



Robert W. Tull, Jr., CERTIFIED FINANCIAL PLANNER™

# The Quarterly Report



## Celebrating 25 Years!

**O**ur Job Occasionally it's worth taking the time to articulate how we see our job as your personal financial advisor. Given our view of today's investment challenges, this seems like a good time to do so.

First, we believe it is critical that we earn the complete trust of our clients, and we do this by:

**1) Exhibiting unquestioned integrity.** Simply stated that means always putting our clients first. It's now common in our industry to make this statement but less common to follow through. We believe we've met this standard consistently and without exception throughout our 25-year history.

**2) Being good people is not enough**—we've got to deliver results based on portfolio decisions consistent with each client's risk tolerance and overall objectives. Long-term performance is our standard.

**3) Communicating our thinking** so that our philosophy is reinforced and clients can understand the rationale behind our decisions. Our communication focus is primarily through our newsletters, email updates, financial plan reviews and our relationship with you, our client.

Second, we emphasize a high level of personalized service. We intend to exceed your expectations on the service end.

Third, to do our job well we believe it is critical that we maintain our objectivity and intellectual honesty. We must be aware of potential biases and avoid them.

This means not being influenced by what our clients want us to do or what is popular in the financial media if we don't think it makes sense.

*"No person was ever honored for what he received. Honor is the reward for what we give."  
~ Calvin Coolidge,  
30th President of the United States ~*

Thus, in the late 1990s, we were hesitant to be overly invested in tech stocks and growth stocks in general, so we were significantly underweight to that equity style despite sometimes extreme pressure from some clients and others to invest more there.

Our fierce commitment to thinking for ourselves in our decision-making and how we run our business is really a commitment to what we call intellectual honesty. It's why we don't really care what others in our industry are doing or what others think we should be doing unless it makes sense to us.

Finally, while listening is

important and understanding each client's investment goals is necessary, we don't believe our role is to cheerlead. Some in our industry have a tendency to manage client expectations up—especially when the future may be challenging. We believe our responsibility is to communicate honestly about how we view the future—regardless of whether the story feels good. Doing otherwise ultimately undermines our credibility that is so essential to the decades-long relationships we hope to enjoy with our clients.

Though we recognize a positive investment scenario is possible, we are clearly not placing a high probability on a bullish environment. It is important to remember there will be better opportunities at some point. We hope that some of those opportunities will come soon and allow us to perform better than what the broader markets give us. But we're prepared to be patient. In the meantime we are working hard to ensure that when opportunities do present themselves, we are in a position to recognize and take advantage of them, while also being highly attuned to the potential risks in this uncertain environment.   
~RWT~

Returns of Major Indexes	2nd Qtr. 2010	12 Months
Vanguard Total Bond Market Index	3.58%	9.28%
Vanguard 500 Index	-11.45%	14.33%
iShares Russell 2000 Index	-9.92%	21.4%
Vanguard Total International Stock Index	-13.33%	8.63%

Certain material in this work is proprietary to and copyrighted by Litman/Gregory Analytics and is used by Tull Financial Group with permission. Reproduction or distribution of this material is prohibited and all rights are reserved. The contents of this newsletter is for informative purposes only and should not be considered as a recommendation by Tull Financial Group, Inc., nor a solicitation of any offer to purchase or sell any securities.



ROBERT W. TULL, JR.,  
CERTIFIED FINANCIAL  
PLANNER™

Tull Financial Group, Inc.  
640 Independence Parkway  
Suite 300  
Chesapeake, VA 23320

Phone: (757) 436-1122  
Toll Free: (888) 296-PLAN (7526)  
Fax: (757) 436-1803  
www.TullFinancial.com

*Improving Life Through  
Sound Financial Planning.*

## What is Form ADV?

Each year we remind our clients about the *Form ADV Brochure* and your right to request a copy. *Form ADV* is a public document maintained by every financial advisory firm as required by law. It discloses the current details of business services and operations, and is updated regularly.

Our *Form ADV* can be found on our website at [www.TullFinancial.com](http://www.TullFinancial.com) under the "Client Services" tab, or please call (757) 436-1122 to request a hard copy.



## Time for a Mid-Year Financial Check-up

This is not the time of year when everyone wants to stay indoors with their finances. But a midyear review of your tax situation, retirement and spending issues can be far more valuable than the rushed attempt most people make at the end of the year -- or when it's too late at tax time. Here's what most people should cover:

**Budget:** How's your spending? It's a good time to see what's being spent on non-essentials and whether you can make some cuts and redirect those funds towards bills or savings. A look at the last six months of spending may reveal opportunities to reduce spending and redirect money toward more necessary goals. Take a look at such things as gym memberships, magazines that are piled up and coffee expenses.

**Taxes:** If you got a sizable refund in April or found it necessary to empty savings to pay Uncle Sam, it's definitely time to reassess what you'll owe at tax time next year. Also, if you think you'll have some losing stocks in your taxable investment accounts, keep an eye on those in case you'll need to offset gains in your portfolio at the end of the year.

**Retirement savings:** If you are on schedule to max out your contributions to your company retirement plan this

year, great. But don't forget to check your existing IRAs and other retirement accounts to see if you'll have enough cash on hand to contribute the maximum in each account by their respective deadlines next year.

**Health and health insurance:** Increasingly, what we pay for health insurance will be tied to the state of our health. While the weather is good, commit to a plan to walk or hit the gym. Many insurers reset premiums at mid-year in a rising cost environment, so make sure you're ready to switch plans or negotiate different coverage if necessary during open enrollment.

**Emergency fund:** Most financial experts encourage you to have between three to six months of living expenses in an emergency fund. If you don't have that minimum, go back to your spending review and see where you can start socking money away.

**College savings:** If you are saving for your child's education or your own, check to see if you're on track with the goals you made for the year. It's also a good idea to read the latest news on financial aid since schools change their financial aid policies annually. Even if your kid's still in grade school, it's a good idea to learn as much about col-

lege financial aid while you've got plenty of time to learn.

**Special goals:** If your car is looking like it will need to be replaced or if this might be the last year for your furnace, see if you can direct more money into a reserve fund to cover replacement costs or at least a heavy down payment. If there's a vacation you want to take or a special household purchase you want to make, focus on the cash you'll set aside to make that happen. Of course, if you have credit card debt rolling over from one month to the next, maybe that should be your initial focus.

**Credit:** If you haven't set a schedule for receiving your three credit reports throughout the year, do it now. You have the right to get all three of your credit reports -- from Experian, TransUnion and Equifax -- once a year for free. You can do so by ordering them at [www.annualcreditreport.com](http://www.annualcreditreport.com). By staggering each receipt of your credit reports at different points in the year, you'll get a continuous picture of how your credit picture looks. Also, you'll have the opportunity to focus on possible errors in a single report, which will give the other two credit agencies time to update their files.