

SAMPLE MARKET EVENTS STATEMENT

(Feel free to adopt this statement as is, inserting the name of the strategy you've chosen to follow. Or, tailor it to better reflect your sentiments. What's important is to describe how you are investing and then say what you will do, or not do, during times of market stress—and to write this statement during a time of relative market calm. Then print, date, and sign the form. When the markets get a little crazy, as they will from time to time, take this document out and read it as a reminder of your commitments.)

We recognize that the stock market is cyclical. It rises and falls in ways no one can predict. Its movements are out of our control. However, some important aspects of investing are well within our control, and we have taken such steps, including:

- We have estimated how much we should invest each month in order to meet our long-term financial goals, and we are investing that much;
- We have determined our optimal asset allocation, based on our investing time frame and temperaments;
- We have built an investment portfolio that is diversified accordingly;
- In order to choose investments wisely, we are following a strategy, (_____), that is driven by objective, mechanical rules; is easy to understand and implement; has a good track record; and is one we are willing to stick with in good times and bad.

Because we've taken those steps, we're confident that we have adequately positioned our investments for growth while also building in prudent protection against loss.

Our benchmark is not "the market." It is the average annual return we need to accomplish our goals. We are committed to tuning out the headline-of-the-day financial noise and staying with our strategy through the market's ups and downs.

Whether bull market or bear market, we will continue following our plan.

Date: _____

Signatures: _____