

Whose Retirement Is It Anyway? *Wrest Back Control of Your Financial Future from the Presumptuous Fat Cats on Wall Street*

Today's comment is by Larry Grossman, a long-time member of our Council of Experts, leading expert on retirement plan management, and Managing Director of Sovereign International.

Dear A-Letter Reader,

What if I told you that you could purchase prime, waterfront real estate for a fraction of what you would pay in the domestic market? And you could do so without paying unreasonable fees or taxes, and that you could even do it all through your retirement account?

I can hear your answer already, "Not through *my* retirement account." But if that's your answer, then you're mistaken.

And it's not your fault. In my 18 years as an advisor, I've watched as fund managers and Wall Street 'experts' have gradually and quietly stolen power over pension funds and retirement plans from their rightful owners – the investors.

In this article, I'll show you how to regain control over your retirement funds, give yourself more and better investment alternatives and begin creating the retirement you truly desire and deserve.

But first, let me start with a cautionary tale. It's the story of how Wall Street will often do what's best for them, not you, when it comes to your retirement account. In fact, they may even choose to ignore your perfectly legal and sensible instructions. But only if you don't know your rights and how to enforce them.

Now you'll know...

Be Like Mike: And Make the Investments that Are Best for You

One of my clients, Mike, is a successful physician. His pension plan is part of a medical program with about 60 participants. One day, Mike decided he would like to buy a piece of non-U.S. real estate.

Given the impending U.S. bear market in both stocks and real estate, this was quite a reasonable idea. Yet, his plan's custodians promptly told him he could do no such thing.

Mike contacted me to ask for help. He knows I've consulted thousands of U.S. residents on how to legally move their retirement plans offshore, or even simply use their U.S.-domiciled retirement plans to buy many different types of investments, including foreign real estate.

I agreed to help Mike and I immediately requested a copy of the plan documents. To my surprise, I discovered that he and a partner were listed as the plan administrators and trustees. The plan also specifically stated participants **could in fact buy real estate** and that they have a **self-directed option**.

But the Wall Street custodians (the ones holding the money) told him, "No, you can't do this. It's *not legal*."

I responded to them and presented a full set of facts about what is legal to purchase from a qualified retirement plan. After some negotiation, everyone was able to agree it could be done.

We then sent all of the documents to their record-keeper. But again, we were hit with a snag. The record keeper amazingly **REFUSED TO MAKE THE INVESTMENT**.

They insisted the client hire an ERISA attorney and have a legal opinion drafted to the effect that this was a permissible investment. The problem was that the client only had two days to fund the investment or he was out of the deal. The company **KNEW** there was no way to accomplish this in two

days.

At that point I asked the record keeper why they believed themselves to have the legal authority to ignore written instructions from the participant, the trustees and plan administrators. They basically told me to shut up and said that their attorney would get back to me.

I decided it was time to play my ace in the hole. I asked the company to provide me a written explanation within 24 hours as to their legal authority to take this position ***especially in light of the recent Supreme Court case where a plan failed to take legitimate instructions from a plan participant.***

I am happy to report that **within the hour** we received written notification the money would be wired immediately for the investment.

Possible Trouble on the Horizon for Other Pension Participants

Unfortunately, I see this kind of thing far too often.

In fact, on August 5th, *Business Week* ran an article called “Now Wall Street Wants Your Pension, Too.” The same ‘Usual Suspects’ that charge exorbitant fees, often have conflicts of interest, and promoted stocks that have turned out to be toxic garbage, are now lobbying to buy frozen pension plans so they can manage them and charge ridiculous fees to do so.

Worst of all, the government seems to be all for it. You see, there’s an entity known as the Pension Benefit Guaranty Corp that is a federal backing of pension plans, and they’ve got a dirty little secret.

They simply don’t have enough money to cover what is going to be a huge shortfall in guaranteed pension benefits. So they want to solve the problem by selling off the pension plans and effectively ‘privatizing’ this federal insurance, assuming that the efficiency of open market competition (e.g. Wall Street) will be able to save the program.

Now I don’t know about you, but I’m not so confident in Wall Street’s track record at the moment.

This would present them with a perfect opportunity to take advantage of investors once again. We can expect them to levy huge fees and underwriting charges for managing assets they invent, even while they stick in their own investments that they’re making even more fees on. I can see it now, layer upon layer of fees, mostly hidden in illiquid junk they’ve got stashed away.

This proposal will probably go through, and you won’t hear about it on the news or in the papers. Your ONLY means for preserving your retirement is to demand your plan adopt a self-directed option that allows you to invest the money virtually anywhere you want.

Wall Street doesn’t deserve another chance – especially not with something as important as your retirement fund. Now is a better time than ever to start taking advantage of the world of investment opportunities out there. You might even want to consider taking your share of the plan offshore.

Knowledge is Power, *Especially* When It Comes to Creating the Type of Retirement You Deserve

It’s your retirement money, and barring a few exceptions you have the right to invest it as you see fit. That means businesses, real estate, offshore real estate, etc. are all available to help you maximize the performance of your retirement account.

You just need to know your rights.

And with that knowledge you can create the kind of diversified portfolio that will best suit your needs in the long run, despite the self-serving advice of the so-called ‘experts.’

Don’t let them bully you or bluff you! This is all about control and a ruthless grab for your money. So be sure to take control of your own retirement plan and your destiny before it’s too late.