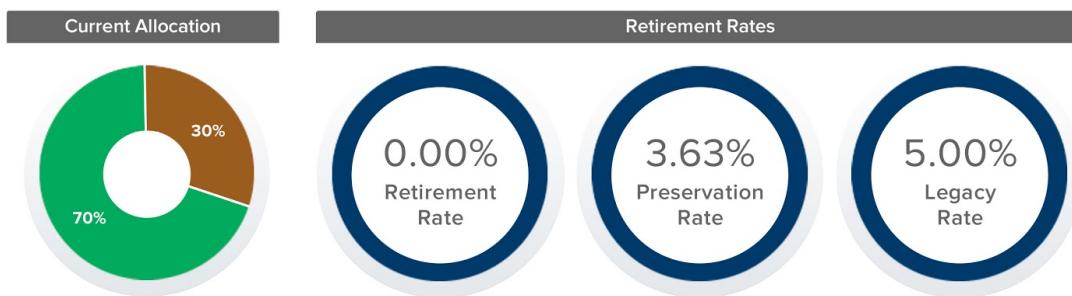


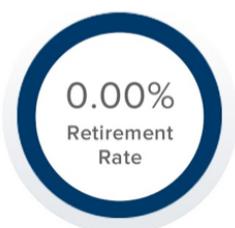
We work to put clients at ease by helping them understand the rate of return they need to **NOT** run out of money throughout their retirement. We do this in a manner that is unbiased and logical, based on simple mathematics.

We believe the retirement planning process should not be based on financial products. Instead it should be based on a plan and process that provides the information necessary for making sound investment decisions. Our **six-step** process we call **Simplictree** helps redefine the emotional risk question too many wrestle with as they build toward their financial goals. Instead of always fretting over how one feels about risk, this process takes a different approach by answering the following question:

### How much risk do you **need**?



This process helps our client calculate the rate of return they need to achieve one of three goals: a) not run out of money, b) live off of their interest earned or, c) preserve their principal in order to leave a financial legacy.



**Retirement Rate:** This calculation will determine the absolute minimum rate of return **needed** to ensure a client's assets will last until their assumed date of death. This rate of return will not serve as a target but rather as foundational knowledge required for making appropriate investment decisions.



**Preservation Rate:** This calculation will determine the rate of return needed to preserve a client's starting asset values throughout their retirement. This rate of return is valuable to the prospect who wants to live off of their interest and preserve their principal.



Legacy Rate: This calculation will determine the rate of return needed to achieve the asset value at death which the client desires to leave as a legacy. This addresses the clients who are not worried about running out of money. Instead, they desire to leave a portion of their estate to heirs or charity.

Once our clients have determined their goals, the corresponding rate of return becomes the basis for making appropriate financial decisions; whether the focus is on growth or income.

Also, through this process, clients are able to see a year-by-year accounting of their income needs and accumulated asset values to ensure they stay on track throughout retirement. Our clients have found that being able to track progress and realize income year-after-year breeds growing confidence throughout retirement.

**Simplicitree provides a pathway which stays with you for a lifetime.**

#### **Demogronomics - the second parallel.**

Demogronomics provides our client a solid, manageable and understandable implementation framework for their Simplicitree plans.

Demogronomics is a high-level view of our economic system, giving a blend of Demographics - the counting of people - and Economics. Together these forces form a clearer perspective of global commerce, business growth and consumer expansion waves for clients over time. We have found that when you count generations of people first - and allow for their normal demands over a lifetime, then a more logical, productive understanding of commerce can follow.

## **DEMOGRAPHICS + ECONOMICS**

Demogronomics is not a crystal ball approach nor was it ever intended to be. Historically, though, it has provided a logical framework for understanding "what's next?" in our economy.

When we begin to understand the basic fundamental that people make markets, we also begin to see that it is demography which drives economics - and not the other way around. Instead of the proverbial "build it and they will come", we begin to think "they are coming - we better build it..." It can provide a more productive planning perspective.

History shows the stumbling block for too many in their investment planning is the lack of patience. Indeed, we have found that those who understand the Simplictree and Demogronomics perspectives can have more confidence in implementing their investment and financial plan with patience. This simple idea of letting the demographic waves unfold has been a hallmark for those who have met their planning and financial goals for decades.

While speed of information and the pace of our lives is only likely to increase thanks to technology, the basic habits and fundamental actions taken by people as they age tend not to change much at all. By providing this long-term understanding and these planning tools for clients, you can help them make more sense of the noise in the news. That noise itself has driven far too many investment errors over decades of time, especially when viewed with a perspective that is too short-term in nature.

Case in point - if one truly knew in 1982 the DOW would rise from 950 to over 18,000 some 33 years later - why would they ever sell?



The damage of panic is repetitive over the years. Having been burned into the minds of the investor audience, it is now shrouded by fear. By understanding Demogronomics, advisors help their clients remain focused on the longer-term structure of demand already in place. If one knows those facts, they can be more patient with allowing those facts to show up in markets and economies - over time - with patience and discipline.

### ***Here are some facts about Demogronomics today in the US:***

We have what we call a Barbell Economy - a rare structure indeed for an economy our size.



On one end, we have the previous largest generation to ever hit our economy - the Baby Boomers. They are entering the last 40 to 50 years of their lives. They will impact - in significant ways - many new sectors of our economy. This will happen whether we fret over media, fear-driving headlines or not.

Meanwhile, the other end is anchored by the NEW largest generation to ever hit the US economy. These are the kids of growth who

will change all that we know today - Generation Y. Brought up on technology and far brighter and faster than any generation before them, the people who will impact our world for the next 50 years - are already alive and moving forward.

- Yes, these waves of change can be slow at times.
- The mistake is to assume their pace is somehow indicative of their existence.
- This is where surprises come from over time.

Massive demographic waves of change are slow - but very readable and over time, easy to understand.

### The growth goal for you?

We provide these tools to clients to help them understand the importance of discipline in the process of successfully planning for their retirement and other financial goals. By using these tools, we have found our clients gain more confidence in their financial pathway ahead.

Besides, what good is having a great plan if one does not have the discipline to follow it?



By combining **Simplictree** and **Demogronomics**, we provide our clients a revolutionary set of planning and investment guiding principles which help reduce the damage of short-term judgment.

Doing so can lead to more effective decisions in meeting financial goals. In the process, our clients have learned to leave fearful reactions and guessing to the rest of the crowd and rely instead on patience and knowledge as a more productive foundation.