

Polsky Personal Investing in Mutual Funds

To Achieve Financial Independence Past the Age of 100

IT'S NEVER TOO LATE EVEN IF YOU ARE OLDER THAN 65!

Lessons For Life are not being taught but **NOW** you should begin protecting your own future by not depending on Government's Social Security or Medicare or Employer's 401(k). Also, you must compensate for **3.1%** average inflation per year over the past **60** years, which is your greatest loss.

It requires as little as \$100 per year or \$2 per week to accumulate \$141,826 in 30 years!

YOUNG PEOPLE HAVE TIME ADVANTAGE OF 30 YEARS TO BECOME MILLIONAIRES
(\$416.66 per month equal \$5,000 per year maximum allowed for tax-free Roth IRA @ 20% = \$7,091,300)

Use these 10 pages as a handout and presentation for teaching these investment principles to yourself and others, especially your parents & children.

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FOR EXTRA INSURANCE IF YOU LIVE 30 YEARS LONGER THAN EXPECTED!

Ditching Your Debts For Good – This is a MUST before you can start investing

- ❑ Credit Card debt national average \$9,000 paying the minimum 2% of balance requires 56 years to pay it off
- ❑ Stop charging or pay off fully each monthly statement
- ❑ Track spending and cut expenses
- ❑ Set up an emergency fund (3-6 mos expenses) to avoid need to sell investments

You must start NOW a systematic saving plan – don't count on Social Security, 401(k), or Medicare

Only \$100 per month or \$1,200 per year for 30 years = \$36,000 investment @ 20%, will be worth \$1,701,912

A Roth IRA, after 30 years you can withdraw monthly for the rest of your life \$28,365 ($1,701,912 \times .20 / 12$) pay no taxes and leave the principal to your grandchildren tax free if you don't need it.

You can have an additional Roth IRA even if you have a 401(k), but only \$5,000/6,000 over age 50 total investments allowed per year in all your IRAs

Many say “ I Can't Save Money”, Yes you can *See examples below but sure you can think of more:*

If you save \$13.70/day x 365 days=\$5,000/year or \$416.66/month (maximum allowed in Roth IRA under age 50)

Simple examples of how to save for financial independence:

<u>ACTIONS</u>	<u>DOLLARS SAVED/DAY</u>
1. Brown bag your lunch	3.00
2. Buy 12 pack of soft drinks rather than vending machine (2 cans)	1.00
3. Shop at discount stores for food and other items (shop by coupon and list of needs vs up and down aisles – NO to impulse buying!)	7.00
TOTAL SAVED IN JUST ONE DAY, SO YOU ARE ON YOUR WAY...	\$11.00

Bet you can come up with other ways to save and especially don't think you can live like your parents until you earn what they do!

(one idea is to put your change every night in a jar and at end of month is at least \$83 x 12 = \$1,000 per year)

(another way is to stop smoking and Starbucks coffee every day can save over \$3,000 per year)

See page 3 how time and growth rate of return can make you financially independent in 20 years or millionaire in 30 years!

MAGIC OF TIME #1 & COMPOUNDING #2

(Takes both to GROW – Young People Have Time Advantage of 30 years to become MILLIONAIRES)

\$416.66/month = \$5,000/year maximum allowed for tax free Roth IRA (if you qualify # below)

YRS	INVESTED	Goal 20%*	15%	10%	5% (Bonds, CD's, Treasury)
10	\$40,000	$\frac{\$155,750}{50,000} = 3.1$	\$116,750	\$87,650	$\frac{\$66,050}{50,000} = 1.3$
20	100,000	$\frac{1,120,100}{100,000} = 11.2$	589,050	315,000	$\frac{173,600}{100,000} = 1.7$
30	150,000	$\frac{7,091,300}{150,000} = 47.3$	2,499,800	904,700	$\frac{348,800}{150,000} = 2.3$

-1,120,100 (20 YRS)

\$5,971,200 (next 10 years loss if stop at 20 YRS)

\$ 597,120/YR gain by investing next 10 YRS only \$5,000/YR--AMAZING!

*Rate Of Return (ROR) Goal 20%

10 YRS \$3.10 for every \$1 invested

20 YRS \$11.20 for every \$1 invested

30 YRS \$47.30 for every \$1 invested

Check with your CPA but generally is from earned Income as long as adjusted gross income is below \$95,000-\$110,000 single IRS filing or joint IRS filing \$150,000-\$160,000

IMPORTANT YOU ARE FORFEITING MILLIONS IF YOU DON'T ACT NOW!

Maximum allowed \$5,000 invested each of 20 years = \$100,000 but @ 20% ROR worth \$1,120,100

IRA Roth allows after age 59 ½ per month withdrawal with no income taxes \$18,668 (\$1,120,100 x.20/12)

Leave \$1,120,100 principal to your grandchildren which is an allowed generation skipping – grandchildren must withdraw all subject to their life expectancy but do not pay any income or penalty taxes

BELIEVE IT OR NOT----- ONLY \$100/MO FOR 20 YEARS IS \$24,000 INVESTED WORTH \$268,824@ 20% ALLOWS \$4,480/MO WITHDRAWAL FOR THE REST OF YOUR LIFE AND LEAVE \$268,824 PRINCIPAL TO YOUR CHILDREN

See page 4 for safety showing S&P 500 index over time always seeks new highs with 12.56% ROR past 23 years

What is a Mutual Fund?

An open-end investment company is usually called a mutual fund and not only sells shares to you, but also agrees to buy shares back at whatever their market value might be in the future. Each mutual fund may have several million shareholders who have entrusted their billions of dollars to be invested in the shares of about 30 public corporations.

Advantages of Mutual Fund Investing (listed in order of importance)

1. Expert daily management with a record of 20% return as compared to the unmanaged S&P 500 Index for 12.26% past 24 years. (Vanguard 500 mirrors S&P 500 Index which is 12.26% but why not go for 20% Goal through well managed equity mutual funds)
2. Each market is too complicated – requires full time researching by mutual portfolio manager with full time staff. (consider just the sophistication and changes in today’s healthcare or technology markets)
3. Minimize time for investment decisions.
4. Diversification as many as 30 stocks in one mutual fund and diversified further into several markets: finance, health, technology, etc. (Tiger Woods cannot play 18 holes with just a putter!)
5. Liquidity as you can buy or sell at the closing Net Asset Value (NAV) on any day and receive money within 3 days maximum. (you cannot afford to buy and hold – quarterly replace a mutual if you can find a better mutual)
6. Net Asset Value (NAV) is published daily to evaluate growth quarterly and compare mutuals for better replacement if available. (don’t look daily as you will have heart attack from S&P 500 Index roller coaster – we’re interested long term 3 years annualized)
7. Security Exchange Commission requires complete disclosure with strict policing and penalties for mutual funds. (one equity mutual fund holds more than 30 stocks so one bad egg can’t materially effect the whole basket)
8. No sales charge on most mutuals and generally only 1% Total Annual Charge which, is absorbed in their Rate of Return (ROR). (who cares if 3-6% up front commission + 1-2% annual charge if their ROR meets 20% goal vs 3.1% per year inflation over past 60 yrs)
9. Automatic monthly investments from your checking account and automatic monthly withdrawals at retirement. (sign up now for at least \$100 per month automatic investment – yes you can and in 3 months you’ll not miss the \$100 per month)
10. Buy/sell to nearest cent vs whole shares of stock with 1/8 point charge for odd lots of less than 100 shares. (this is another convenience of a mutual fund + monthly statements with full detail per below)
11. Accurate monthly statements from one mutual fund or Fidelity Brokerage Account, at no extra cost, lists each investment as to number of shares, cost, market value last and this month, gains/losses this month and YTD. (start with one mutual fund but after it reaches \$50,000 market value start another in a Fidelity Brokerage or other Broker)

See page 6 for the secret how to select the best equity mutual fund!

HOW TO CHOOSE MUTUAL FUNDS FOR 20% + ROR

(there are over 12,000 Mutual Funds to choose from)

1. At least 3 years annualized history & does better than S&P 500 Index in up/down markets, as opposed to a hot fund this year.
2. Steady management with a consistent investment program as opposed to changes of people and policies.
3. Medium size as large funds, over \$10 billion TOTAL ASSETS, have difficulty trading big blocks of stock.
4. Invests for Blend means both Value or Growth. Value investors generally look for bargain stocks with low price earnings less than 20, which excludes many stocks and sell when there is a 10-20% gain or loss vs Growth investors go for the longer term.
5. Diversify into mutuals investing, at time of purchase, in Mid Cap stocks which are companies with \$2-\$10 billion market value (share price x number of shares) and Large Cap stocks having market values over \$10 billion. Any Cap includes Small Cap stocks under \$2 billion, Micro Cap stocks under \$500 million – generally new companies along with Ultra Small Cap stocks under \$100 million.
6. Morningstar.com has all information needed by using the Fund Symbol. Look in 3 yrs Annualized for those 20% or greater.

HOW TO INVEST IN MUTUAL FUNDS

If you are just starting a long term IRA (Traditional or Roth) investment program, you should initially concentrate in just one mutual fund – see page 7. When your \$416.66 monthly = \$5,000 per year investment reaches \$50,000 market value, which should be in about 5 years, you should diversify further and not have all your investment in one mutual fund. Then call 800-343-3548 for application and automatic investing from your checking account into Fidelity Brokerage Account for an IRA Traditional or ROTH (if you qualify – ask your CPA but generally is from earned income as long as adjusted gross income is below \$95,000 - \$110,000 single IRS filing or joint IRS filing \$150,000 - \$160,000). Fidelity can buy at no extra cost and furnish one monthly statement for all your mutuals. If your parents are over age 50, they are allowed to invest in a Roth IRA \$6,000 per year or \$500 per month, and if they do not have at least \$500,000 in their retirement fund earning 20% annually then they should each start now investing \$500 per month for dollar cost averaging benefits. Even after age 50, they can catch up and not be a financial burden on you. Young people have time on their side as they can start now with as little as \$100 per month.

See page 7 for Norm's current quarter mutual funds held

NORM'S HISTORY MUTUAL FUNDS INVESTING SINCE 1970 (SHOWS CAN'T BUY & HOLD - QUARTERLY IMPROVE WEIGHTED SCORES & AVERAGE RANK IF CAN FIND BETTER REPLACEMENT)
 BEG/END NAV is Net Asset Value at the beginning of this year and at the ending of this current period
 WEIGHTED SCORES = YTD % x 1/2 Weight + 1 YR % x 2/5 + 3 YRS % x 5/3 + 5 YRS % x 3/1 (compare S&P 500/other mutuals)
 NORM'S 20% RATE OF RETURN (ROR) 5 YRS ANNUALIZED IS A GOAL - ACTUAL PERFORMANCE OF FUNDS WILL VARY
 HISTORICAL RESULTS ARE 1 GUIDE TO CHOOSE WINNERS + 4 OTHER CRITERIA IN MY ARTICLE LAST PARAGRAPH (OVER)
 AVERAGE RANK IS WEIGHTED SCORES OLD RANK PLUS NEW RANK DIVIDED BY 2

AVERAGE RANK				BEG/ END	JUNE 2009	2ND Q 2009	YTD %	ANNUALIZED					Old Long Term		New Short Term		YEARS									
12/29	12/31	12/31	06/30					1 YR %	3 YRS %	5 YRS %	3 YRS X 2 %	3 YRS X 5 %	3 YRS X 3 %	1 YR X 2	1 YR X 5	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	
10.5	11.0	16.5	15.5	8447	-0.4	12.0	-2.0	-23.0	-6.3	-1.7	-85	14	-140	17	-31.9	8.9	16.3	1.7	5.3	28.3	-15.0	-7.1	-4.9	27.2		
Dow Jones Industrial Average				8776																						
10.5	11.0	17.5	15.5	903	0.2	15.9	3.2	-26.2	-8.2	-2.2	-97	14	-151	17	-38.5	5.5	15.8	4.9	10.9	28.7	-22.1	-13.0	-9.1	21.0		
S&P 500 INDEX is my Benchmark				919																						
				2008																						
				2007																						
				TOTAL																						
				ANN																						
				DIV +																						
				CAP																						
				CHG																						
				GAIN																						
BIG 5 - NORM'S PRESENT HOLDINGS																										
9.5	1.5	17.0	17.0	3,709	-3.0	12.4	-6.4	-58.6	-4.6	7.1	-125	14	-313	20	-48.2	79.9	15.0	25.3	12.3	66.5	-17.8	47.7	53.9	8.5		
CGM FOCUS SMALL CAP BLEND (CGMFX) ¹				26.98																						
800/345-4048 11 yrs Ken Heebner				25.25																						
(requires \$2,500 Trust or \$1,000 IRA)																										
	14.0	13.0	13.0	969	-11.4	5.1	15.1	-19.3	5.8	18.1	60	11	-31	15	-22.5	22.8	35.4	34.7	-6.5	65.6	71.0	24.9	-14.0	2.9		
EVERGREEN PRECIOUS METALS C (EKWCX) ¹				45.66																						
800/343-2898 13 yrs Michael Bradshaw				52.53																						
8.5	5.5	15.5	15.5	493	-7.9	17.0	2.1	-38.4	-3.1	11.7	-55	13	-185	18	-33.4	38.8	9.6	41.9	38.2	32.7	-5.7	-3.3	78.7	50.3		
ICON ENERGY FUND (ICENX)				14.26																						
800/764-0442 9 yrs Derek Rollingson				9.78																						
4.0	1.0	17.5	11.5	8,418	-3.3	41.6	52.5	-37.6	14.1	32.6	146	9	-8	14	-54.6	74.8	43.3	52.5	34.2	113.0	-34.7	-19.5	-----	-----		
ISHARES MSCI BRAZIL INDEX FUND (EWZ)				34.99																						
800/474-2737				52.97																						
1.0	16.5	10.5	10.5	1,414	1.1	34.3	39.1	-6.6	18.5	18.4	174	9	119	12	-52.7	-29.1	13.0	58.8	23.5	33.3	8.2	71.1	-52.8	108.0		
MATHEWS CHINA FUND (MCHFX)				14.34																						
800/789-2742 10 yrs Richard Gao				19.94																						
16.1	13.5	AVERAGE BIG 5			-4.9	22.1	20.5	-32.1	6.1	17.6	40	11	-84	16	-42.3	37.4	23.3	42.6	20.3	62.2	4.2	24.2	16.5	42.4		
¹ Fidelity cannot buy but Midwest Trust Company can																										
SOLD																										
	19.0	17.0	17.0	2,01	-10.2	32.0	25.1	-60.2	-11.4	9.1	-125	14	-276	20	-53.7	31.5	4.3	55.7	46.6	59.2	4.4	-3.5	82.8	14.7		
BLACKROCK GLOBAL RESOUCCRES C (SSGDY)				13.56																						
800/441-7762 9 yrs Dennis Walsh				16.96																						
6.0	6.0	17.5	17.5	894	1.4	30.5	-6.7	-52.4	-8.8	7.5	-133	15	-294	20	-46.8	34.4	29.0	27.0	35.5	89.7	3.5	5.1	29.2	2.6		
CGM REALTY (CGMRX) ¹				16.23																						
800/345-4048 14 yrs Ken Heebner				14.96																						
(requires \$2,500 Trust or \$1,000 IRA)																										
6.0	3.5	19.5	14.5	2,802	-1.2	36.3	32.0	-41.1	-2.6	13.0	-24	12	-136	17	-60.8	45.1	33.4	41.3	23.0	48.8	-6.9	-2.5	-33.0	70.5		
FIDELITY EMERGING MARKETS (FEMKX)				12.99																						
800/544-8544 4 yrs Robert Von Rekowsky				17.15																						
1.0	22.5	16.5	16.5	4,771	14.2	12.3	24.3	-42.6	-21.2	7.3	-145	15	-221	18	-80.2	75.9	69.5	10.0	12.6	87.6	37.4	-----	-----	-----		
GARMIN, LTD (GRMN) stock split 2 for 1 08/06				19.17																						
Stock not Mutual Fund 913/397-8200				23.82																						
1.0	3.5	21.5	15.5	5,75	-12.1	44.0	56.3	-56.3	-8.6	11.3	-65	13	-183	18	-71.5	30.7	67.5	70.9	5.9	75.9	24.7	80.3	-17.5	159.8		
ING RUSSIA (LETRX)				13.88																						
800/992-0180 8 yrs Jan-Wim Derks				21.69																						
3.5	8.0	17.0	14.0	619	0.8	35.6	14.8	-34.1	1.6	15.4	1	12	-121	16	-41.1	36.5	50.3	40.1	49.7	-21.5	-3.1	13.6	86.2	----		
ISHARES MSCI MEXICO FREE INDEX FUND (EWW)				32.16																						
800/474-2737				36.88																						
5.5	20.0	16.0	16.0	2,58	-12.7	9.9	26.5	-46.0	-11.4	9.3	-95	14	-202	18	-60.7	31.5	44.0	39.7	-2.7	43.8	61.1	13.1	-38.2	-9.9		
MIDAS FUND (MIDSX)				2.12																						
800/400-6432 7 yrs Thomas Winmill				2.64																						
2.5	2.0	17.5	12.5	1,41	-1.0	46.3	47.6	-36.6	8.1	26.8	95	10	-37	15	-55.8	48.9	51.2	60.1	38.4	57.9	-18.1	-0.2	-11.2	59.4		
PRICE LATIN AMERICA (PRLAX)				22.73																						
800/638-5660 3 YRS Gonzalo Pangaro				33.55																						
6.5	4.0	20.0	17.0	609	-8.3	21.1	25.5	-59.8	-12.3	10.0	-126	15	-275	19	-62.1	40.0	22.2	49.0	30.4	99.6	17.8	-13.5	10.7	14.5		
US GLOBAL RESOURCES ALL CAP BLEND (PSPFX) ³				5.26																						
800/873-8637 16 yrs Frank Holmes				6.60																						
19.4	15.6	AVERAGE SOLD			-3.2	29.8	27.3	-47.7	-7.4	12.2	-69	13	-194	18	-59.2	41.6	41.3	43.8	26.6	60.1	13.4	11.6	13.6	44.5		

Roth IRA (no taxes) is a must for you, your spouse and each child or parent- none want to be a burden to the other

(regardless of age or anticipated financial security past age 100 and in addition to any other retirement plans)

1. Contributions can continue past age 70 ½ if you meet income requirements – check with your CPA but generally is from earned income as long as adjusted gross income is below \$95,000 - \$110,000 single IRS filing or joint IRS filing \$150,000 - \$160,000.
2. No income tax ever on withdrawal of principal contributed or on earnings after 5 years if owner is at least 59 ½ .
3. No withdrawal requirements as to when and how much except beneficiaries must withdraw all in their lifetime.
4. Can name beneficiaries including grandchildren, which is generation skipping and one of few ways to avoid taxes to them.
5. Maximum contributions \$5,000 allowed if under age 50 and you have earned income of \$5,000 or more.
6. Investment of \$5,000 per year @ 20% would be worth: 10YRS \$155,750; 20 YRS \$1,120,100; 30 YRS \$7,091,300
7. Non-taxable withdrawals monthly not invading principal: 10YRS \$2,596 (155,750 x .20 /12); 20YRS \$18,668 (1,120,100 x .20/12);30YRS \$118,188
8. If you believe you have plenty of financial security, consider if you live to 100, costly medical expenses and 3.1% inflation per year past 60 years.
9. Don't rely on Social Security or Medicare or Company Pensions, which may not be in existence when you need them.
10. You can convert a Traditional IRA and pay no taxes if you did not deduct your yearly contributions to the Traditional IRA.
11. Call one mutual (page 7) for application but when it reaches \$50,000 call 800-343-3548 to open a Fidelity Brokerage Account and invest in another mutual for more diversification.

11 GOLDEN RULES

1. You can save \$13.70/day x 365 = \$5,000/year (max IRA from earned income or over age 50 = \$6,000/year) - your 30 year investment \$150,000 worth \$7.1 million @ 20%.
2. The best time to invest is when young or NOW but it's never too late (would you rather save \$1 now or wait 30 years requires \$47.30).
3. 20-30 years invested in IRA (Traditional or Roth) can be in addition to your 401(k) or other retirement plans.
4. Look for mutual funds under \$10 billion assets & with 3 years annualized average at least @ 20% Rate of Return (ROR).
5. Evaluate your mutual funds quarterly vs other funds with better 3 years annualized ROR or WEIGHTED SCORES (see page 7 footnote).
6. More ROR is more financial independence for your family or for your charity to afford more programs for their members.
7. Inflation 3.1% over past 60 years reduces future dollar purchasing power – add/yr 20% of ROR or 3.1% of Total Assets to principal to compensate.
8. New Prudent Investment Act passed Missouri & Kansas + 30 other states dictates diversification and investing in today's market opportunities.
9. Put aside enough funds in money markets for emergencies so as not to force selling your mutual funds that are invested for the long term.
10. Patience is a virtue – over time (see page 4) stocks always seek new highs in spite of up and downs vs \$1 100 years ago worth only 6 cents now.
11. "Yes, You Can Achieve Financial Independence" book by Jim Stowers, Chairman American Century Mutual Funds, 800.234.3445. Read Suze Orman's paper back books!

INVESTMENT	\$100*	40%	35%	30%	25%	20%	15%	10%	5%
5 years invested	500	1,532	1,344	1,176	1,026	893	775	672	580
10 years invested	1000	9,774	7,370	5,541	4,157	3,115	2,335	1,753	1,321
15 years invested	1500	54,098	34,390	21,747	13,711	8,644	5,472	3,495	2,266
20 years invested	2000	292,488	155,548	81,922	42,868	22,402	11,781	6,300	3,472
25 years invested	2500	1,574,608	698,828	305,344	131,849	56,638	24,471	10,818	5,011
30 years invested	3000	8,470,151	3,134,912	1,134,898	403,397	141,826	49,996	18,094	6,976

\$1,200 yearly minimum (\$100/month IRA required by most mutuals) is 12 times all figures on this TABLE

\$5,000 yearly maximum IRA required by IRS (\$416.66 monthly) is 50 times all figures on this TABLE

\$6,000 yearly maximum if at least age 50 (\$500 monthly) is 60 times all figures on this TABLE

SEE PAGE 9 FOR NORM'S HISTORY MUTUAL FUNDS INVESTING SINCE 1970

NORM'S HISTORY MUTUAL FUNDS INVESTING SINCE 1970 (SHOWS CAN'T BUY & HOLD - QUARTERLY IMPROVE AVERAGE RANK IF CAN FIND BETTER REPLACEMENT)

BEG/END NAV is Net Asset Value at the beginning of this year and at the ending of this current period
 WEIGHTED SCORES = YTD % x 1/2 Weight + 1 YR % x 2/5 + 3 YRS % x 5/3 + 5 YRS % x 3/1 (compare S&P 500/other mutuals)
 NORM'S 20% RATE OF RETURN (ROR) IS A GOAL - ACTUAL PERFORMANCE OF FUNDS WILL VARY

HISTORICAL RESULTS ARE 1 GUIDE TO CHOOSE WINNERS + 4 OTHER CRITERIA IN MY ARTICLES LAST PARAGRAPH
 AVERAGE RANK IS WEIGHTED SCORES OLD RANK PLUS NEW RANK DIVIDED BY 2

				WEIGHTED SCORES (WS)										YEARS														
				ANNUALIZED					Old Long Term					New Short Term														
				ASSETS	BEG/	2ND Q	YTD	1 YR	3 YRS	5 YRS	3 YRS X 3	5 YRS X 3	3 YRS X 3	5 YRS X 3	1 YR X 2	1 YR X 5	WEIGHT	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	
				(MIL \$)	END	2009	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%		
12/29	12/31	12/31	06/30	AVERAGE RANK (see above footnote)																								
2006	2007	2008	2009	8776																								
10.5	11.0	16.5	15.5	Dow Jones Industrial Average																								
				903																								
10.5	11.0	17.5	15.5	S&P 500 INDEX is my Benchmark																								
				919																								
				15.9 3.2 -26.2 -8.2 -2.2																								
				1 x -3.2 + 2 x -26.2 + 5 x -8.2 + 3 x -2.2 = -97																								
BEGINNING (1970-01/16/96 26 years in this order) 50% EACH 1 MUTUAL + 10 PREFERRED CUMULATIVE STOCKS														RANK														
9.0	11.5	18.5	16.0	FRANK TEMP/TEMP A GROWTH A (TEPLX) Templeton	16445	13.69	20.4	4.9	-30.0	-11.5	-2.2	-119	14	-177	18	-43.5	2.2	21.8	8.1	17.0	32.9	-9.5	0.5	1.7	30.4			
12.0	9.5	19.5	15.5	FIDELITY MAGELLIAN (FMAGX) Peter Lynch	22397	53.06	19.1	15.9	-33.5	-9.8	-3.5	-111	14	-169	17	-49.4	18.8	7.2	6.4	7.5	24.8	-23.7	-11.7	-9.3	24.0			
12.0	11.0	16.0	14.0	AIM HLTH SCI (GGHCX) GLHLTCR-A John Kawowske	906	21.65	13.5	8.1	-14.5	-2.5	1.0	-30	13	-63	15	-28.4	11.5	4.4	8.7	6.3	27.4	-25.2	-14.7	25.8	0.6			
13.0	9.5	18.5	15.5	AMERICAN CENTURY ULTRA (TWCUX) Jim Stowers	5148	15.82	14.1	9.5	-26.5	-7.2	-4.2	-92	14	-139	17	-41.7	21.8	-3.3	2.1	10.7	25.8	-23.1	-14.6	-19.9	41.5			
12.0	9.5	18.5	15.5	PBHG EMER (OBEHX) OLD MUTUAL STRAT SM CO C (OCSSX)	105	6.73	9.6	3.1	-29.4	-10.1	-2.8	-115	14	-174	17	-45.3	17.5	7.9	6.7	0.7	56.6	-47.6	-32.6	-25.2	48.3			
11.5	13.5	20.5	16.5	LEGG MASON VALUE TRUST PR (LMVTX) Bill Miller	4093	29.68	29.0	14.0	-28.2	-18.9	-10.4	-168	15	-180	18	-55.1	-6.7	5.9	5.3	12.0	43.5	-18.9	-9.3	-7.1	26.7			
11.5	11.0	18.5	14.5	AIM TECHNOLOGY INVESTOR CLASS (FTCHX) Bill Keithler	475	20.71	17.6	22.1	-22.7	-7.0	-3.3	-68	13	-94	16	-44.6	7.4	10.0	1.8	3.4	43.2	-47.2	-45.5	-22.8	144.9			
11.5	11.0	18.5	15.5	AVERAGE BEGINNING	17.6 11.1 -26.4 -9.6 -3.6 -100 14 -142 17 -44.0 10.4 7.3 6.2 9.0 35.2 -24.7 -18.3 -5.7 28.6																							
MISCELLANEOUS PAST HISTORY SINCE 01/16/96																												
11.0	15.0	21.5	18.5	ALPINE EQ USRE Y MID VALUE (EUEYX)	45	13.24	43.1	5.4	-42.2	-25.8	-12.5	-246	17	-290	20	-55.6	-23.4	15.1	9.7	39.5	82.0	3.1	25.2	22.4	-17.6			
				19.0 17.0 BLACKROCK GLOBAL RESOURCES C (SSGDY)																								
				809 16.96 32.0 25.1 -60.2 -11.4 9.1 -125 14 -276 20 -53.7 31.5 4.3 55.7 46.6 59.2 4.4 -3.5 82.8 14.7																								
10.0	12.5	19.0	15.5	BRIDGEWAY ULTRA SMALL COMPANY MKT BLEND (BRSIX)	333	10.50	25.2	9.0	-23.5	-13.0	-4.2	-116	14	-143	17	-44.6	-5.4	11.5	4.1	20.1	79.4	4.9	24	0.7	31.5			
8.0	12.0	18.5	13.5	BRUCE FUND ANY CAP BLEND (BRUFY)	176	285.69	21.7	17.3	-11.2	-5.4	5.4	-16	12	-32	15	-46.2	-5.1	17.7	7.7	57.2	66.8	9.2	22.5	38.6	-19.8			
10.0	12.0	16.5	12.5	BUFFALO SMALL CAP GROWTH (BUFSX)	1675	19.55	20.6	19.4	-0.5	-2.4	1.8	12	12	31	13	-29.8	-3.3	14.0	3.2	28.8	51.3	-25.6	31.2	33.7	34.8			
12.0	9.5	19.5	15.5	CALAMOS GROWTH C (CVGCX)	7494	32.21	21.0	19.6	-33.8	-9.5	-3.3	-105	14	-162	17	-50.7	22.3	0.7	7.7	17.8	41.3	-16.5	-8.3	25.8	76.8			
6.0	6.0	17.5	17.5	CGM REALTY (CGMRX)	894	14.96	30.5	-6.7	-52.4	-8.8	7.5	-133	15	-294	20	-46.8	34.4	29.0	27.0	35.5	89.7	3.5	5.1	29.2	2.6			
10.5	9.0	19.5	15.5	COLUMBIA TECHNOLOGY (CTHCX)	238	6.68	15.8	19.3	-29.6	-10.1	-0.3	-91	14	-140	17	-51.4	22.3	7.9	16.5	21.2	84.2	-38.2	-29.0	----	----			
13.0	12.0	13.5	13.0	EATON VANCE WW HEALTH SCIENCES C (ECHSX)	1105	8.46	3.8	-0.8	-2.5	0.9	0.9	1	12	-11	14	-7.8	5.6	-0.7	6.8	6.0	29.6	-26.6	-7.3	81.7	22.9			
6.0	3.5	19.5	14.5	FIDELITY EMERGING MARKETS (FEMCX)	2802	17.15	36.3	32.0	-41.1	-2.6	13.0	-24	12	-136	17	-60.8	45.1	33.4	41.3	23.0	48.8	-6.9	-2.5	-33.0	70.5			
8.5	8.5	20.0	17.0	FIDELITY LEVDO CO STK MID CAP BLEND (FLVCX)	3617	17.53	38.4	21.4	-48.5	-11.2	0.7	-130	15	-233	19	-54.5	17.9	17.6	17.5	24.5	96.3	-1.8	3.2	----	----			
9.5	11.5	17.5	14.5	FIDELITY LOW PRICE SMALL BLD (FLPSX)	22071	25.90	21.6	12.0	-22.0	-6.2	1.5	-59	13	-103	16	-36.2	3.2	17.8	8.7	22.2	40.9	-6.2	26.7	18.8	5.1			
12.0	10.0	14.5	13.5	FIDELITY SELECT BIOTECH (FBIOX)	1062	60.43	5.1	2.2	-7.3	-0.3	0.6	-12	12	-32	15	-11.4	2.7	3.6	8.8	12.0	32.9	-40.5	-25.0	32.8	77.8			
9.0	10.0	19.5	14.0	FIDELITY SELECT BROKERAGE (FSLBX)	445	40.20	43.0	27.0	-16.8	-8.6	3.4	-39	13	-52	15	-49.3	-0.2	21.3	29.9	13.0	36.5	-17.2	-9.0	28.1	30.7			
13.0	11.5	20.0	14.0	FIDELITY SELECT ELECTRONICS (FSELX)	802	30.30	23.9	34.1	-20.2	-9.8	-5.2	-71	13	-67	15	-49.9	4.7	0.3	15.7	-9.8	71.9	-50.5	-14.7	-17.7	106.6			
12.0	9.0	18.5	15.5	FIRSTHAND TECH VALUE (TFVQX)	172	25.67	9.4	9.7	-28.9	-9.5	-2.9	-104	14	-157	17	-47.4	23.4	9.0	12.3	-6.6	74.5	56.4	-44.0	-10.0	190.4			
				1.0 22.5 16.5 GARMIN, LTD. (GRMN)																								
				4771 23.82 12.3 24.3 -42.6 -21.2 7.3 -145 15 -221 18 -80.2 75.9 69.5 10.0 12.6 87.6 37.4 ---- ---- ----																								
10.0	11.5	14.5	14.5	HEARTLAND VALUE PLUS SMALL CAP (HRVIX)	697	19.24	16.9	3.4	-22.4	0.1	2.1	-35	13	-103	16	-17.9	4.7	13.6	1.3	17.0	53.6	-3.8	34.8	-8.8	1.7			
8.5	12.5	18.0	15.5	HEARTLAND VALUE SMALL (HRTVX)	970	28.76	31.3	14.9	-28.9	-9.7	-2.2	-98	14	-146	17	-39.5	-5.5	28.0	2.0	9.1	70.2	-11.5	29.5	2.0	25.0			
12.5	11.0	20.5	17.5	HENLOPEN MULTI-CAP BLEND (HENLX) HENNESSY CORGRO	31	10.76	25.4	8.5	-41.6	-23.3	-----	-191	16	-261	19	-53.8	-6.5	5.2	9.2	16.8	65.0	-20.9	0.8	-18.6	62.1			
9.0	9.5	19.0	18.0	HODGES FUND ANY CAP BLEND (HDPMX)	321	13.79	22.8	0.8	-47.1	-15.7	-2.2	-179	16	-283	20	-49.5	8.5	17.8	17.3	24.5	80.2	-26.3	11.2	-29.0	7.6			
12.0	10.5	19.5	15.5	ICON INFO TECHNOLOGY (ICTEX)	103	6.39	19.7	10.8	-30.8	-9.0	-5.2	-111	14	-165	17	-47.8	18.3	6.9	-4.0	3.9	47.0	-41.4	-13.0	14.1	111.0			
1.0	3.5	21.5	15.5	ING RUSSIA A (LETRX) 5.75% Comm + 2% not held 1 yr	314	21.69	44.0	56.3	-56.3	-8.6	11.3	-65	13	-183	18	-71.5	30.7	67.5	70.9	5.9	75.9	24.7	80.3	-17.8	159.8			
7.0	7.0	18.0	14.0	ISHARES MSCI AUSTRALIA (EWA)	956	17.06	25.8	20.3	-32.2	-1.8	9.4	-25	12	-116	16	-48.1	28.3	31.4	16.7	30.9	49.8	-0.3	2.3	-11.5	19.2			
7.5	5.5	16.0	11.5	ISHARES MSCI MALAYSIA (EWM)	396	8.88	25.7	23.5	-11.2	10.6	10.5	86	10	33	13	-40.2	44.6	36.2	1.6	14.4	25.1	0.7	4.6	-15.9	93.0			
3.5	8.0	17.0	14.0	ISHARES MSCI MEXICO FREE INDEX FUND (EWW)	619	36.88	35.6	14.8	-34.1	1.6	15.4	1	12	-121	16	-41.1	36.5	50.3	40.1	49.7	-21.5	-3.1	13.6	86.2	----			
6.5	7.0	17.0	13.0	ISHARES MSCI SINGAPORE (EWS)	976	9.08	44.2	28.9	-23.8	5.0	11.9	42	11	-34	15	-46.2	27.9	46.1	15.6	22.6	39.7	-12.0	-23.2	-25.1	55.4			
				6.0 20.0 14.5 ISHARES MSCI SOUTH KOREA (EWY)																								
				1869 35.04 23.0 25.1 -31.0 -7.2 8.4 -48 13 -118 16 -56.0 31.7 11.1 55.0 18.2 33.7 6.1 46.7 ---- ----																								
10.0	9.0	17.5	15.0	JANUS ENTERPRISE (JAENX)	1411	37.39	21.6	13.8	-31.6	-4.5	1.9	-66	13	-142	17	-43.1	21.8	13.2	11.4	20.7	35.8	-28.3	-39.9	-30.5	121.9			
11.0	8.5	18.5	14.5	JANUS MERCURY (JAMRX)	2600	19.80	22.2	15.6	-27.3	-3.9	0.0	-59	13	-117	16	-44.4	24.8	8.7	6.8	10.8	32.1	-29.9	-29.8	-22.8	96.2			
12.5	10.5	21.5	17.5	LEGG MASON GROWTH LARGE CAP (LMGTX)	353	14.47	19.5	12.5	-44.8	-17.6	-11.4	-199	16	-263	19	-60.4	14.0	0.6	2.3	7.5	63.3	-9.1	-6.6	-22.5	18.6			
9.0	9.0	18.0	16.0	MARSICO 21ST CENTRY LARGE CAP GROWTH (MXXIX)	912	9.62	20.9	1.1	-33.6	-10.2	-0.2	-118	14	-197	18	-45.2	19.3	18.7	7.8	22.3	48.8	-10.5	-19.8	-8.1	----			
8.5	7.5	19.0	14.5	MATTHEWS KOREA (MAKOX)	103	3.26	25.4	18.6	-26.1	-8.6	7.6	-54	13	-112	16	-52.7	-29.1	13.0	58.8	23.5	33.3	8.2	71.1	-52.8	108.0			
				14.5 19.5 14.0 MEN'S WAREHOUSE (MW)																								
				1347 19.18 27.1 42.7 -19.5 -13.0 2.6 -54 13 -49 15 -49.0 23.3																								
				6.0 22.0 17.0 MEXICO EQUITY & INCOME (MXE)																								
				33492 6.83 32.4 -10.1 -55.1 -2.2 11.8 -96 14 -291 20 -74.5 31.5 50.9 38.7 55.6 40.0 -13.5 10.0 -14.1 59.2																								
5.5	5.5	20.0	16.0	MIDAS FUND (MIDSX)	103	2.64	9.9	2																				

MY LEGACY TO YOU – 4 PRINCIPLES TO ACHIEVE FINANCIAL INDEPENDENCE
(NORMAN POLSKY, CHAIR-MAN, 913/469-6886 fax/phone) 06/22/09

From “Yes, You Can...Achieve Financial Independence” 4th Edition book by James Stowers, Founder American Century Mutual Funds. Read these five pages first, then the whole book and pass it on to your parents and next generation so they don’t become a financial burden to you.

1. Page 56 – Its’ never too late or how much cash does it take monthly to provide what you want? The extraordinary power of compounding @ 16% (my goal is 20%).
Age 20 \$1.57/mo x 12 x 45 yrs to age 65 = \$848 provides \$524,420 for 35 yrs to 100 @ \$1,251/mo
@ \$1,245/mo forever
Age 40 \$31.21/mo x 12 x 25 yrs to age 65 = \$9,363 provides \$524,420 @ \$1,245/mo forever
Age 60 \$1,131/mo x 12 x 5 yrs to age 65 = \$67,860 provides \$524,420 @ \$1,245/mo forever
2. Page 137 – The value of a Dollar decreased 3.1% per year over the past 60 years. However, over time, the Dow-Jones Stocks have always sought new highs. \$1 theoretically invested in 1897 in the Dow would be worth \$11,220 at end of 1993, whereas the dollar of 1897 was worth only 6 cents at end of 1993. Your biggest risk is not the investment but in the declining purchasing power of the dollar!
3. Page 190 – The amazing results of consistent monthly investments of \$100 if you agree to go for 10 years and then sell. Which investment is best by 27% A or B? (see answer on page 192).
4. Page 209 – Importance of a well managed mutual fund A vs S&P 500 Index Fund (passive investing like buying the Vanguard 500 mutual fund 800.662.7447) and probabilities of receiving a 16% return from \$100 a month investment:
5 years 54 probability Fund A vs 35 probability S&P 500 - Fund A is 54% better
10 years 57 probability Fund A vs 39 probability S&P 500 - Fund A is 46% better
20 years 74 probability Fund A vs 31 probability S&P 500 - Fund A is 139% better
30 years 36 probability Fund A vs 0 probability S&P 500 - Fund A is infinitely better
5. Page 210 bar graph shows same results as page 209.

Norm’s Strategies Mutual Funds Investing learned since 1970 in addition to Jim Stowers 4 Principles above.

1. I stay fully invested as I cannot guess the market timing.
2. I cannot buy and hold any mutual if I can quarterly find a better replacement Mutual Fund then I do so.
3. I do not watch daily results of the stock market, which is like a roller coaster and can give you heart failure. I spend one day quarterly to evaluate each mutual in my portfolio and look for future replacements.
4. I do not rely on investment advisors – if they are so smart, why do they have to work? Don’t have a mind-set! Anyone can learn mutual fund investing (young or old, women or men).
5. I listen to Adam Bold, Suze Orman and Peter Newman as they do have good advice.
6. I believe most people will outlive their retirement funds with no Social Security or Medicare or Company pension plans! If you retire age 65, inflation 3.1% per year in 20 years has the purchasing power of only 38%. Work past 70 ½ to invest in a non-taxable Roth IRA \$500/month (\$6,000/year max allowed if you qualify).
7. I believe people should pay off bad debt credit cards, before saving to invest monthly for dollar cost averaging. Home mortgages are good debt as interest and real estate taxes are deductible and home values appreciate. .
8. In December I establish realized gains by selling the difference between market value and cost each Mutual and with those funds generated buy more Mutual Funds for better safety through more diversification.
9. I’m not concerned with tax consequences, commissions going in or annual costs-charges as long as my Rate of Return (ROR) is 20% or greater.
10. I buy Mutuals that invest in any Cap stocks for Blend (Value or Growth) and that have less than \$10 Billion Total Assets.
11. I do not invest in Mutuals without a 3 year history with a successful manager as today’s hot mutuals are usually next year’s losers. I strive for Mutuals doing better ROR than S&P 500 in up/down markets.
12. I do not invest more than \$100,000 in any one Mutual.