

## PATH ONE INVESTING

My objective is to create a portfolio that helps reduce risk while striving to provide competitive returns. Below is a very brief illustration of the concept:

Consider your financial plan as a road map. For illustration purposes (*see illustration on next page*) let's say there are only two paths that reach your ultimate financial goal:

**Path One**- Your investments have ups and downs but ultimately grow over time. The peaks and valleys are NOT as severe as the alternative path- Path 2.

**Path Two**- This scenario is very volatile and has dramatic ups and downs relative to the first alternative.

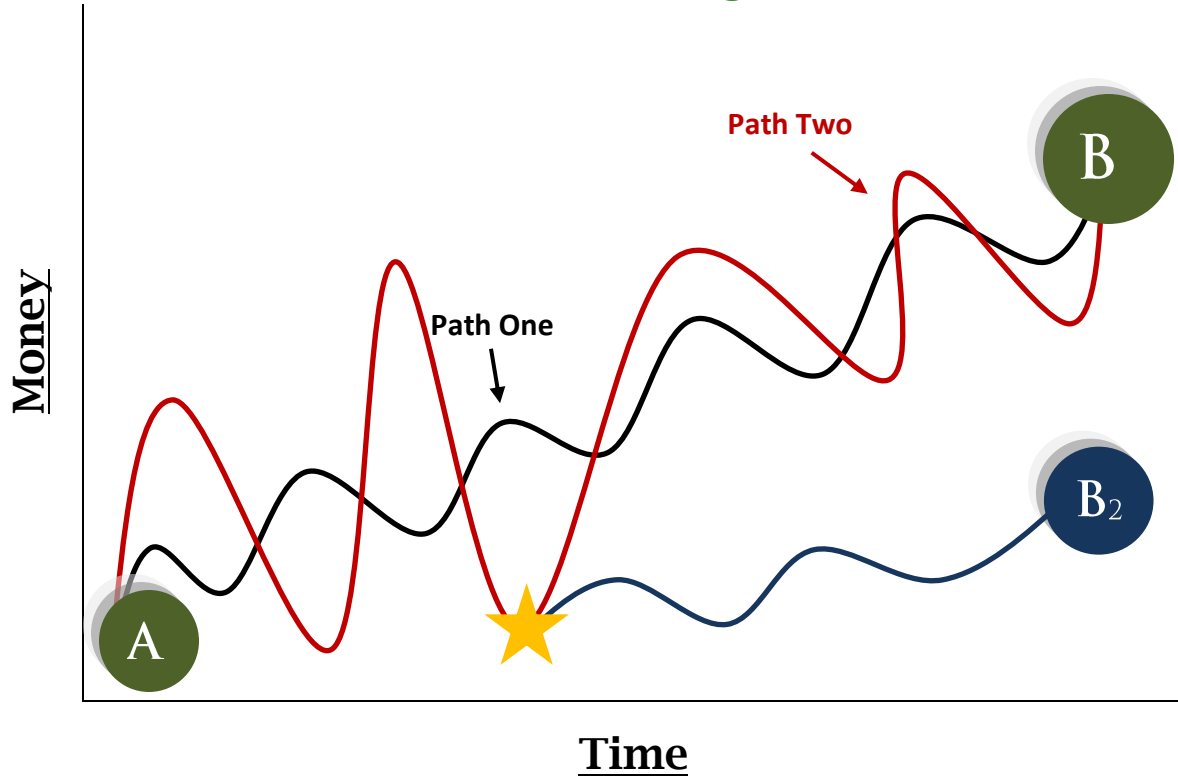
NOTE: Both paths may help reach your goal.

It is my experience the investor on **Path One** will actually be able to stay committed and reach their goal where the investor on **Path Two** will have a crisis of faith in their investments and somewhere at or near a bottom they will abandon their plan and do something else. (Generally take a more conservative approach). Experience suggests most investors do this exactly at the wrong time. Because of this mistake they may never reach their goals. Instead, the investor ends up at Portfolio B<sub>2</sub>, which is somewhat less than Portfolio B-the investor's goal.

Therefore, it is my job to help you create a plan and investment strategy that takes the least amount of risk but will simultaneously help you reach your ultimate goal. **THIS IS FUNDAMENTAL TO EVERYTHING I DO. IT IS THE PRISM IN WHICH I LOOK THROUGH REGARDING YOUR FINANCIAL PLAN AND INVESTMENT STRATEGY.**

**IN SUMMARY**, take the path that is less risky and volatile that will still help you to reach your ultimate goals and objectives. It is the path you will most likely be able to stay on- **this is the key**. Note: Path 2 may provide the potential for better returns, however the road traveled on that path typically incurs higher periods of decline.

## Path One Investing Philosophy



- A = Current Portfolio
- B = Goal Portfolio
- Path One = Path from A to B
- Path Two = Alternate path from A to B
- B<sub>2</sub> = Portfolio after a “Crisis of Investment Faith”

*Material discussed herewith is meant for general illustration and/or informational purposes only, please note that individual situations may vary. Therefore, the information should be relied upon when coordinated with professional advice. Material discussed does not reflect investment fees or expenses. These hypothetical examples are for illustrative purposes only and does not represent the performance of any specific investment. Investing involves risk including potential loss of principal. No investment strategy can guarantee a profit or protect against loss in periods of declining values.*