De Thomas Financial Corp

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Life Is Not Fair

Why is it that millionaires and multi-millionaires get access to:
- better financial planners?
- better tax lawyers?
- better investment strategies?
- better tax accountants?

Secrets of Millionares

Secrets of Millionares

When it comes to money and investing, it seems that the more money you have, the more you can make by having better investment opportunities.

Why is it that millionaires get access to better investment portfolios and with lower fees? Why is it that multi-millionaires get access to even better portfolio alternatives than millionaires?

You can now have the same buying power and attention with your investments!

De Thomas Financial Corp has designed investment programs that are the same as those investment programs that are used by millionaires and multi-millionaires. De Thomas Financial has created various portfolios for clients that range from a conservative, income producing portfolio to a long term, growth portfolio.

These portfolios are created such that they offer the same benefits that millionaire investors look for. Our client's investments are "pooled together" creating portfolio like a huge pension plan. By having the ability to "pool client assets together" we create a "pension pool with millions of dollars."

De Thomas Financial is now able to give clients the same benefits as millionaire and multi-millionaire investors.

We have hired an independent money manager to:

- select the "best of the best" investment products.
- monitor the accounts on a regular basis.
- rebalance the portfolio as it is necessary
- provide the best reporting system available...and
- to continually seek out cost savings for our clients.

Conclusion
- Lower cost
- Multi-millionaire type portfolios
- "Best of the Best" investment portfolios
- Automatic proper portfolio rebalancing
- Personal one-to-one attention with "Best statements"

What is professionalism?
Many newspaper articles keep writing that a professional advisor should keep in contact with their clients every three to six months. Many investors who read these articles may feel that they are being ignored or not appreciated if their advisor does not call them every three to six months.

Is this really professionalism?
Review the above situation and compare it with two other professions; a family doctor and/or a family lawyer.
- How often does your family doctor call you?
- How often does your lawyer call you?

It is your money. It is your responsibility to keep your advisor abreast of any major financial changes in your life such as employment, children, mortgage (debts), retirement, windfall, etc.

You should treat them like you treat a doctor or a lawyer. You would call them when needed - not the other way. You do not want your doctor or lawyer wasting their time calling you if there is no need for you to see them. You want your doctor (or lawyer) to spend their time keeping informed on what is going on, to keep their skills honed to the best of their abilities, and to take educational courses to keep abreast of new issues.

If they do this, you will know that when you do call them (when needed) you are getting the best possible advice. Is this not what you really want from your financial advisor?

- When you call your advisor, are they readily accessible?
- When you call your advisor, do they have the answers?

Great Ideas Do Not Come Every Day

Seeing an advisor too often only plays into the investment industry's hands. The investment industry is built on transactions on trading, selling, and buying (read the article by John Sartz in the last page).

The financial industry would suffer greatly if investors were to invest like one of the greatest investors of our time, Warren Buffett. He has repeatedly stated that he only gets maybe one or two big ideas every couple of years. He has also stated that if he were to go away for five years, he would not worry about his portfolio as he has great confidence in what he buys.

Contrast that with the way the financial industry operates. If all investors were to take Mr. Buffett's approach, all the discount brokers who rely on day trading would close. 50% of the other brokerage firms would also close their doors - especially those who rely on trading activity to survive.

A top financial advisor should be there when you need them.

When you do call, you want them to be at their very best. You want an advisor who has kept their skills honed to the best of their abilities by reading, taking courses and keeping up to date on current issues and events.

Conclusion: Your advisor should be there when needed to:

- Rebalance the portfolio (as required).
- Review income tax issues.
- Review estate planning issues.
- Review education plans.
- Review retirement planning.

Fitness & Wealth

Health and wealth are both important resources for living a happy life.

People in poor health often die young or spend thousands of dollars on health care that could have been avoided by having a good *"fitness coach."*

On the other hand, those who practice "good health" are more likely to exceed average life expectancy and need a larger nest egg to insure that they do not outlive their investments.

Health and personal finances are both closely associated with happiness. Research data indicate that four factors strongly predict happiness and well-being in most cultures:

1. Health
2. Economic status
3. Employment
4. Family relationships

This report will focus on the similarities between good health and good economic status (employment and family relationships is beyond the scope of this report).

Readers must be totally honest with themselves. Do they need a "*health fitness coach*" or a "*wealth fitness coach*" or are they able to do it on their own?

Since the majority of Canadians are not in very good health, we would suggest that a great majority would benefit greatly from a personal trainer in health. Since the majority of investors are not achieving above average investment results, we would suggest that a great majority would benefit greatly from a personal financial trainer.

Do you need help?

Lots of Technical Jargon

Health: A 2004 Institute of Medicine study found that nearly half of American adults have higher risks of health problems due to trouble following instructions on drug labels, interpreting medical consent forms and understanding doctor's instructions. Worse yet, health information often contains so much contradictory opinions or research data, making it very difficult for the average person to know how to interpret the results.

Wealth: Many Canadians have a very difficult time understanding world economic trends and events. Comprehending investing terms and the often-arcane language of personal finance is also a challenge for many people. Acronyms like REIT, NAV, BETA, ALPHA, P/E, BtoMV, FMV, can seem like a foreign language to most people.

Health Issues

- Lots of technical jargon on drug labels, forms, and medicine. Health information contains so much contradictory opinions or research data, making it very difficult for the average person.
- There have been literally hundreds (if not thousands) of books written on these two subjects and yet there is no big improvement in results. The problem is not due to lack knowledge but on not implementing the knowledge and information.
- Many people believe that they must make a major life-style change to be healthy. So, instead they "freeze" and do nothing as they feel that "it is not going to work. "
- There is no easy way to stay healthy. It takes discipline, perseverance and time. Liposuction and gastric bypass surgery may help reduce weight quickly, but there are major risks with surgical procedure, including death.
- Ripe for claims of "miracle" cures and quick fixes. Promises of quick results provide an attractive alternative resulting in thousands of books, fads, infomercials etc that claim fast solutions.
- Issues indicate disconnect between perception and reality. For example, the average Canadian sees themselves different than how others see them. This of course makes self-assessment almost impossible and many are in denial mode.
- Regular check-ups are needed to prevent big problems from happening. Disease, such as cancer can take years to develop but people who are diagnosed early have a much better chance of survival. Timing is everything to identifying a health problem.

A good health advisor will stay with you along the way to help you avoid the most common health mistakes such as:

- Dropping out early from your exercise program
- Provide moral support in difficult periods
- Help you chart your progress on a regular basis
- Help you to avoid scams and quick weight loss pitches
- Help you in being overconfident and making silly mistakes
- Providing a buddy system to stay motivated.

Wealth Issues

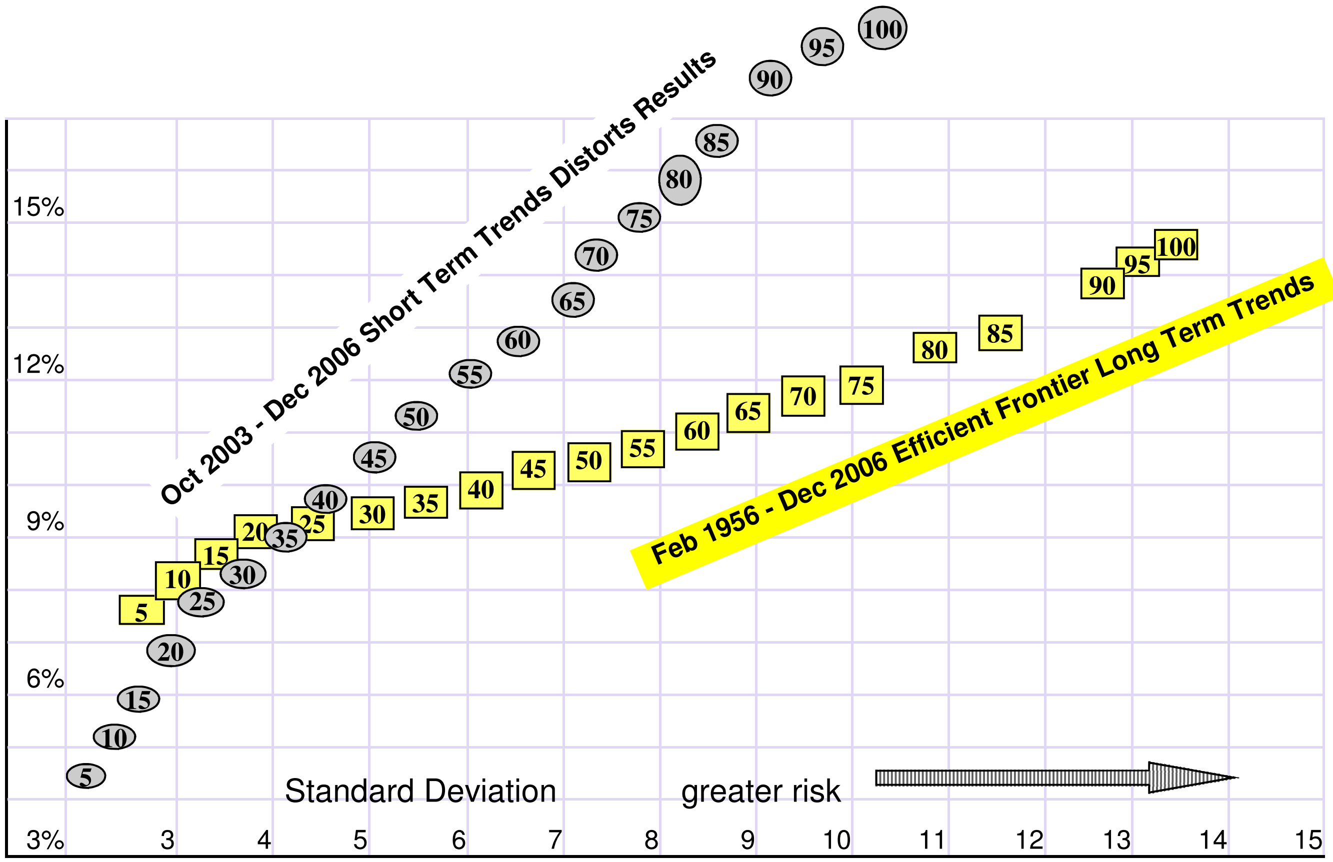
- Lots of technical jargon in prospectus and summary folder. Information contains so much contradictory opinions or research data, making it very difficult for the average person.
- There have been literally hundreds (if not thousands) of books written on the subject and yet there is no big improvement in results. The problem is not due to lack knowledge but on not implementing the knowledge and information.
- Many investors believe that they cannot do any better. It is going to be the same everywhere, so they do not even try to make changes to their investments.
- There is no easy way to wealth. It takes discipline, perseverance and time. Day trading and stock picking may get you some hot money quick if you are lucky but as when playing cards, luck always runs out and goes the other way
- Ripe for claims of "secrete strategies" and quick riches. Promises of quick results provide an attractive alternative. Unfortunately, many pitches are unproven or are outright scams.
- Issues indicate disconnect between perception and reality. For example, the average investor thinks that their investments are ok, yet reality shows that less than 15% of all investors earn above the average over a 20 year time period.
- People can be sick wealth-wise and not know it until it is too late, (eg at retirement time). An early proper review can help diagnose improper risk, high fees or poor returns. Investors have a much better chance of success if errors are caught at an early stage.

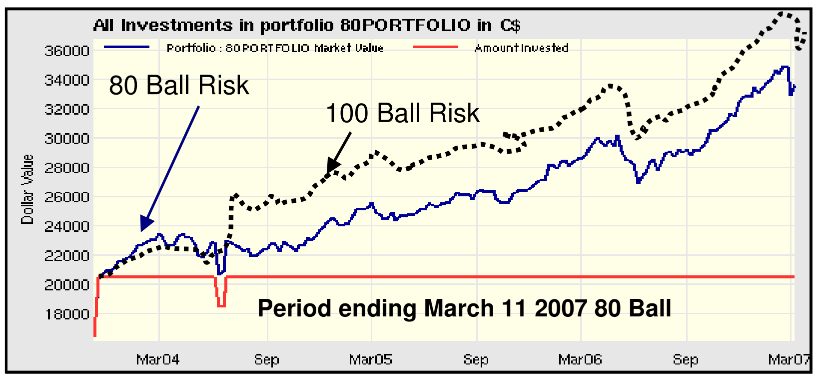
A good wealth advisor will stay with you along the way to help you avoid the most common investment mistakes such as:

- Dropping out early from your investment program
- Provide moral support in difficult markets
- Help you chart your progress on a regular basis
- Help you to avoid scams and quick rich pitches
- Help you in being overconfident and making silly mistakes
- Providing a "buddy system" to stay on tmotivated.

Do you need a good financial or health trainer?
Only you can answer this question!

"But...if you think hiring a professional is expensive,
...wait until you see how expensive hiring an amateur can be."





Sample Portfolios	1 yr	3 yrs	5 yrs	10 yrs	20 yrs
35 Ball Risk (low)	12.!%	8.5%	6.8%	6.4%	8.0%
40 Ball Risk	13.2%	9.2%	7.2%	6.7%	8.3%
50 Ball Risk	15.4%	10.6%	8.0%	7.4%	8.7%
60 Ball Risk	17.5%	12.1%	6.8%	8.0%	9.2%
70 Ball Risk	19.7%	13.5%	9.6%	8.6%	9.6%
80 Ball Risk	21.9%	14.9%	10.4%	9.2%	10.0%
100 Ball Risk (high)	25.2%	17.9%	12.3%	9.9%	12.2%

Commissions, trailing commissions, management fees and expenses all may be associated with mutual funds. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in (share or unit) value and reinvestment of all (dividends or distributions) and does (do) not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Illiquid Stocks Often the Safest

Financial Post Jan. 19, 2007 John Sartz

The TSX (Canadian stock Index) has guidelines as to which stocks they keep on the index, and daily trading volume happens to be one of these guidelines. The intent of some of these guidelines seem to have been long forgotten. Sartz gives an example that based on the current guidelines are counterproductive.

Example given is Leon's furniture which was removed from the TSX composite index. Sartz reviewed the history of the company and couldn't recall Leon's ever reporting a quarterly loss but the company must surely have committed some act that would have caused it to be delisted. What Leon's did was the fact that it made life difficult for index funds. The stocks did not trade every day.

Leon's made it difficult for index fund managers to trade illiquid stocks. These types of stocks are difficult to locate and trade in decent sized blocks. This may cause the bid and offer price to be too high resulting in high "frictional costs."

Sartz says he cannot remember which company replaced Leon's but Leon's has gained 60% since leaving the index.

What goes in the index? One criteria is liquidity - not how good a company may or may not be. Liquidity is important for the frequent traders and index buyers. They are more concerned about activity then quality. Quality companies tend to attract a loyal following base whose shareholders never sell. Traders often turn their shares over several times a year and thus need more liquidity.

Therefore, the index-selection process in many cases serves to include speculative stocks while eliminating stable companies - the exact opposite of the original intent of an index.