

What to do Now: Stay Put or Make a Move?

It has been a very difficult year to be an investor. The continued barrage of negative news appears to make your decision-making on investment matters no less challenging going forward. So, what do you do now? Do you stay put, and "ride things out." Or, do you make a move to a different account; maybe something more conservative or even with some guarantees?

Moving more conservative – *Capital Preservation Style Models* -- Switching to a more conservative model / structure is often fairly easy, though the question remains, what is the best decision to make at this time? One could argue if an investor has a 5-10+ year time horizon, it is not the time for a move to be conservative.

Fixed Annuities -- We can offer a wide range of fixed annuity products that typically have a fixed rate. Although these are not guaranteed by FDIC or NCUA, the ones we use most often have an interest rate that is fixed for a certain multi-year period. We are able to offer some very conservative asset allocation models / portfolios that have less risk than the stock market as a whole. Often, one of the simplest things to do is to stay in your existing account or program and choose a more conservative model / allocation.

Staying put or moving more aggressive – *Rebalancing* -- Staying put may not necessarily just mean you decide to just do nothing. This may be a good time to make small allocation changes to rebalance your allocation to your desired risk level. You may also decide that you want to take advantage of lower prices by buying some beaten down sectors. For those with long term time horizons and relative high risk tolerance, this may be a great time to be buying in to these levels and / or possibly moving to a more aggressive model / allocation.

Alternative Asset Classes -- It may also a good time to consider adding asset classes to further diversify portfolios – such as high yield bonds, international stock or bonds, and even possibly other asset classes like real estate and managed futures. It might also be a good time to add an account that is actively managed that can help further diversify by adding different management styles.

The single biggest decision on whether to make a change or not comes down to you, the investor, and your goals and objectives. This includes time frame – how soon you may need to access a portion of the account or the entire account. Account objectives can range from *Capital Preservation & Income* to *Growth & Speculation*. Risk tolerance is not always easy to ascertain, though the last year certainly has caused many people re-think their tolerance.

This is a good time to evaluate your accounts, objectives & goals, and risk tolerance to determine if you should make any adjustments to your accounts. Even if you have talked to one of us in the last six months, it may be beneficial to meet and review things again now. We want to make sure you have the information you need to feel good about the investment decisions you make.

Life Insurance: Back to Basics

Eric Elsass, Vice President

Recently we have seen a shift from universal life (UL) and variable universal life (VUL) types of coverage back to guaranteed life insurance policies. This is in part a result of declining cash values within these policies due to either poor performance of the product or unrealistic projections.

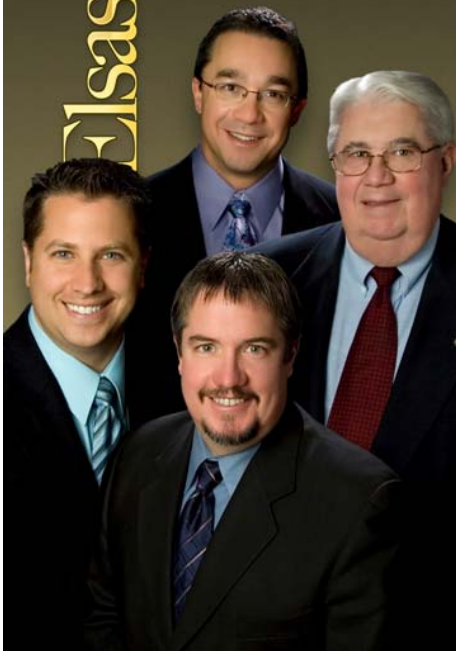
There are two basic types of guaranteed policies our clients have been purchasing: guaranteed UL's and traditional whole life (WL). The guaranteed UL's have a fixed premium amount that is level throughout the life of the contract. These may experience cash value growth, but the cash values are not guaranteed. Many policies have premium rates that, as long as they are paid, will keep the coverage in force, regardless of the performance of the cash value.

Traditional WL policies offer guaranteed premiums and cash values. They can also offer the possibility of shortened premium periods. In exchange for these guarantees, WL's typically also have higher premiums. Which one is best? Is your policy right for you? Don't have any coverage? Give us a call!

Elsass Financial Group



GENERATIONS
of
TRUSTED
ADVICE



KARL ELSASS, CFP®, ChFC, MBA
ERIC ELSASS, LUTCF
KEVIN CHIU, MBA
WILLIAM ELSASS, CLU, ChFC

Wadsworth:**



125 West Boyer St., Wadsworth, OH 44281
330.336.9292 ♦ 800.886.8334
330.336.1418 Fax

Canfield:



132 S Broad St, Ste 202, Canfield, OH 44406
330.702.9950 ♦ 866.702.8334
330.702.9951 Fax

**Are you Retiring?
Taking a Buyout?
Changing Jobs?**

**Let ELSASS FINANCIAL GROUP
Help you with your Transition!!**



ELSASS FINANCIAL GROUP, INC.

125 WEST BOYER STREET
WADSWORTH, OHIO 44281



The highest compliment our clients can give us is to recommend us to their friends and family. We appreciate your referrals!!

The Protection and Safety of Client Assets Is of Paramount Importance

Asset safety is an important issue, and we thought you would appreciate knowing how carefully your assets are being protected and guarded against the kind of non-market related dangers headlining today's national news.

Elsass Financial Group serves as your investment professional providing brokerage accounts, advice regarding your investments, and acceptance of your orders to buy and sell securities.

Cambridge Investment Research, Inc. (Cambridge) is an independent Broker/Dealer that processes investment business. Cambridge holds responsibility for regulatory compliance and adherence to securities laws, but Cambridge is not a custodian of assets. Pershing LLC (Pershing) serves as a clearing firm for Cambridge, as well as a third-party custodian that holds and safeguards client assets.

Cambridge is among the largest privately held independent Broker/Dealers in the United States, with \$30 billion in assets under management, supervision or administration at year end 2008. Cambridge's overall finances and longer-term outlook are good – it has strong net capital, was profitable in 2008, and remains largely unleveraged as it carries very low amounts of debt compared to most companies of its size. Cambridge expects to be successful in withstanding the impact of the turmoil if the stress in the financial markets deepens. It has a conservative business model that enables Cambridge to look to the future with optimism.

Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, provides the trade execution, clearing, custody, and other related services for the clients of Cambridge's Rep/Advisors. This type of clearing relationship is typical throughout the industry and extremely advantageous to you. By allowing a clearing agent to settle trades and custody assets, Elsass Financial Group can focus on helping you achieve your investment goals.

Cambridge and Pershing are each registered Broker/Dealers with the Securities Exchange Commission (SEC) and members of the Financial Industry Regulatory Authority (FINRA). Both the SEC and FINRA require members to comply with various rules intended to minimize the chance of financial failure and maximize the protection of your assets.

If you have any questions, please do not hesitate to contact us.

**Registered Representative, Securities offered through Cambridge Investment Research, Inc., a Broker/Dealer, Member FINRA/SIPC.
Investment Advisor Representative, Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor.**

NON-DEPOSIT INVESTMENT PRODUCTS ARE:

NOT FDIC OR NCUA INSURED • NOT OBLIGATIONS OF OR GUARANTEED BY THE CREDIT UNION • INVOLVE INVESTMENT RISK • MAY LOSE VALUE.

***Office of Supervisory Jurisdiction located at: 125 West Boyer Street, Wadsworth, Ohio 44281*