\$17/yr	\$419/yr

Tax impact: No tax impact (tax-advantaged account)

### Roth IRA Danielle

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$19,000	25%	0.64%	\$122	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$5,700	8%	0.45%	\$26	Redirect high-fee bond proceeds to equity
<b>Total Sells</b>		<b>\$24,700</b>			<b>\$147</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$15,507	63%	0.015%	\$2	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$9,193	37%	0.035%	\$3	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$24,700</b>			<b>\$6</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$147/yr	\$6/yr	\$142/yr

Tax impact: No tax impact (tax-advantaged account)

### HSA Marcus

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$3,200	18%	0.64%	\$20	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$1,300	8%	0.45%	\$6	Redirect high-fee bond proceeds to equity
<b>Total Sells</b>		<b>\$4,500</b>			<b>\$26</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$2,825	63%	0.015%	\$0	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$1,675	37%	0.035%	\$1	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$4,500</b>			<b>\$1</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$26/yr	\$1/yr	\$25/yr

Tax impact: No tax impact (HSA is tax-advantaged)

### HSA Danielle

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
American Funds Growth Fund A	AGTHX	\$3,200	23%	0.64%	\$20	Replace high-fee active fund with index
Fidelity Total Bond Fund	FTBFX	\$1,100	8%	0.45%	\$5	Redirect high-fee bond proceeds to equity
<b>Total Sells</b>		<b>\$4,300</b>			<b>\$25</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$2,700	63%	0.015%	\$0	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$1,600	37%	0.035%	\$1	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$4,300</b>			<b>\$1</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$25/yr	\$1/yr	\$24/yr

Tax impact: No tax impact (HSA is tax-advantaged)

### SEP-IRA Legacy

Sell	Ticker	Amount	% of Acct	Expense	Annual Fees	Notes
Fidelity Total Bond Fund	FTBFX	\$16,000	22%	0.45%	\$72	Redirect high-fee bond proceeds to equity
Franklin Income Fund A	FKINX	\$36,000	50%	0.61%	\$220	Replace high-fee active fund with index
<b>Total Sells</b>		<b>\$52,000</b>			<b>\$292</b>	

Amount columns reflect current market value at report generation. Percentage of account is the proper measure when placing sell orders.

Buy	Ticker	Amount	% of Proceeds	Expense	Annual Fees	Notes
Fidelity Total Market Index Fund	FSKAX	\$32,646	63%	0.015%	\$5	63% of proceeds to U.S. equity
Fidelity International Index Fund	FSPSX	\$19,354	37%	0.035%	\$7	37% of proceeds to international equity
<b>Total Buys</b>		<b>\$52,000</b>			<b>\$12</b>	

Percentage of proceeds is the most accurate measure when placing buy orders. Invest proceeds proportionally rather than targeting exact dollar amounts.

Current Annual Fees	Proposed Annual Fees	Account Fee Savings
\$292/yr	\$12/yr	\$280/yr

Tax impact: No tax impact (tax-advantaged account)

## Weighted Average Expense

Current Portfolio Weighted Avg Expense	0.21%
After Proposed Changes	0.06%
<b>Estimated Annual Savings</b>	<b>\$1,603/year</b>

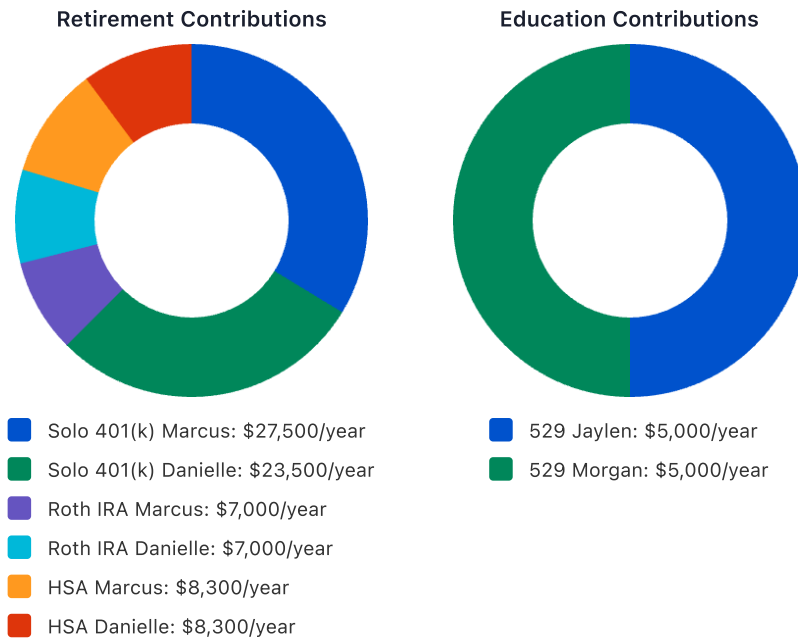
## Implementation Timeline

Date	Action	Details
Jan 15, 2026	Sell high-fee funds and trim FXNAX	Log into Fidelity, sell AGTHX, FTBFX, and FKINX in all accounts. Sell \$2,700 FXNAX in Solo 401(k) Marcus and \$2,490 FXNAX in Solo 401(k) Danielle.
Jan 17, 2026	Purchase replacement equity funds	After settlement (T+1), buy FSKAX (63%) and FSPSX (37%) to achieve target 90/5/5 allocation
Dec 31, 2026	Annual review	Verify all trades completed, confirm allocation near 90% equity / 5% bonds / 5% T-bills with ~25% international equity exposure

# Section 7: Contribution Strategy & Education Funding

The following outlines the recommended contribution targets. Contributions should be directed to the funds listed below in the specified percentages to maintain target allocation.

## Contribution Overview



## Contribution Order

When allocating new savings, prioritize contributions in the following order to maximize tax efficiency:

Priority	Account Type	Rationale
1	Roth IRA	Tax-free growth and tax-free qualified withdrawals in retirement. No required minimum distributions. Contributions (not earnings) can be withdrawn anytime without penalty. Prioritized over pre-tax accounts when no employer match is available.
2	HSA	Triple tax advantage: contributions are tax-deductible, growth is tax-free, and qualified medical withdrawals are tax-free. After age 65, non-medical withdrawals are taxed as ordinary income (like a Traditional IRA).
3	Solo 401(k) / 401(k)	The preferred vehicle for directing business revenue toward retirement. Allows both employee deferrals and employer profit-sharing contributions, resulting in significantly higher annual limits than an IRA. Pre-tax contributions reduce current-year taxable income. Without an employer match, prioritize Roth and HSA first for their superior tax treatment on withdrawals.
4	529 Education Savings	Tax-free growth and withdrawals for qualified education expenses. Georgia offers a state income tax deduction for contributions. Fund retirement accounts adequately before education savings.

## Retirement Contributions

### Solo 401(k) Marcus — \$27,500/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	Employee deferral limit for 2026 (\$23,500 + \$7,500 catch-up if 50+). Split 75/25 equity.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

### Solo 401(k) Danielle — \$23,500/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	Employee deferral limit for 2026. Split 75/25 equity.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

### Roth IRA Marcus — \$7,000/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	2026 IRA contribution limit. Execute via Backdoor Roth conversion.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

### Roth IRA Danielle — \$7,000/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	2026 IRA contribution limit. Execute via Backdoor Roth conversion.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

### HSA Marcus — \$8,300/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	2026 family HSA limit. Split 75/25 equity.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

### HSA Danielle — \$8,300/year

Fund	Ticker	% of Contribution	Notes
Fidelity Total Market Index Fund	FSKAX	75%	2026 family HSA limit (if separate). Split 75/25 equity.
Fidelity International Index Fund	FSPSX	25%	25% of contributions to international equity

## Education Funding

### Education Contributions

#### 529 Jaylen — \$5,000/year

Fund	Ticker	% of Contribution	Notes
Path2College 529 Growth	PGOYX	60%	Georgia Path2College plan. Growth allocation for Jaylen's education.
Path2College 529 Conservative	PCOBX	40%	Conservative allocation for stability as college approaches

#### 529 Morgan — \$5,000/year

Fund	Ticker	% of Contribution	Notes
Path2College 529 Growth	PGOYX	60%	Georgia Path2College plan. Growth allocation for Morgan's education.
Path2College 529 Conservative	PCOBX	40%	Conservative allocation for stability as college approaches

Contribution limits are based on 2026 IRS limits and may change. Verify current limits at [IRS.gov](https://www.irs.gov) before contributing.

# Section 8: Event Responses

## Unexpected Income Guidance

If you receive unexpected income (inheritance, bonus, business sale, legal settlement, or other windfall):

<b>Step 1: Park &amp; Assess</b>	Deposit funds into Joint HYSA or a high-yield savings account. Avoid making immediate investment decisions for at least 30 days.
<b>Step 2: Tax Implications</b>	Consult with your CPA to understand any tax consequences, including step-up basis for inherited assets, gift tax exclusions, or income tax on bonuses and settlements.
<b>Step 3: Review Goals</b>	Does this change your retirement timeline, spending plan, or estate plan? Consider whether new funds accelerate existing goals or enable new ones.
<b>Step 4: Integrate New Assets</b>	Integrate new assets into your existing portfolio strategy per target allocation. Follow the Contribution Order to prioritize tax-advantaged accounts where contribution room is available.
<b>Optional: Contact Foxholm Financial</b>	Contact us to talk through your options and align new assets with your financial plan.

## Financial Need Guidance

If unexpected expenses arise, access funds in this priority order to minimize tax impact and preserve long-term growth:

### Funding Priority Order:

1. **Joint HYSA** (no tax impact, immediate access)
2. **Roth IRA Contributions** (tax-free and penalty-free access to contributions only)
3. **Tax-Deferred Accounts** (last resort; subject to income tax and potential 10% penalty if under 59½)

If Need:	Recommended Source	Long-Term Impact
\$20,000	Joint HYSA	Minimal; replenish within 6-12 months from cash flow
\$50,000	Joint HYSA	Moderate; reduces safety margin significantly. Prioritize replenishment
\$100,000	Joint HYSA + Roth contributions + tax-deferred	Significant; partial tax impact. May trigger penalties if under 59½
\$150,000	Multiple sources required	Substantial; requires multi-account strategy. Schedule Foxholm Financial review before proceeding

# Appendix A: 2026 Actions by Month

The following calendar outlines key financial actions. Each action includes specific details to ensure you know exactly what to do and when.

Date	Action	Amount	Details
Jan 15, 2026	Sell high-fee funds and trim FXNAX	-	Log into Fidelity, sell AGTHX, FTBFX, and FKINX in all accounts. Sell \$2,700 FXNAX in Solo 401(k) Marcus and \$2,490 FXNAX in Solo 401(k) Danielle.
Jan 17, 2026	Purchase replacement equity funds	-	After settlement (T+1), buy FSKAX (63%) and FSPSX (37%) to achieve target 90/5/5 allocation
Mar 31	Quarterly portfolio review	-	Log into all accounts to verify balances - Review checking balance and upcoming expenses
Jun 30	Quarterly portfolio review	-	Log into all accounts to verify balances - Review checking balance and upcoming expenses
Sep 30	Quarterly portfolio review	-	Log into all accounts to verify balances - Review checking balance and upcoming expenses
Dec 31, 2026	Annual review	-	Verify all trades completed, confirm allocation near 90% equity / 5% bonds / 5% T-bills with ~25% international equity exposure
Dec 31	Quarterly portfolio review	-	Log into all accounts to verify balances - Review checking balance and upcoming expenses
Dec 31	Annual IPS review	-	Schedule meeting with Foxholm Financial - Review full IPS and update any changed circumstances

# Appendix B: Current Holdings Detail

The following tables detail the current investment holdings across all accounts. Each holding includes its current allocation, 12-month return, and expense ratio. Flagged holdings are scheduled for reallocation.

## Regular Assets Holdings

*Taxable accounts with no contribution limits or withdrawal restrictions. Investment gains are taxed annually, but these accounts offer flexibility for spending needs at any age.*

### Joint HYSA (\$75,000)

*Emergency Reserve. Tax treatment: Taxable.*

Holding	Ticker	Allocation	Value	12-Mo Return	Expense
High-Yield Savings		100%	\$75,000	+4.5%	0.00%

### Business Operating (\$45,000)

*Business Operations. Tax treatment: Taxable.*

### HSA Marcus (\$17,300)

*Healthcare. Tax treatment: Tax-Free.*



Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	46%	\$8,000	+11.3%	0.01%
American Funds Growth Fund A <span style="color: orange;">⚠</span>	AGTHX	18%	\$3,200	+8.1%	0.64%
Fidelity International Index Fund	FSPSX	16%	\$2,800	+17.1%	0.04%
Fidelity U.S. Bond Index Fund	FXNAX	12%	\$2,000	+4.7%	0.03%
Fidelity Total Bond Fund <span style="color: orange;">⚠</span>	FTBFX	8%	\$1,300	+5.0%	0.45%

⚠ *Flagged holdings scheduled for reallocation, see Allocation Changes.*

### HSA Danielle (\$14,100)

*Healthcare. Tax treatment: Tax-Free.*



Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	42%	\$6,000	+11.3%	0.01%
American Funds Growth Fund A <span style="color: orange;">⚠</span>	AGTHX	23%	\$3,200	+8.1%	0.64%
Fidelity International Index Fund	FSPSX	16%	\$2,200	+17.1%	0.04%
Fidelity U.S. Bond Index Fund	FXNAX	11%	\$1,600	+4.7%	0.03%
Fidelity Total Bond Fund <span style="color: orange;">⚠</span>	FTBFX	8%	\$1,100	+5.0%	0.45%

⚠ Flagged holdings scheduled for reallocation, see Allocation Changes.

### 529 Jaylen (\$48,000)

Education - Jaylen. Tax treatment: Tax-Free.



Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Path2College 529 Growth	PGOYX	63%	\$30,000	+6.5%	0.45%
Path2College 529 Conservative	PCOBX	37%	\$18,000	+8.5%	0.40%

### 529 Morgan (\$38,000)

Education - Morgan. Tax treatment: Tax-Free.



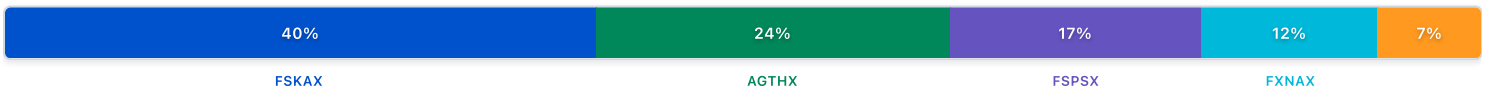
Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Path2College 529 Growth	PGOYX	63%	\$24,000	+6.5%	0.45%
Path2College 529 Conservative	PCOBX	37%	\$14,000	+8.5%	0.40%



## Retirement Assets Holdings

Tax-advantaged accounts designed for retirement savings. Contributions may be tax-deductible (Traditional) or grow tax-free (Roth), with specific rules governing withdrawals and required minimum distributions.

### Solo 401(k) Marcus (\$300,250)

Tax-Deferred.





Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	40%	\$120,000	+11.3%	0.01%
American Funds Growth Fund A 	AGTHX	24%	\$72,500	+8.1%	0.64%
Fidelity International Index Fund	FSPSX	17%	\$50,000	+17.1%	0.04%
Fidelity U.S. Bond Index Fund	FXNAX	12%	\$35,000	+4.7%	0.03%
Fidelity Total Bond Fund 	FTBFX	7%	\$22,750	+5.0%	0.45%

 Flagged holdings scheduled for reallocation, see Allocation Changes.

### SEP-IRA Legacy (\$72,000)

Tax-Deferred.





Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Franklin Income Fund A 	FKINX	50%	\$36,000	+11.2%	0.61%
Fidelity U.S. Bond Index Fund	FXNAX	28%	\$20,000	+4.7%	0.03%
Fidelity Total Bond Fund 	FTBFX	22%	\$16,000	+5.0%	0.45%

 Flagged holdings scheduled for reallocation, see Allocation Changes.

### Roth IRA Marcus (\$97,250)

Tax-Free.










Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	41%	\$40,000	+11.3%	0.01%
American Funds Growth Fund A 	AGTHX	23%	\$22,500	+8.1%	0.64%
Fidelity International Index Fund	FSPSX	17%	\$16,000	+17.1%	0.04%
Fidelity U.S. Bond Index Fund	FXNAX	12%	\$12,000	+4.7%	0.03%
Fidelity Total Bond Fund 	FTBFX	7%	\$6,750	+5.0%	0.45%

 Flagged holdings scheduled for reallocation, see Allocation Changes.

### Solo 401(k) Danielle (\$241,500)

Tax-Deferred.










Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	41%	\$100,000	+11.3%	0.01% 
American Funds Growth Fund A 	AGTHX	23%	\$55,000	+8.1%	0.64% 
Fidelity International Index Fund	FSPSX	16%	\$40,000	+17.1%	0.04% 
Fidelity U.S. Bond Index Fund	FXNAX	12%	\$28,000	+4.7%	0.03% 
Fidelity Total Bond Fund 	FTBFX	8%	\$18,500	+5.0%	0.45% 

 Flagged holdings scheduled for reallocation, see Allocation Changes.

## Roth IRA Danielle (\$75,700)

Tax-Free.



Holding	Ticker	Allocation	Value	12-Mo Return	Expense
Fidelity Total Market Index Fund	FSKAX	40%	\$30,000	+11.3%	0.01% 
American Funds Growth Fund A 	AGTHX	25%	\$19,000	+8.1%	0.64% 
Fidelity International Index Fund	FSPSX	16%	\$12,000	+17.1%	0.04% 
Fidelity U.S. Bond Index Fund	FXNAX	12%	\$9,000	+4.7%	0.03% 
Fidelity Total Bond Fund 	FTBFX	7%	\$5,700	+5.0%	0.45% 

 Flagged holdings scheduled for reallocation, see Allocation Changes.

## Portfolio Summary

Total investable financial assets managed under this Investment Policy Statement. Excludes real estate, vehicles, personal property, and non-liquid assets such as pensions and Social Security.

Account	Value	Weight	12-Mo Return	Avg Expense
Solo 401(k) Marcus	\$300,250	29.32%	+10.2%	0.20%
SEP-IRA Legacy	\$72,000	7.03%	+8.0%	0.41%
Roth IRA Marcus	\$97,250	9.50%	+10.3%	0.19%
Solo 401(k) Danielle	\$241,500	23.58%	+10.3%	0.20%
Roth IRA Danielle	\$75,700	7.39%	+10.2%	0.21%
Joint HISA	\$75,000	7.32%	+4.5%	0.00%
Business Operating	\$45,000	4.39%	-	-
HSA Marcus	\$17,300	1.69%	+10.4%	0.17%
HSA Danielle	\$14,100	1.38%	+10.2%	0.20%
529 Jaylen	\$48,000	4.69%	+7.3%	0.43%
529 Morgan	\$38,000	3.71%	+7.2%	0.43%
<b>Total Household Assets</b>	<b>\$1,024,100</b>	<b>100%</b>		

# Appendix C: Related Guides

The following Foxholm Financial guides provide additional detail on topics covered in this IPS.

Topic	Guide	Description
Implementation	Investment Policy Statement Guide <a href="https://foxholm.com/implement/investment-policy-statement/">foxholm.com/implement/investment-policy-statement/</a>	What belongs in an IPS and its importance for disciplined wealth management
	Advice-Only Advisor Guide <a href="https://foxholm.com/implement/advice-only-advisor-guide/">foxholm.com/implement/advice-only-advisor-guide/</a>	How Foxholm works as an advice-only fiduciary
	Executing Stock Trades <a href="https://foxholm.com/implement/executing-stock-trades/">foxholm.com/implement/executing-stock-trades/</a>	Order types, tax lot selection, and trade settlement
	Backdoor Roth IRA Strategy <a href="https://foxholm.com/guides/retirement-planning/backdoor-roth-ira/">foxholm.com/guides/retirement-planning/backdoor-roth-ira/</a>	Step-by-step guide to executing the Backdoor Roth IRA conversion
	Solo 401(k) Contribution Guide <a href="https://foxholm.com/guides/tax-planning/solo-401k-contributions/">foxholm.com/guides/tax-planning/solo-401k-contributions/</a>	Maximizing contributions for self-employed business owners

For the complete library of guides, visit [foxholm.com](https://foxholm.com).

# Disclaimer

This Investment Policy Statement is a planning document and does not constitute a contract. Market conditions, tax laws, and personal circumstances change; this IPS should be reviewed annually and updated as needed.

Foxholm Financial, Inc. is a registered investment adviser with the State of Georgia. Registration does not imply a certain level of skill or training. This document was prepared as part of a Strategic Portfolio Review engagement.

Past performance is not indicative of future results. All investments involve risk, including possible loss of principal. The projections and estimates in this document are based on current information and assumptions that may change.

For questions about this IPS, contact us at [contact@foxholm.com](mailto:contact@foxholm.com) or visit [foxholm.com](http://foxholm.com).

## <sup>†</sup> MaxiFi Planner

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Spending targets, retirement income projections, and related figures referenced in this document were calculated using MaxiFi Planner, a financial planning tool developed by Economic Security Planning, Inc. MaxiFi ran 500 Monte Carlo spending trajectories based on possible stock market returns to determine a range of retirement spending outcomes. The "spending floor" represents the guaranteed minimum spending if all stock holdings were lost; percentile trajectories (5th through 95th) show the range of possible outcomes under varying market conditions. Projections are based on current assumptions including inflation rates, tax laws, Social Security benefits, and investment returns. Actual results will vary based on market conditions, tax law changes, and personal circumstances. MaxiFi is an independent tool; Foxholm Financial has no ownership interest in Economic Security Planning, Inc. Clients may request a copy of their full MaxiFi report.

SAMPLE DOCUMENT

## This Investment Policy Statement Is a Marketing Example

This document was prepared for a **fictitious client** to illustrate the type of analysis, recommendations, and deliverables included in a Foxholm Financial engagement. It is provided solely to give prospective clients a clear picture of our service offerings.

- The client names, account balances, holdings, and all other data in this report are entirely fabricated.
- **Nothing in this document constitutes investment advice**, a recommendation to buy or sell any security, or an offer of advisory services.
- Past performance figures, risk assessments, and projections shown are illustrative only and do not represent actual results or guarantees of future performance.
- Do not rely on any information in this document for personal financial decisions.

If you are interested in receiving a personalized Investment Policy Statement based on your actual financial situation, please contact us:

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**Foxholm Financial, Inc.**

Registered Investment Adviser — State of Georgia

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