

VINCE



CUSTOMER SERVICE

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PERSONAL FINANCIAL
MANAGEMENT

- GOAL: 1. SECURITY
2. OPPORTUNITY
3. GROWTH

- (A) SAVINGS ACCOUNT BALANCE = TO
6 MONTHS INCOME
- (B) 2YR E.D.'S = TO
ONE YRS COST OF LIVING
(KEEP RE-INVESTING)
- (C) IRA CONTRIB. EACH YR MAXIMUM
80% INVESTED IN INCOME VEHICLE
20% GROWTH VEHICLE.
- (D) EXTRA MONTHLY CASH INVESTED
ON REGULAR BASIS. LOPE DIVIDEND
CONSERVATIVE STOCK OR FUND
- (E) IF MORTGAGED, INSURANCE (TERM)
= TO 5YR INCOME

A CHRISTIAN SECRET

"Facts" are elevated by seeing them with the eyes of "Love".

Jesus calls us to join the "remnant" that can realize THEY ARE FORGIVEN, come out of their "prison", and join the REAL challenge of creating Gods Kingdom in our world by use of love, as a tool to see and re-create everything!

Facts don't change - our perception does. And by sharing this perception - our world chages.

PERSONAL GOALS FOR ENDURING THE RISK OF OWNING YOUR OWN COMPANY

PLEASURE OF MEASURING YOUR OWN SUCCESS

- PEACEFUL HOME
- FINANCIAL SECURITY
- POSITIVE COMMUNITY OF FRIENDS
- HELPING CHILDREN TO BE PRODUCTIVE + SELF CONFIDENT
- TIME FOR THE IMPORTANT THINGS

HOW TO REACH IT?

- DETERMINE THE SIZE YOU WANT YOUR COMPANY TO BE
- CONCENTRATE ON CASH FLOW + 'EVA' - GIVE YOURSELF FIVE YEARS TO ACCOMPLISH. REMEMBER THAT THE RULES CHANGE WHEN YOU REACH \$10M IN SALES.
- TAKE OUT ONLY THE WAGE + BONUS YOU NEED FOR THE YEAR - AND LEAVE THE BALANCE TO BUILD UP YOUR COMPANY STRENGTH TO A USEFUL LEVEL.
- OPEN A MM ACCOUNT + TRANSFER UNUSED FUNDS EACH MONTH. - 15th to 20th
- BUY 5YR. TREAS BILLS WITH EXTRA MONEY EACH YEAR FOR FIVE YEARS - THEN ROLL OVER MATURING BILLS TO NEW 5YR TREAS. -
- BEGIN THE SAME PROCESS WITH YOUR BONUS MONEY EACH YEAR. AS COMPANY MATURES, CASH FLOW IMPROVES + FIRM IS STABLE ~~ALSO~~ ALSO MUNI BONDS

DEAR VINCE

IN ORDER FOR A MAN TO GROW, SPIRITUALLY AND/OR MATERIALLY, HE MUST BE FREE - FROM THE SLAVERY OF SIN +/OR - FROM THE SLAVERY OF DEBT.

NOW THAT YOUR LARGEST DEBT IS GONE, YOU CAN MORE EASILY BALANCE YOUR INVESTMENT DOLLARS.

YOUR GOAL IS TO BUILD WEALTH SLOWLY + CONSISTENTLY WITH WISE CHOICES. SET SOME GOALS (\$100,000 PORTFOLIO WITHIN 8 YRS BY INVESTING \$800⁰⁰ MONTH) IN TAX DEFERRED VEHICLES (IRA-ROTH, 401K ETC) + REGULAR VEHICLES.

IF WE CAN STILL EXPECT 4%-5% GROWTH OVER INFLATION, IF WE CAN EXPECT SOME RELIEF IN TAXES, AND CAN EXPECT BONDS TO RETURN ALMOST AS MUCH AS STOCKS GOING FORWARD, I WOULD SUGGEST YOU INVEST AS FOLLOWS:

> 40% BONDS + 60% STOCKS PORTFOLIO MIX UNTIL YOU REACH 40 YRS OLD!!

- * USE DEFERRED VEHICLES FOR BONDS (INCOME NOT TAXABLE NOW)
- * USE REGULAR INVESTMENTS FOR STOCKS (EQUITY) GROWTH NOT TAXABLE UNTIL YOU SELL!

NOW MAKE A LIST OF PRESENT INVESTMENTS WITH A VALUE

PRINCIPAL	\$5000
401K	?
ETC	?

NOW, USING THE FOLLOWING, INVEST EACH MONTH OR EACH QUARTER IN ORDER TO REACH THE 40-60 SPREAD!!

INSTRUCT 401K MANAGER + MOVE PORTFOLIO TO LONG TERM B GRADE BONDS ALSO BUY IRA TO BONDS ST FEDERAL, GNMM, LT CORP OR SIMILAR.

NOW BUY TOTAL STK MARKET FUND (70% S+P500, 20% MID-CAP, 10% SMALL CAP)

IF YOU NEED SPECIFIC HELP, BRING ME A LIST OF THINGS YOU HAVE + WE'LL VISIT ABOUT IT. FOR ADDITIONAL EDUCATION ON SPIRITUAL SIDE, I'M ALSO AVAILABLE FOR SPECIFIC INVESTMENTS"

DJOD 1-7-98

VINCE

- HOME MORTGAGE
- ROTH OBLIGATION
- NICKEL DEBT
- COMPANY DEBT

PAYING DOWN EARN YOU GUARANTEED THE AMT OF INTEREST YOU ARE PAYING!

SINCE NO ONE SELLS DOUBLE DIGIT GROWTH IN ANY MARKET, AT LEAST FOR TWO MORE YEARS, NOW IS PERFECT TIME TO "FOCUS" ON ABOVE DEBTS - GOAL BECOME DEBT-FREE IN 5 YEARS!!

BUT EVEN SO, YOU HAVE FINANCIAL ASSETS THAT NEED ATTENTION - SEP - ROTH - EXCESS ETC.

YOU'LL DO WELL TO KEEP IT SIMPLE - AT AGE 30, YOU SHOULD HAVE FIXED INCOME = TO 30% OF YOUR FINANCIAL PORTFOLIO

(NO HOUSE NO BUDGET ETC)

PERSONAL } - KARDAS (MISSOURI) MVM Bonds - STUDY FIRST / WAIT TIL 2003-04! ★

SEP	LARGE CAP < SPY > - \$10,500	MKT	75	40%
ROTH	MID-CAP < IJS > - \$10,500 MCV		10	30%
	SML CAP < IWN > \$10,500 S CV		15%	30%
			100	100%

KIDS - DON'T OVER DO IT - YOU + AMY FIRST!

> RISK ON EQUITY @ LEAST TWICE THAT OF FIXED INCOME!

> DIVERSIFICATION OVER ENTIRE MARKET @ MKT % REDUCES IT TO 25% MORE/FIXED!

> NO SINGLE STOCK SHOULD = MORE THAN 4% OF TOTAL EQUITIES!

> "INDEXING" AUTOMATICALLY DIVERSIFIES OVER 50-500 STOCKS!!

> GET RICH SLOW - MUCH EASIER + SAFER + KEEPS "LEGO" IN CHECK!

> YOUR FAITH - GROWTH IN GOODNESS + LIFE STYLE (WHAT YOU NEED - NOT WHAT YOU WANT!)

WILL BE MORE SATISFYING OVER TIME!! LET PERSONAL DISCIPLINE - ORDER + PEACE PREVAIL!

DAD

PERSONAL / FAMILY INVESTMENT

- A) IMMERSE YOURSELF IN A COMMUNITY THAT REAKS OUT TO WIVES + CHILDREN
- B) PAY OFF ALL DEBT INCLUDING YOUR HOME. SIMPLY + BE FUGAL.
- C) BUILD A SAVINGS ACCOUNT FOR EMERGENCIES \$20K TO 40K
- D) BUILD A 401K, IRA, ANNUITY (BEFORE-TAX + DEFERRED ACCOUNT) FOR YOURSELF + YOUR WIFE.
- E) INVEST AFTER-TAX DOLLARS IN EQUITIES (DEFER) MUTUAL INDEX FUNDS + TREASURY OR SAVINGS BONDS (DEFER)
- F) RESIST TEMPTATION OF RE-INVESTING ALL PROFITS IN YOUR COMPANY. CONSISTENTLY "SKIM" PROFITS TO PERSONAL INVESTMENTS.
- G) WHEN ALL ABOVE IS ACCOMPLISHED, CONSIDER ALLOCATION OF FINANCIAL ASSETS FOR CONSISTANT RETURN + MANAGEABLE RISK.
- H) FACTS. USA MARKET = 50% OF GLOBAL MARKET PRICE
 S+P 500 = 70% OF USA MARKET.
 VANGESTAKE = BALANCE 30% OF USA MARKET.
 VGN TOTAL MKT = TOTAL USA MARKET

I SUGGESTED ALLOCATION FOR EQUITIES	SUGGESTED FUNDS (IN PLACE OF INDIVID. EQUITIES)		
25% - VALUE PORTION / S+P 500	VAN. VALUE FUND (+6.5%)	500 MKT +8.7%	TOT MKT (+9.2%)
25% - GROWTH PORTION / S+P 500	VAN GROWTH FUND (+11.9%)	500 MKT +8.7%	TOT MKT ✓
25% - AGGRESSIVE / WILSHIRE +500	VAN PALMCOAP (+10.7%)	EXT MKT (-2A)	TOT MKT ✓
25% - INT'L - REST OF WORLD.	VAN EUROPA (+4.4%)	DRAGAGE INT'L (+8.7)	USA INT'L GROW (+3.3%)

- J) SUGGESTED ALLOCATION FOR INCOME.
 - 10% MBMM - PRAMBMM • TO DECIDE WHICH MULTI PRIME RETURN BY 64% TO COMPARE TO MBMM.
 - 20% ST FED FUND - 5YR TREAS NOTES • USE DEFERRED IF POSSIBLE
 - 30% GNMA FUND - 7-10YR TREASURIES
 - 40% STATE MUNI ^{BONDS} FUNDS - GMAC 2012 ZEROS

K) BIGGEST DECISION NOW IS ALLOCATION OF EQUITY + INCOME. 30YR OLD 70-30%
50YR OLD 50-50%
60YR OLD 40-60%
70YR OLD 20-80%
 YOUR AGE = % OF INCOME UNITS WALT.

WD + RA HOLES (AGE 62 = VALUE \$1MM EACH) ASSETS DIVIDED EQUALLY INTO
WDH TRUST + RAH TRUST.

	WDH	RAH	
VALUE	TOT MKT	+ ANTY BOWNG	7.5%
GRWTH	TOT MKT	+ SOC INDX	7.5%
AGGR	TOT MKT	+ VENTY-GRWTH	7.5%
INT'L + CONTRAL	VARIOUS	+ REIT EUROPE	7.5%
TOTAL EQUITY			30%*
MO. MUNI BONDS			40%
TREAS + SOC SEC			10%
FED (STPBD + GNMA)			10%
MB MM			10%
TOTAL INCOME			70%

* EQUITY VARIES FROM 30% TO 40% DEPENDING ON MARKET CONDITIONS

* INDIVIDUAL STOCKS NO MORE THAN 4% AT COST.

* TOTAL OF INDIVIDUAL STOCKS NEVER MORE THAN 20% EQUITIES AT COST.

* BOND FUNDS NOT AS GOOD AS INDIVIDUAL TREAS NOTES OR MUNI'S

~~BECAUSE MARKET RISK + NO LIQUIDITY @ TIME YOU CAN RELY ON FULL PAY @ MATURITY~~

3+P 600 @ 15P# IS ALWAYS A GOOD LT. BUY!

7.60% TREASURIES - IS USUALLY A GOOD LT. BUY!

2209 L 98 HIE

S+P 500 70%
 MID CAP 20%
 SML CAP 10%
 TOTAL ^{USA} STK MKT 100% * 50%

EUROPE 25%
 ASIA 15%
 E.M. MKTS 10%
 TOTAL WORLD MKTPLACE 100%

	1-3 SHORT	4-6 INTERMED	7-20 LONG
TREAS BONDS			
CORP BONDS			
HIGH YLD BONDS <small>CORP</small>			
STATE MUNI BONDS			
ALL STATE MUNI			
HY MUNI			
MM - TREAS			
MM - PRIME			
MM - PARTICIPATION			

BEST VEHICLES FOR YOU

TOTAL STK MKT INDEX	} LONG TERM INVESTMENTS UP TO \$300K
TOTAL BOND MKT INDEX	
INT'L GROWTH TREAS	MAX 20% OF EQUITIES OVER 300K
SHORT TERM FEDERAL	3-5YR SAVINGS
PRIME MONEY MARKET	CASH OPPORTUNITY

VINCE

YOUR TOTAL INVESTMENT STRATEGY SHOULD INCLUDE:

(A) 401K - INVEST DATE
 MAXIMUM AMOUNT EACH MONTH
 50% EQUITY (EQ INDEX)
 50% BOND (TREAS + CORP)

(B) ROTB IRA - \$2K VINCE
 2K AMY
 50% VANG TOTAL STK MKT
 50% VANG TOTAL BOND

(C) HOME SAVINGS (24R PLAN)
 VANGUARD PRIME MM

(D) MAINTAIN 6 MONTHS INCOME
 AS EM FUND IN PRIME MM

NOTE
 AS EQUITY PORTION GROWS
 MORE LIQUIDLY THAN BONDS
 - DO NOT RE-ALLOCATE
 UNTIL EQUITIES REACH 80%
 OF TOTAL INVESTMENTS

"GROW" SOME OF YOUR SAVINGS!

THE SAVER'S CHOICE

WE BORROW YOUR SAVINGS + REPAY YOU
OVER 24 MONTHS 36 MONTHS OR 60 MONTHS

REPAYMENT CAN BE MONTHLY, QUARTERLY
OR ANNUALLY!

~~MONTH~~ PERIODICAL PAYMENTS CAN ~~BE~~
INCLUDE INTEREST ONLY $\frac{0\%}{12}$ INTEREST + PRINCIPAL

IMAGINE YOURSELF ON THE OTHER
SIDE OF A MORTGAGE!!

EXAMPLE

\$5K @ 3YR LIMITED TERM LOANS 2YRS TO 5YRS

MINIMUM 1000 TO \$10,000 5% TO 6%

IDIC @ 7YRS INTERMEDIATE TERM LOANS - 6YR TO 10YRS

MIN 3000 TO MAX \$30,000 6% TO 7%

LONG TERM LOANS 11YRS TO 18YRS.

MIN 5000 TO MAX \$50,000 8% TO 9%

WE ARE NOT A BANK, AND YOUR ~~PRINCIPAL~~
IS NOT ~~INSURED~~ INSURED, BUT YOUR PRINCIPAL
IS ASSURED BY OUR USE OF INSURANCE
PRODUCTS.

LOAN

INVESTMENTS

50% ARD @ 25%

20% GNMA - 4%

15% HYCORP 6%

10% HY STKS 8%

5% HY TRUSTS 12%

BUY-SELL DIV CAPTURE

JUST IMAGINE - YOU ARE NOW OUT
OF DEBT! FINALLY, YOU HAVE SOME
DISPOSABLE CASH TO INVEST! - AND
YOU KNOW BETTER NOW, DON'T SPEND
IT ON MORE "STUFF".

YOU CAN CREATE A STREAM OF
INCOME TO SUPPLEMENT A PAY CHECK
YOU CAN "GROW IT" BY LOANING IT
AT @ INTEREST OVER TIME

IMAGINE BEING ON THE OTHER SIDE
OF A MORTGAGE!

\$10,000 LOAN OVER 5YRS CAN BECOME
\$13,000!! - OR \$210⁰⁰ CHECK EVERY
MONTH FOR 57 MONTHS!!!

HERE'S WHAT OUR AMORTIZATION SCHEDULE
WILL LOOK LIKE.

SAVER'S CHOICE

GET ON THE OTHER SIDE
OF A MORTGAGE

YOU LOAN US YOUR SAVINGS
WE PAY YOU A MONTHLY CHECK!

\$10,000 @ 6% OVER 5YRS
RECEIVE A CHECK EACH MONTH
FOR 193.33 EACH MONTH FOR
60 MONTHS!

\$25,000 @ 6% OVER 5YRS
438 EACH MONTH

A IGF - ETF C+S REIT FUND (R.E. MOVES IN DEP OF EQUITIES)

B SPX - ETF L.C. 500 INDEX (BASIC MKT)

B IWN - ETF S.C. RUSS 2000 (CHOOSE ONE)

VXF - ETF WILSHIRE 4500 S+MC

C EFA - ETF INT'L EQUITY (DOLLAR P/INT VS EURO)

d COMMODITY INVESTMENT - SUGAR, COFFEE, LUMBER, COPPER, OIL-GAS,
NO TOTAL COMMODITY VEHICLE - PICK ONE (OCTOBER, OR...)

20% SPY
5% VXF
BASIC TOTAL MKT - OR VTI 103.90
TSM 25% 115 high
103 low

25% EFA INT'L EQUITY

25% ICE REIT EQUITY 104.96 all time high
(Shares Cohen + Stearns Ready Majors)
10% XLB S&P BASIC MTLs (enr) 25.97 - all time high
Gold, Lumber, Alum, ENER
SELECT SECTOR SPDR - international

15% XLE ENERGY (enr)
26.58 SPDR Energy Sector
high 34 in 2000
(towards lower end)

BUY

NOV 04 - SELL LOSING SECTOR - OFFSET LOSSES

FEB 05 - RE-BALANCE EACH GROUP

NOV 05 - SELL LOSING SECTOR - OFFSET LOSSES

FEB 06 ETC

BUILD A PORTFOLIO FOR A LONG-TERM APPROACH

- 34% VALUE PORT 500 INDEX
- 34% GROWTH PORT " "
- 22% MID CAP PORT WILSHIRE 5000 (2000 stocks)
- 10% SML CAP PORT WILSHIRE 5000

B4FTX 100% TOTAL STK MKT INDEX ← 45% \$ 4500⁰⁰

- 63 60% EUROPEAN REGION
- 32 30% PACIFIC REGION
- 3 10% EMKT REGION

B4FTX 100% INTL MKT | VANG INTL VALUE ← 5% 500 1000

DEFLERL 50% SHORT TERM INC | STPED ← 25% 2500

DEFLERL 50% I-T INCOME | GNMA ← 25% 2500

0 L-T INCOME | NOT NECESSARY

100% INCOME

100% PORTFOLIO \$ 10,000

BEGINNERS PORTFOLIO

TOT STK MKT 50%

GNMA 50%

- REASON TO INVEST AT ALL? provide \$ to LIVE ON without "working"!
- IN STOCKS? GROWTH OF PORTFOLIO VALUE + Protect PURCH POWER ↑
- IN BONDS? provide INCOME to LIVE ON!

HOW MUCH IS ENOUGH? \$1MM CAN PROVIDE \$50K YR AFTER TAX

2MM " " 50K YR " + PROTECTION

3MM - INCOME + DIVERSIFIED PROTECTION + PERKS

FINANCIAL ASSET PORTFOLIO - DO NOT INCLUDE HOME + CAR OR PERSONAL PROPERTIES

VWCE

PERFECT BALANCE + DIVERSITY IN EQUITY PORTFOLIO

VANG. TOTAL MKT INDX		
52 1/2%	= BIG-CAP US	50% I-T GOVT (GNMA)
15%	= MID-CAP US	
7 1/2%	= SML-CAP US	
10%	= EUROPE	REIT INCOME
25%	10% = INTL GRWTH	50% ST FED (VANG. FD)
5%	= EM MKT	
100% EQUITY		100% INCOME

20YR OLD = 20% INCOME + 80% EQUITY

30YR OLD = 30% INCOME + 70% EQUITY

40YR OLD 40% + 60%

50YR OLD 50% + 50%

60YR OLD 50% + 50%

Retired 50% + 50%

70YR OLD 70% + 30%

80YR OLD 80% + 20%

90YR OLD 90% + 10%

REAL ESTATE (REIT FUNDS) 30% OF INCOME PORTFOLIO (DEFERRED PAYS) WHEN INFLATION 5% +

INVESTMENT PORTFOLIO FACTS

NOT ALL YOUR MONEY
NOT HOME, CARS + FURNITURE

DEFERRED MONEY - IRA 401K - 401A
TAXABLE MONEY

MAKES UP ONE PORTFOLIO

TRUST ACCOUNTS - ALL FINANCIAL ASSETS EQUALLY DIVIDED (MR + MRS)



AGE = % OF PORTFOLIO IN BONDS (INCOME) @ 26 yrs old - 74% OF PORTFOLIO IN EQUITIES

KEY TO GROWING \$ IN EQUITIES IS DIVERSIFICATION - EQUAL TO "MARKET CAP DISTRIBUTION"

EG: VANGUARD TOTAL STK MARKET FUND OWNS STOCKS ACROSS ENTIRE USEQUITY MKT IN

SAME GENERAL % AS THE REAL MARKET. INT'L MIX % = INT'L GROWTH FUND.

= TO 500
INDEX FUND

35% BIG CAP GROWTH	50% ALL OF EUROPE
35% BIG CAP VALUE	30% ALL OF ASIA
20% MID-CAP	20% ALL EM MKTS
10% SMALL CAP	
100% TOTAL USA MARKET	100% INT'L GROWTH FUND

SUGGESTION: SPLIT COST OF SUBSCRIPTION
TO BOB BRINKERS MONTHLY \$185
* MAKE COPIES FOR OTHERS.
LISTEN TO HIM ON KCMO @ 10 AM
SAT + SUN 3pm - 6pm.

WORLD WIDE MIX = 75-80% USA
25-20% INT'L
TOTAL WORLD EQUITY MARKET