



## CURRAN INTRODUCES A NEW APPROACH TO SECURING AND MAINTAINING YOUR FINANCIAL SECURITY

**SINCE THE VERY START OF MY CAREER** I have believed it would be my continuing goal to help people achieve financial security. I am not sure I realized how challenging it would be.

In the earlier days of my career I was convinced good investment management along with superior service to clients would get the job done. I guess I was too young and too naïve to realistically understand how routine obstacles like taxes, raising a family and simply living would impact financial security in retirement.

I believe Curran Investment Management has done a good job providing sound investment management along with superior service to you. But in today's ever changing and complex world, more is required of us if we are to help you achieve and maintain your financial security through retirement.

Curran has numerous competitors. Financial services have been provided by an assortment of businesses. Over the past twenty years or so, competition has intensified. Best known would be the large broker dealers like Merrill Lynch, Morgan Stanley and Wells Fargo Advisors. More recently a number of insurance companies have entered the markets offering a wide menu of mutual funds and annuities. Insurance to include long term care and life are part of their mix.

There are accounting firms that have attempted to offer investment advice along with their tax services.

Lawyers provide estate planning.

Finally, residential real estate agents play a role but ignore financial advice with the only real service being brokerage for buying and selling property. Generally speaking, financial services seem to ignore the impact of residential real estate in the investment plan.

While the numbers of "advisors" have grown, it is my opinion confusion among investors has never been greater. More advisors have not helped. Perhaps so many opinions coming from so many different "voices" only confuse matters?

Gone are the days when people enjoyed guaranteed pensions [defined benefit plans] that were paid no matter how long we lived. Fewer enjoy those guarantees today and even fewer will with each passing year. Many public and private pension plans are underfunded and cannot be sustained. Some are reducing benefits to prior retirees. Many workers who have pension plans worry there will not be enough money to pay them. They should be very concerned.



Many retirees fear they are not prepared for living in retirement without paychecks from their work. As a result, many have little confidence that all financial challenges in retirement can be met successfully.

It is now common for people to live 20-30 years in retirement. It is a long time to live without the benefit of a paycheck. Income is dependent on savings and investments accumulated during 40-50 years of working. Perhaps even more daunting is the fact that it must be managed during retirement.

The twin challenges of accumulating enough money to pay for retirement and manage those funds as we age are not very realistic. Professional help is required.

Unfortunately financial services have been built on a sales model, not a service model. It is a sales model that has failed us. Service and performance has not justified fees. The financial services model for selling services and products has not only failed but is now openly being rejected by many investors.

No wonder many are now investing in low cost index funds and firing their advisors.

Curran has never compensated employees directly for business. Think about this. If 50% of all revenues were being paid to advisors, how much would be left to provide services to the clients? The answer is obviously not very much and clearly it is not enough to do what you expect and need. Most of the opposition to how much advisors earn comes from “outside” the industry and is vigorously opposed by the advisor community. That should not be surprising.

When I launched Curran in 2004 I was convinced the “sales model” was not sustainable. With more investors moving into cheap index funds without professional help, the evidence is mounting. Traditional providers of financial services are likely to be reduced in numbers with each passing year.

Trying to compete in today’s world is not easy. New business and growth are vital cogs to a bright future. Refusing to adapt to a non-sales approach has not been easy. We must innovate and not be afraid to pioneer a new way to win and keep clients.

So in the first quarter of 2017, Curran initiated a new way to reward our service oriented staff. 100% of the first year’s fees are paid to our entire staff. The only person who cannot be included is me. The staff decides how 50% of the new business fees are to be distributed and I decide the other half. It works that way for new clients to Curran as well as for existing clients who add new money for our management.

Curran is built on a service model. I am convinced it will work in spite of no prevailing evidence that it has ever been done before, let alone successfully. There are do-it-yourself business models like Schwab and Fidelity. We are different because we are engaged in offering full service that is transitioning to a new definition of full service.

Now let's get back to how most people do business with regard to financial services.

Most of you have an assortment of people to provide financial services. You may have a financial advisor[s] with investment firms and/or insurance companies. Sometimes an accountant is the primary advisor. A lawyer is involved, if only to write the estate plan.

When we meet with our clients we try to make sense of what they have done with their various advisors. When we ask questions about their insurance, other investments, taxes, real estate and their estate plan we seldom get clear and concise answers. Our advice is limited because we seldom have a complete "picture". Fragments do not result in solid planning.

Until we become a vital and intimate part of the process we can realistically be only a peripheral participant. We may be the vital component to the investments. But most of the time all the rest is done largely absent our inputs and involvement.

My point is much more than sound investment advice and excellent service is required if you are to maximize your goal of achieving financial security.

It is my strong opinion the sales and fragmented approach to providing financial services is not working and has not ever worked very well. At least, that is what I have come to believe while giving financial advice since 1969.

Recognizing the need to provide comprehensive advice and services, Curran launched Hippo Tax Services, LLC in January of 2017.

My experience has been it is rare for most people to fully understand their annual tax filings. As a result, strategic tax planning is seldom effectively put into place. For the most part the filing of a tax return is viewed simply as a legal annual requirement. It needs to be much more than tax preparation. A full understanding of how each dollar of income is taxed is very important if effective tax strategies are to be employed. Our belief is effective tax strategies to reduce taxes are more likely when we do the tax return.

I am encouraging all of our clients to consider Hippo Tax services. Our goal is to educate and explain your tax situation and to provide you with options and strategies designed to maximize after-tax returns. To accomplish comprehensive advice and planning, in many but not all cases, we should be doing your taxes. Separating tax preparation from all of what financial services should be doing for Americans is simply not working very well. A new approach is required. For us, Hippo is only one of the steps we are taking to help you.

As we move into next year we will be offering services provided by Curran's family-owned real estate business, C&W Enterprises. We believe it is vitally important to help our clients better understand how their housing expenses work for and against them to achieve financial security. We will be sharing with you strategies we have developed and deployed in C&W.

Our real estate business was started in 1972 by my wife and me. It has grown substantially and now holds real estate in four states and Bermuda.

We will also be offering a unique approach to helping you complete your estate plan through cooperative efforts using both our staff and independent attorneys participating in our program.

And finally, we will be undertaking a unique service to regularly review and measure your insurance needs and coverages to include long term care and life insurance through Curran Advisory Services.

Of course, we will continue to manage your investments and offer comprehensive financial planning to include education and retirement planning. But to meet the challenges we all face, we must do much more.

To better reflect the comprehensive services we offer, our name will be changing to Curran Wealth Management. Wealth Management better represents all of the services outlined. Curran Investment Management will continue to be an important component, but our new name requires much more of us than the management of money.



Thank you for your trust and commitment to us. I am confident you will find our efforts to be supportive of your interests and will prove to be, with your help, a positive impact on your financial goals.

Respectfully,

A handwritten signature in dark ink that reads "Thomas J. Curran".

Thomas J. Curran  
Chief Executive Officer