Special Report

DISCOVER HOW TO OUTPERFORM UP TO 82% OF PROFESSIONAL MONEY MANAGERS WHILE SAVING MONEY ON THEIR FEES IN THE PROCESS

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Learn the Truth About Market Risk While Saving For Retirement... What Wall Street Isn't Telling You

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Discover How to Outperform up to 82% of Professional Money Managers While Minimizing the Devastating Effect of Fees

The market has been on a great run since the last huge market crash from October of 2007 through March of 2009 where the S&P 500 lost about 59%.

More and more folks are getting worried about losing what they've gained when the market corrects again, but NOBODY knows when it is going to come.

Are you concerned with losing what you've gained when the market corrects?

Even if you knew a market drop was coming, what would you do with your money?

Where would you put it?

How can you lock in and protect your gains if it's not out of the market?

Ultimately, the real problem with having your money in the market is how do you lock in and protect those gains?

Wall Street wants you to believe that having them manage it is the answer.

Did you know that over a 5 year period more than 82% of professional money managers don't even beat the S&P 500?

This helps to explain why there's been a big push to invest money in cheaper, more passive "index funds" that tend to track closer to what the market actually earns.

But, even if you invested in index funds doesn't that still leave the question of when and how do you lock in your gains?

Why is losing money such a big deal?

Doesn't traditional thinking tell us to stay in the market and it will come back because over time the market is always up? But is it always up?

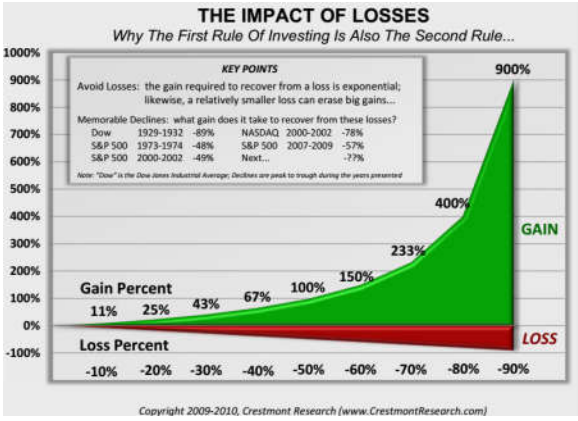
The Impact of Losses

Maybe losing money is a much bigger deal than they want us to believe.

Has your advisor, or anyone, ever shown you the impact of losses?

The following chart from Crestmont Research shows that the bigger the loss, the amount of gain needed to get back to "even" grows exponentially.

A 10% loss requires an 11% return to get back to even while a 60% loss requires a 150% gain to get back to even.



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Where is it written in the rules of finance that you have to have your money at risk of losing 30%, 50%, 70% or more just to get ahead?

Does that even make sense?

But it gets worse…

The Compounding Power of Fees

Fees in investments are a necessary evil, nobody is going to help with investing or provide financial vehicles for free.

The problem with Fees comes in the form of being guaranteed losses every year.

Has any advisor ever showed you the Compounding Power of Fees?

Most folks are taught to believe that investment fees average about 1%. "It's a small sliver that doesn't amount to much"…is that actually the case?

Hypothetically, if $100,000 was put in the S&P 500 with dividends and assuming no fees on January 1st of 1997 through the end of 2016, your money would have grown to $435,199.

If your investment advisor had charged a 1% annual fee, your balance would have been $355,952, $79,247 less, 18.21% lower.

Do you consider that a small sliver?

But wait, it gets worse. A 2011 Study of Mutual Fund Fees showed average total fees were 3.17%.

When 3.17% fees are plugged into our hypothetical investment the balance drops to $228,500, $206,699 less, 47.50% lower.

Seriously, is that a small sliver?

So, you take all the risk, pay all the fees and lose up to 47.5% or more of your wealth and that was only over a 20 year period…does that make sense?

Isn't that a big price to pay & a lot to give up to pay for a money manager where you have an 82% chance you won't outperform the market over 5 years?

Is There a Better Way?

Can we agree in order to compete with Traditional Financial Planning's promise of building a retirement in the market any safe and smart alternative has to:

- Have the ability to safely earn market like gains,
- Has to find a way to protect those gains when they happen, and
- Reduce the negative impact of fees?

Would that do the trick?

Avoid Losses

Now that you've seen the Power of Losing money, doesn't it become evident that a "better way" must protect against losing money when the market is down?

What if there was a financial tool that was designed to make sure you never lost money when the market was down, which could be achieved if instead of being in the market we could somehow link it to the market?

Capture & Protect Market Gains

What if a financial tool was designed to capture a certain percentage of the market, such as the S&P 500 without

dividends, without being in the market…could that possibly take care of the needed growth?

Annual Reset

Capturing a percentage of the market gains is good, but don't we also need to find a way to lock in those gains so they are no longer at risk of loss?

So, if we could combine the protection from losses, grabbing gains when the market was up and we could lock in any gains along with every penny you put in on an annual basis…wouldn't that solve the problem of protecting the gains?

If that also meant you had every penny you've put in and every penny you've gained positioned to grab gains when they are there…wouldn't that be an optimal situation to be in?

What if a financial tool did that and called it an Annual Reset…would that start to look like a move in the right direction?

Fee Minimization

Did you think we'd forgotten about fees? If fees could be robbing you of up to 47.5% or more of your wealth in just 20 years, how could we forget FEES?

Nobody will do all this for free, so how do we minimize the impact of fees?

What if when designing this financial vehicle the fees were built into the design of the product…so if you're okay with how much of the market gain you could grab and all the costs and fees were built in or "baked into the cake"…would that be a good thing too?

What it Might Look Like

Okay, let's assume you could put your money into a financial vehicle that protected your money from loss when the market was down, each year on your anniversary date would grab a percentage of a gain in the S&P 500, w/o dividends or fees, lock in those gains, as well as all the money you already had & protected it ALL from any future losses.

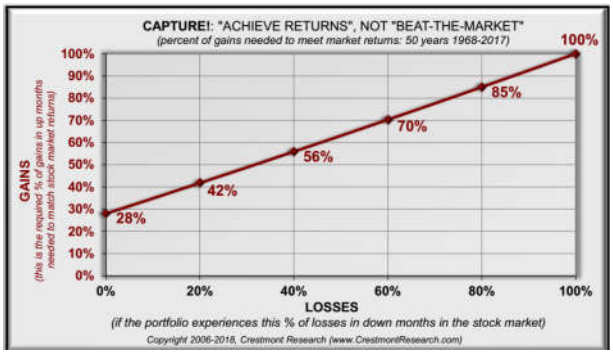
As a bonus, thanks to the annual reset, all that money, your initial principal plus all your gains, is sitting there ready to grab gains, up to a certain percentage, if the market was up, a Participation Rate if you will…

How would that sound?

Wouldn't the participation rate be key?

Participation Rate

First, let's look at some research from Crestmont Research…it shows if you can eliminate the risk of loss, over time you only need to capture 28% of the market's upside to meet the market over time…



Doesn't it look like avoiding losses can have an enormous impact on your ability to build wealth?

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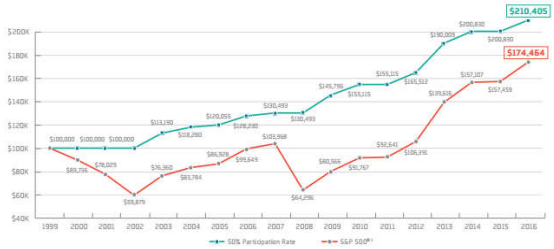
Imagine having a financial vehicle that could protect you from losing money when the market crashes by locking in 50% of the upside of the S&P 500 (without dividends) every year on the anniversary date of when you started.

Next, thanks to the Annual Reset leaving every penny you put in and every penny you've gained protected from loss…all that money is sitting there, ready to grow when the market is up, while not losing any money from fees because all the costs are already "baked into the cake" of the 50% participation rate…

How attractive does that sound?

You're probably wondering what a 50% Participation Rate could look like, right?

Well, here's a hypothetical example of how it could have looked from 1999 through the end of the year 2016.



*Wealthvest's Delaware Life's "50% Is More Powerful than You Think"

This assumes having $100,000 at the beginning of 1999, capturing 50% of the upside of the S&P 500 WITHOUT dividends and protected against losses.

The red line represents the S&P 500 and as you can see the losses suffered in 2000, 2001, 2002 and 2008 with an ending balance of $174,464.

Remember, the amount of the S&P 500 didn't included dividends, but it also didn't include fees…recently, dividends have averaged around 2% and remember average mutual fund fees were 3.17% so that $174,464 would likely be less after fees, so keep that in mind.

The blue line represents the scenario we've been talking about and as you can see there were no losses, capturing 50% of the gain leaves an ending balance of $210,405, $35,941 more, 21% higher.

Which account would you rather have your money?

Is there any point in that period of time from 1999 through the end of 2016 where you'd preferred to have had your money in the market?

This doesn't mean it will always be higher than what the market would have, but are you 100% certain the year or years it was higher would be the year you were going to retire and pull the money out?

Are you 100% certain you would have had a plan to secure those gains at that time? If you did secure them, where would you have put that money to be ready to grab gains when they were available again?

Is it better to simplify things to a point where you pretty much have that process automated for you instead of constantly guessing?

This does represent a period of time that included two big market drops, which is

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what we should be focusing on IF you're concerned with protecting what you've built, right?

Fixed Indexed Annuity

This financial vehicle does exist, it is called a Fixed Indexed Annuity…the true name was withheld until now for a reason.

For a majority of people, when the word "annuity" is used there is an immediate negative impression and that could have kept you from reading the entire report and then you would have missed out on all this great information!

After seeing this, do you think all annuities are as bad as Wall Street and their pundits would have you to believe?

One area we hadn't discussed was liquidity. This particular annuity has a declining seven year surrender schedule.

It also allows a penalty free withdrawal of up to 10% of the balance each year beginning in year 2. After 7 years all of the money is available for whatever strategy you have next.

If you pulled out any money in year one or more than 10% of the balance in years 2 thru 7 you would be assessed a penalty which declines each year.

If this money is for your retirement, why would you be wanting to pull money out early? Make sure you have enough funds in more liquid accounts to handle those potential situations.

If you're interested in finding out more about this type of strategy we'll give you all the required disclosures.

Keep in mind, if this money is "Qualified Money" (401k, 403b, 457, IRA, etc.) other penalties and taxes could be charged by Uncle Sam.

Obviously, this is not a perfect financial vehicle, but one that does provide a list of different benefits that one would find when having their money in the market.

The question you must answer is…do you want to protect what you have and still have the opportunity to grow it, maybe as much as the market, maybe not, but at least you have a chance to do it SAFELY…is that what you're looking to accomplish?

If it is, this is a great option and one you should definitely learn more about.

When you're ready to see what it could look like in your overall retirement plan call Kurt's direct line @ 816.582.5532 or email kurt@KJFinancialOnline.com.

There's No Cost or Obligation, in a 45 minute to hour conversation, we'll ask you some questions and your answers will give you much more clarity on where you should go from there.

We can do this via phone, skype or in person, whichever you prefer.

If protecting what you have and having the ability to grow it is important then is there any doubt we should at least talk?

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