

J. P. MORAND

& COMPANY



J.P. Morand & Company

Jeffrey P. Morand, RFC, CFEd, CCPS

WEALTH & COLLEGE PLANNING

For over 25 Years, "Our goal is to help you reach yours"

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Do you wish you had more time to manage your finances? Even if you read financial articles and use financial software, you will probably find you still can't manage your affairs the way a professional can. There is just too much information and too many other demands on your time.

That's why J.P. Morand & Company is here. It is our job to keep up with the ever-changing financial services industry to help you manage your finances effectively. We will work with any other advisors you may have to help assure all parts of your financial picture fit together. Our goal is to evaluate your total financial situation. By seeing the whole picture, we can help you make necessary adjustments to help keep you on the path to meeting your financial goals.

ASSET ALLOCATION

While everyone can agree that asset allocation is an important part of an investment strategy, not everyone is willing to employ it. Many investors would rather spend the bulk of their time searching for the latest hot investment. Why?

Asset allocation can be boring. It does not provide returns quickly. Also, the process itself can be quite daunting. There are more investment choices now than ever before and factors such as world economics, currency fluctuations, and income taxes need to be considered before making your selections. In addition, most individuals have their assets spread out among various accounts in different locations, making asset allocation even more complex.

To further complicate matters, once a portfolio is finally assembled to your satisfaction, it is usually recommended that the allocation mix be reviewed and rebalanced at least once a year. However, it provides a disciplined approach to diversification and eliminates the need to time investment decisions. "Please keep in mind, asset allocation and diversification do not guarantee a profit or protect against loss."

FINANCIAL PLANNING

In this fast-paced world, we often wonder how we will get everything done. One strategy is to delegate tasks to others who have the knowledge and experience to help you get the job done.

That's why JP Morand is here. When it comes to financial matters, we have the training and experience required to help you develop a financial plan that is tailored to your individual situation. We will first take the time to explore your lifestyle, goals for the future, and comfort level to create a plan tailored to you. We'll find out what's important about money to you. After working with you to establish realistic investment objectives and asset allocation guidelines, we will help select investments and/or find money managers. We will then monitor your portfolio to help ensure all parts are working together in the way designed. If there are changes you need to be aware of, we will notify you so that a plan of action can be discussed. We will also stay in touch to see if there are any changes in your life or goals that would necessitate adjusting your wealth plan.



RETIREMENT PLANNING

If you haven't taken the time yet to begin planning for your retirement, we urge you to do so soon before you know it, you'll be ready to retire and you don't want to find out then that you don't have enough money.

When we begin to help clients with their retirement plans, we work with them to find the answers to these three questions:

1. How much income will you need during retirement?
2. What resources will you have available (assets and income) to use during retirement?
3. How much do you need to save now to make up the difference between what you currently have available and what you will need?

To answer these questions, you first need to think about your expectations for retirement. Individuals vary drastically in their dreams, and thus, financial needs – for example, if you plan to travel extensively, you will need more money than someone who wants to stay at home and tend to a garden.

Once you have decided what you want for your retirement, we can help you with your questions. We will work with you to take inventory of what assets you currently have for retirement and what income you can plan on. We will then come up with a plan for investing to help you “fill the gaps.”



ESTATE PLANNING

JP Morand & Company is available to provide over site regarding your estate plan. Together with your attorney, we will formulate a plan that is designed to help:

- Minimize estate taxes and associated costs.
- Determine the best way to dispose of and manage assets.
- Ensure that your heirs will be able to satisfy estate obligations.
- Achieve your personal goals and objectives for disposition of your assets.
- Make sure your heirs get more of your retirement accounts.

Some of the issues we will cover in developing this plan include:

- What assets do you currently own, where are they located, and how are they owned?
- How do you want to dispose of your assets?
- Do you have any unique family circumstances that will affect your estate plan?
- What is your projected estate tax and are there steps you can take to minimize the tax?
- Will your heirs have the financial ability to manage your assets?
- Will your estate have sufficient liquidity to meet your heirs' immediate needs?

RISK MANAGEMENT

Our risk management team will evaluate your non-financial risks, such as umbrella coverage, long term care coverage, life insurance and medical coverage to be sure the unexpected does not put a halt to your financial and future retirement.

Our mission is to guide you to make the right decisions for your financial future. You will enjoy and appreciate the numerous benefits of being part of the JP Morand & Wealth Management family. This alliance entitles you access to industry professionals, educational workshops and more.

Come work with JP Morand & Company – where we strive to enhance our clients' quality of life through our values-based planning services. Freeing your mind to enjoy things that are important to you.

COLLEGE PLANNING

When it comes to funding a child's college education, most parents need a helping hand. With all of the forms to fill out, Financial Aid to apply for and loans to research, common mistakes often made during this process are:

- Assuming you are not eligible for financial aid.
- Failing to fill out forms correctly.
- Not knowing how to lower your E.F.C.
- Failing to file forms before the deadlines.
- Not allowing enough time to complete all required paperwork.
- Expecting the high school and college to help you get all financial assistance.

All of these mistakes are avoidable – if you have someone working with you who understands the financial aid process. JP Morand & Company has a great deal of experience helping parents through this confusing time. Besides educating you about the financial aid process, we also:

- Help you select colleges that offer a good education with opportunities for financial assistance.
- Complete your financial aid documents to make sure they are accurate and that you are applying for all of the federal assistance programs for which you are eligible.
- Help negotiate with specific schools for a financial assistance package.

GENERAL THOUGHTS

Securing your dreams takes effort and energy, leaving little time for wealth management. We can take that responsibility off your hands while helping you achieve your goals. With us as your wealth advisors, you will enjoy the confidence that comes from knowing that we are here to help in any way we can.

Since 1979 we have been helping our clients work toward financial security with our personalized approach to wealth planning, accumulation and preservation.

Rest assured that our goal is to help you maintain the standard of living to which you have become accustomed, and to preserve your wealth for your children and grandchildren. In developing and maintaining a well thought-out wealth accumulation plan, we focus on a variety of personalized strategies. We have access to the broadest range of financial programs from which to choose to help accomplish your goals.

At JP Morand & Company you will work hand-in-hand with a personal wealth advisor to develop your goals. Providing support and expertise to your personal wealth advisor is a highly qualified team of financial specialists and support team.

OUR COMMITMENT

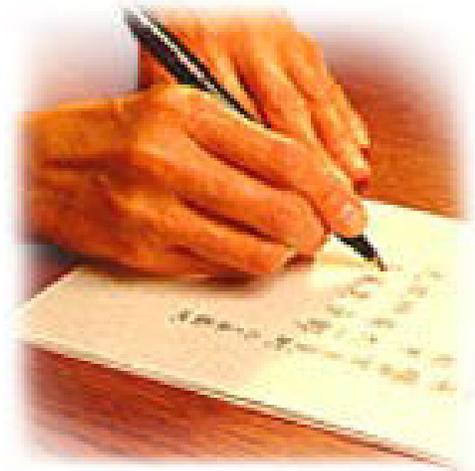
We remain committed to the simple tenet that the best interests of our clients must take precedence in all decisions. From data gathering, to analysis, to recommendations, the guiding principle has been to make sure that the client has a clear picture of what is needed, why it is needed, and how their decisions will affect their financial picture.

Giving the client choices and alternatives when providing strategies to help meet their financial needs has been another important factor in our commitment to excellence. A commitment to provide ongoing quality service has been the cornerstone in our business operations. Financial reviews, our newsletters, website and frequent personal contact help our clients know where they stand with their financial goals and objectives.

We can help you maximize the amount of free time you so richly deserve. By working with us now, we can arrange all the details that will affect your financial future, sparing you and/or your loved ones from having to make difficult decisions later.

But the most important ingredient in our success has been the confidence and loyalty of quality clients. After all, "Our Goal is To Help You Reach Yours."

Please feel free to call us at 303-860-1234 to discuss any of your financial concerns. Please visit our website JPMORAND.COM



DEMOGRAPHICS & THE ECONOMY

There is something happening in America, it is called the age wave. A social revolution that is changing the way we think about work, retirement, and how we invest. Americans are living longer than ever before and having healthier lives.

In recent decades, dramatic advances in medicine, public health, and lifestyle have caused trends towards declining fertility and increasing longevity. These demographic changes are causing an age wave whose masses will transform every aspect of our personal, social, and financial lives.

This has never happened before! The world is suddenly getting older. Right now, two-thirds of the people who have ever been 65 or older are still alive today. More than 60,000 Americans are 100 years or older. Medical advances have raised Americans' life expectancies from 46 in 1900 to better than 78 today. How did we arrive at this point, the most extraordinary dramatic shift in history, the shift toward longevity? For thousands of years the average human life was around 18-20 years of age. Now it is increasing each decade. What will we do with 70-80 million retirees? These on-time baby-boomers had an effect on diaper makers; medical services, school builders, cars, homebuilders, and eye wear companies, and more. *

The investment landscape is changing. It is expected that life expectancy could be over 90 as an average by the year 2050. Scientists are talking about the upper limit of longevity being in the 120 to 130 years of age. The next frontier that scientists are talking about is cloning of our own organs when we are healthy and storing them away for the day when we may need a new heart, liver, or lung and these transplants will not be rejected by our bodies.*

Does living longer mean we may be working longer? We should be busy now planning for our later years. We may not be able to count on Social Security like our parents did. We need to increase our savings rate and have a solid financial plan to turn to. We may be caught between an emotional pull. A pull towards our own retirement security, but a pull towards our aging parents and a pull towards college education for our children.

There are five key factors that will reshape supply and demand of products and services, as we know them today. (This is important to our investment and retirement portfolios) Remember, 80 million baby boomers, the largest concentration of a single economic group in the history of the world. Here are some of their concerns: 1. Chronic diseases and their desire to stay healthy and to do whatever possible to postpone that physical aging process. 2. They will have increasing amounts of discretionary dollars (for some but not for all) as a result of their increase in earning power, inheritances, and return on their investments. 3. They will enter into new adult life stages including empty nesting, as we mentioned before care giving of parents and in certain cases grandparents, retirement, widowhood, and perhaps finding a new career to keep busy; each of these with its own challenges and opportunities. 4. A physiological shift from acquiring more material possessions towards a desire to purchase enjoyable and satisfying experiences. and 5. The continued absence of disposable time due to complex lifestyles, ever changing needs, and some of the above points that we talked about.

We need to take this information that is in front of us and use it to improve our portfolios, our careers, the careers our children choose and the homes we live in and how we plan for our future.

THE PROBLEM WITH AVERAGE RETURNS

Building a retirement plan around average returns Can give a false sense of security.

One potentially disastrous mistake in planning for lifetime income before and after retirement is to base those plans on historical average returns, and then project those averages out in a linear manner for 10 to 20 years or more. You may as well try to forecast the weather on your birthday 10 to 20 years from now.

Referring to long-term averages does have some utility while you're young and in the financial accumulation phase. It can encourage young savers to look past short-term volatility, particularly in equities, and continue steadily building upon their assets. With a very long timeframe ahead, these investors should generally be able to count on markets reverting to the mean, and delivering something like they expect, assuming markets act similarly to the past.

During post retirement, the options for correcting errors are more constrained. Planning lifetime income streams on a linear projection of average returns can very easily create a misleading sense of security or certainty about a portfolio's chances of success. The real world of markets and investments is much more variable and unpredictable.

That is why many serious financial advisors use simulations, probability pattern generators that show the full range of possible results from a given portfolio of assets instead of a single answer based on historical returns such as drawing down 6 percent a year on your portfolio. A simulation will examine hundreds of possible future outcomes for your portfolio based on past market actions or even on hypothetical events that range beyond past experience and show probabilities of reaching a specific goal.

We see a hypothetical illustration of a portfolio's assets over time. The implication is that the portfolio will deliver a reliable income stream over time. This is the question at hand.

In fact, a portfolio may even return more by running the same portfolio at the same withdrawal rate. At times our simulation model tells a dramatically different story. Our simulation program uses hundreds of possible historical returns for your portfolio and it shows a wide range of possible outcomes. More importantly, it shows the real market conditions of your portfolio, by taking past returns into the future.

One simple lesson for those seeking lifetime income after retirement is to let J.P. Morand & Company run a simulation especially for you. We will take your portfolio, your goals and objectives, and make projections for you. We will look at possible return scenarios, which could help you to plan for the type of retirement you and your family want. See Figure 1 (attached)

For over 25 years, "Our goal is to help you reach yours."

JEFFREY P. MORAND, RFC, CCPS, CFED

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Jeffrey P. Morand, is a Registered Financial Consultant, Certified College Planning Specialist and Certified Financial Educator.

In 1979, Jeff founded JP Morand & Company based on principals to assist families in paying for college, creating and protecting their wealth, and helping to create a financially secure retirement.

Jeff has a focused view in helping his clients and their families understand all options that are available to them.

He believes that by helping clients be more informed about the decisions that need to be made, this affords them the peace of mind that they are making good decisions and that their future is protected.

Jeff takes his role as “coach” very seriously. His mission is to develop a plan that is customized to your needs, to educate and advise you on a course of action, and assist you in making an informed decision. The final decision is always yours.

As your “coach”, Jeff is compensated as such. Compensation is based on the advice given, not just on a transaction. This provides you with the assurance that he is truly objective in making recommendations, and that he has a vested interest in the success of your financial future and in helping you meet and maintain your goals. He takes the time to understand the issues and provide practical solutions.

His success and knowledge in this field has allowed him to teach financial classes at The University of Colorado at Denver. He was host of a weekly radio show on Castle Rock Radio.com. He also teaches classes for The Heartland Institute, which includes corporations and associations through out the United States. He has been a member of the National Association of Financial Planners since 1983. Jeff has been featured in the Los Angeles Times. He has been a guest on KTLA’s Saturday Morning Show and KIGH Radio talk show. Jeff has hosted 2 television programs, “The Financial Beacon” and “Making the Most of your Money”. He has been a guest instructor for Parent University that is taught through Douglas County Schools. He has earned the professional designation of Registered Financial Consultant awarded by the International Association of Registered Financial Consultants. He is a member of the National Institute of Certified College Planners. Jeff is also a member of the National Association of Eagle Scouts

Jeff’s faith and family is his first priority. He lives with his wife, Kristine, and three of their five children in Parker, Colorado. His hobbies are, camping, traveling and reading.

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