
Joseph Bartumioli
Senior Vice President –
Investments
(516) 364-7489

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“People don’t care how much you know until
they know how much you care”

*ANSON DORRANCE
DUKE UNIVERSITY
NCAA WINNINGEST GIRLS SOCCER COACH*

OUR PROCESS

- Our process starts with getting to know you. Like snowflakes, we believe no two people are exactly alike. This means no two investment plans are exactly alike. We customize a plan for you, based on you.
- A simple and short conversation can allow us to determine :
 1. What are your goals?
 2. What do you want out of life?
 3. What is your experience and past history of investment?
 4. How much volatility in a portfolio do you think is reasonable?
 5. What your expectations are for your investment dollars?
- These topics have no right or wrong answer. They allow us to get to know each other.

“One cannot save what one spends”

BENJAMIN FRANKLIN

“YOU CANNOT SAVE WHAT YOU SPEND”

- After we feel comfortable with each other, the next step is your personal financial situation. At this point you may want to include your accountant, advisors, or lawyers into the process.
- We now have an idea of how you feel. We must combine this with your financial situation. This allows us to customize our suggestions for you. The following items help us define where you are now, and where you want to be later.

Past Years: Revenue, expenditures, taxes paid, funds saved.

Projected Future: Budget and revenue.

Current Balance Sheet

Possible Large Future Purchases

- This process is identical to how companies plan. Think of yourself as "You, Inc."
- We combine how you feel, with your financial situation, and then apply it to your goal. The end result is the determination of what YOUR required return is.
- Your required return is the most important element. If the required return is unattainable, we go back and review your finances and goals. Perhaps they have to be adjusted.
- We then suggest to you and the team of "You, Inc." the least risky methods to achieve your goal. A quick word on risk: Many financial professionals like to associate risk with volatility. What risk really is, is not having your money when you need it, period.

“Let me tell you know it will be.....
There’s one of you, nineteen for me.....
‘cause I’m the **TAXMAN**....Yeah, I’m the
TAXMAN.”

GEORGE HARRISON
THE BEATLES

“TAXMAN”

- Just as you cannot save what you spend, a dollar earned is usually shared with the taxman.
- As we plot the course for "You, Inc." we realize it is not what we return, but what we earn in real dollars. You cannot spend what you owe to the government.
- We incorporate many tax saving strategies into your plan. If you cannot spend it, you did not really earn it.

EIGHT ETERNAL TRUTHS OF INVESTING

All investments go up and down.

Most people do the wrong thing at the wrong time.

Markets usually over-react.

No one knows what the future will bring.

Diversification is the best strategy.

CD's and savings accounts don't create wealth

Uncertainty produces opportunities

There is a big difference between investment performance and investor performance.

“YOU, INC.” CONTINUED

- “You,Inc.”, now has written goals and an after tax desired return. We now set about giving you the proper mix of bonds, stocks and cash. This is Asset Allocation.
- We combine the knowledge of your situation with the research from many sources and proprietary research from Raymond James to develop a personalized model for “You,Inc.” Monies needed from your savings in the next 24 months should be set aside. The remainder should be put to work.

DIVERSIFICATION ○ WHAT IT IS AND WHAT IT IS NOT

- . Is not a way to guarantee your principal.
- . Is a way to potentially make a portfolio less volatile.
Hence less stressful.
- . Is not related *only* to stocks, bonds and cash.
- . Is a way to smooth out returns within different equity classes.
- . Is not a way to "time" the markets.
- . Is means attempt to provide the highest returns given a level of risk.
- . Diversification is a discipline.

ASSET ALLOCATION

The next step in the process is to implement the Asset Allocation selected. This will help you achieve your return.

Bonds:

- Use individual issues.
- Focus on quality
- Consider tax free issues where appropriate.
- Individual Bonds allow you to lock in rates and have a maturity date.

Equities:

- Use indexes.
- Most portfolio managers strive to beat the indices, most do not.
- Why not be the index? Portfolios of diverse indices may lead to balanced and consistent performance.

Cash:

- Liquid funds are utilized in a portfolio to take advantage of future opportunities.
- Can also generate tax free income where applicable.

To successfully invest, discipline is needed and should be adhered to.

“If winning is not important, why keep score?”

Vince Lombardi

- Progress should be measured against your required return.
- It is highly recommended that the team of "You, Inc." review progress on a quarterly basis. Just as the investment environment changes, so do your goals and situations. An open dialogue helps everyone make informed decisions.
- The more we know, the more we can help you make decisions that are right for you.

BEN GRAHAM

Ben Graham told a story 40 years ago that illustrates why investment professionals behave as they do: An Oil prospector, moving to his heavenly reward, was met by St. Peter with bad news.

“You're qualified for residence”, said St. Peter, “but as you can see, the compound reserved for oil men is packed. There's no way to squeeze you in.”

After thinking a moment, the prospector asked if he might say just four words to the present occupants. That seemed harmless to St. Peter, so the prospector cupped his hands and yelled:

“Oil discovered in hell!”

Immediately the gate to the compound opened and all the oil men marched out to head for the nether regions. Impressed, St. Peter invited the prospector to move in and make himself comfortable. The prospector paused:

“No,” he said. “I think I'll go along with the rest of the boys. There might be some truth to that rumor after all.”

THINK OUTSIDE THE BOX

- It takes courage and conviction to do the right thing. What is right for you may not be right for someone else. That is not our concern.
- Our major concern is you. Let the masses do what they will. A disciplined, goal oriented investment approach is what works over time. We do not chase fads or sexy investment themes. Our aim is to get you to your goal.

DISCLOSURE

- **Costs:** The cost of doing business with us is very competitive. Upon presentation of your plan and model, all costs will be disclosed in writing.
- **Liquidity:** Almost all investments we suggest are liquid. This means, unlike businesses and real estate, they can generally be converted to cash within 5 working days.
- **Confidentiality:** You may be assured that we practice the highest level of confidentiality. Your relationship with us is only to be known to those who you share it with.
- **Obligations:** You have the right to call and ask questions, whenever you desire. We call back. We ask if you are pleased with what we do, pass our name on to a friend, associate or family member.

**THANK YOU VERY MUCH FOR YOUR TIME AND
WE LOOK FORWARD TO WORKING WITH YOU
IN THE FUTURE.**

Joseph Bartumioli
Senior Vice President – Investments
Joe.Bart@raymondjames.com
www.rjjoebart.com
516-364-7489

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