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**UPCOMING
EVENTS:**

Next TCI Art Exhibit

**Opens
October 2010
With a
Reception
October 28, 2010
4:30—6:30pm**

**TCI Webinar
November 2010**

You can view previous TCI Webinars on our website under the TCI Press Room tab.



TCI WEALTH ADVISORS, INC.

Why Independence Matters

Ken Riebe

This article is a result of a recent conversation with a client and in the course of the talk, he asked the question, "What does TCI do to protect me?". At first glance, the question seemed to be answered by talking about typical security measures but then it started me thinking that, just like Trisa's article in the last newsletter regarding what goes on behind the scenes at TCI from an investment standpoint, there are probably a lot of things that we do as a business that clients might not be aware of. After giving it some thought and putting together a list for this client, I felt it might be worthwhile to share with everyone in article form.

Place Clients First

Our business model at TCI was created to remove as many conflicts of interest as possible while providing transparency and clarity to clients. Our entire corporate structure is exactly the inverse of what you sometimes find in our industry. At TCI, we put client first, staff second and shareholders (profits) third. Not only are we bound to put clients first because we are held to a fiduciary standard, but we truly use 'Clients First' as the singular focus of the firm.

Committed to Independence

The term independent is touted a lot and the 'literal' definition does not encapsulate why this premise is so important to our clients. By being committed to our ongoing independence, TCI is free to continue to make decisions solely based on what is right for our

client base. By not being bound to any larger entity, we are able to continually seek and implement anything new or better that evolves in any arena of our business including investments as well as client service.

Continuing Education

We encourage continuing education for all employees. This helps to ensure that we stay abreast of all of the latest regulations and research as well as the current thinking going on in our industry. We also provide support for any employee wishing to attain a industry-related designation in order to provide more elevated expertise to our clients.

Customized Asset Allocation

By fully understanding each client and what their individual goals & objectives are, we are able to design an asset allocation and investment plan that is driven by what the client hopes to accomplish. This is different than what our industry has traditionally been based upon; return and performance above all else. If a client does not need a 12% return to reach their goals, why take on the extra risk associated with the higher return.

Diversification

It is necessary that the investment vehicles that we use to design our client's portfolios are to give the most targeted asset class exposure with the broadest diversification possible, while maintaining tax-efficiency and low fees.

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Advantages cont. from page 1

Strategic Relationships with Other Professionals

By working collaboratively with other professionals, we can more effectively implement wealth management strategies on behalf of our clients. Leveraging the expertise of our client's existing relationships with CPA's, attorneys etc., or consulting our network of professionals can enhance the benefit to the client.

High Quality Investments

The investments that we use to implement portfolios for our clients are designed to give the most precise asset class exposure possible while meeting our requirements of being low-cost and tax-efficient. The other key component is that they are all recoverable, unlike things such as hedge funds, which may prove difficult to get your money out of should a liquidity need arise unexpectedly.

Internal Business Succession Plan

TCI plans to be "A Hundred Year Firm" meaning that we want to serve not only our clients but their children and grandchildren well. Our ownership structure has been designed so that TCI will be able to meet this goal and as advisors reach the end of their careers, there are younger professionals in place to continue our mission of providing exceptional wealth management services.

Third-Party Custodian

We have always had a third-party custodian, namely Schwab, in place to hold our clients assets. TCI does not maintain custody of client assets and by having Schwab in place, clients receive online access and independent third-party monthly reports so they are fully informed as to what takes place in their accounts. Those unfortunate people who were taken advantage of by Bernie Madoff might not have ended up in such a terrible position had there been a third-party custodian involved.

Compliance Mock SEC Audit

We use outside counsel to audit our compliance programs and operations in order to ensure that we are meeting all of the regulations set forth by the SEC in regards to registered investment advisors.

Business Model

Internally, we run our business in the most transparent way possible because we believe that the more our clients understand about why we operate, the more trust they will have in us as their advisors. Clients do not have to commit to any contract period and may terminate their relationship with TCI at any time. We show very clearly how our fees are calculated and help our client's understand all of the fees associated with investing with us (i.e., transaction fees, expense ratios). In addition to the SIPC insurance that covers our clients' Schwab accounts, we also have extensive Errors & Omission insurance to cover any potential issues that might arise to make sure that clients are protected.

As demonstrated by this list of steps we take internally, we are constantly making decisions that maintain our firm philosophy of putting our clients' interests first. We recognize that we may not always get the desired outcome and less than optimal things can still occur, but we want you to be certain that if that happens, we have done our best to ensure that our clients are taken care of.



Ken Riebe, a shareholder at TCI Wealth Advisors, joined the firm in 1992 and has been enjoying his time as an advisor since 1999. Ken's passion is working beside his clients to help care for their financial future.

Employee Spotlight

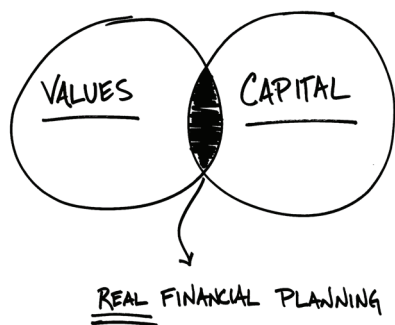


Ashley Swift, an associate in the Tucson office, is our employee spotlight this quarter. Ashley has been with TCI for 4 years, as of this October, and she began her career as the company's receptionist. After 2 years in that position, she moved into her current role as an associate and today, she primarily works with John Stephens and Hank Peck in ensuring that their client's receive exceptional service. Her favorite part of her job at TCI is the learning aspect of it. Ashley feels like everyday presents a new challenge which she views as an opportunity to learn and grow. She feels very fortunate to work for a company that puts such value on educating their clients as well as their employees. In light of that, she is currently working towards obtaining her Registered Paraplanner Designation through the College of Financial Planning. In addition to the educational opportunities, she really enjoys working closely with clients and assisting them in sim-

Ashley is the oldest of four children and is, by her own admission, a stereotypical oldest child! She is originally from Glendale, California and still considers herself a California girl at heart. She moved to Scottsdale at the age of 12 and attended Mountainside Middle School and Desert Mountain High School. After graduation, she moved to Tucson to attend the University of Arizona. Ashley completed her college education at Northern Arizona University and is proud to be a Wildcat and a Lumberjack. Ashley was sure she would leave Tucson after graduating from college but she found a job she loves and started a life with Jason, her husband of 1 year. They have a crazy dog named Oliver, whom they love and adore. In her free time, Ashley enjoys reading, travel, enjoying the great outdoors and spending time with family & friends. She also has a passion for education and children so she is always looking for opportunities to volunteer in those areas.

Real Financial Planning

Carl Richards



It is seriously dangerous to mix investing with entertainment. The classic example is thinking that Jim Cramer is a financial planner rather than some sort of circus clown. That seems to be pretty clear cut.

What is just as dangerous, but far more tricky, is understanding the difference between good (even great) financial information and real financial planning.

There is a huge difference.

A few months ago, I happened to see two articles that illustrate the conundrum you can face when trying to make financial decisions:

- "Bond ETFs Draw a Surge of Funds"
- "The New Bond Equation"

Both articles appeared in the *Wall Street Journal*. Both articles discussed bonds.

Both contained good, well-researched information, but good luck trying to figure out what you should actually do with your life savings based on them.

One said that "investors burned by the stock-market meltdown are piling into bond funds in an effort to tone down risk and generate stable income." The other said, "Bond funds are facing a host of pressures that are...raising long-term risks," and that Treasury funds which are considered the "risk-free asset class, probably are the riskiest asset class right now."

This is not meant to be a criticism of the *Wall Street Journal*, far from it. It is meant to prove the point that for real

people trying to make very important decisions about their money, it's painfully conflicting information.

One makes it sound like bond funds are a good place to put "safe" money, and the other makes it sound like a gamble.

The point is this: the financial press, personal finance bloggers, and best-selling authors are often GREAT sources of information. But please, please don't confuse great information with real financial planning. I know many of the best personal finance bloggers, and I think that they would all agree that there is a big difference.

As good some of these individuals are at providing a filter for information, and even personal experience and opinion, I know that the really good ones don't think of themselves as financial planners. Information, yes. General advice, yes. Financial planning advice, I doubt it.

General advice vs. specific financial planning advice. Maybe that's the issue. I am not sure where one ends and the other begins, but I do know there is a difference. One issue is that real financial planning is personal. It has to be. A good plan will be unique to your situation, and what is right for your situation may be a disaster for your neighbor.

I can't tell you how many times I have seen people make mistakes because Suze Orman said to do something that just did not apply to their situation. Suze may be a genius. She may have great information. She may even provide some good, general advice. But she is not YOUR financial planner.

Sometimes these sources of information can help you make better planning decisions, BUT without going through the process of planning for your situation, it often becomes a painful experience figuring out how it applies to you.

TCI Hosts Local Artist Exhibit in Tucson

TCI is pleased to announce that Monika Rossa will be the next artist featured at our ongoing art exhibits held at our offices in Tucson. The show will be on display from the end of October through January of 2011. We will mark the opening of the show with a reception on October 28, 2010 from 4:30pm – 6:30pm at the TCI office, located at 4011 E. Sunrise Drive. In addition, the public is welcome to come view the exhibit Monday – Friday from 3:00 – 4:00pm.



Monika was born in Poland and from a very early age, she decided that painting was her future. Monika generally paints people but also enjoys landscapes and even some abstractions. Of being an artist, she says, "I always thought that it is very safe to be an artist because I don't have to talk; everything is there, in my paintings." As for what inspires her she states that, "An artist doesn't have to look for inspiration; it is always there".





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