This presentation is educational.

It contains no individual advice.

Consult with a professional before making any financial decisions.

SMART IS NOT ENOUGH

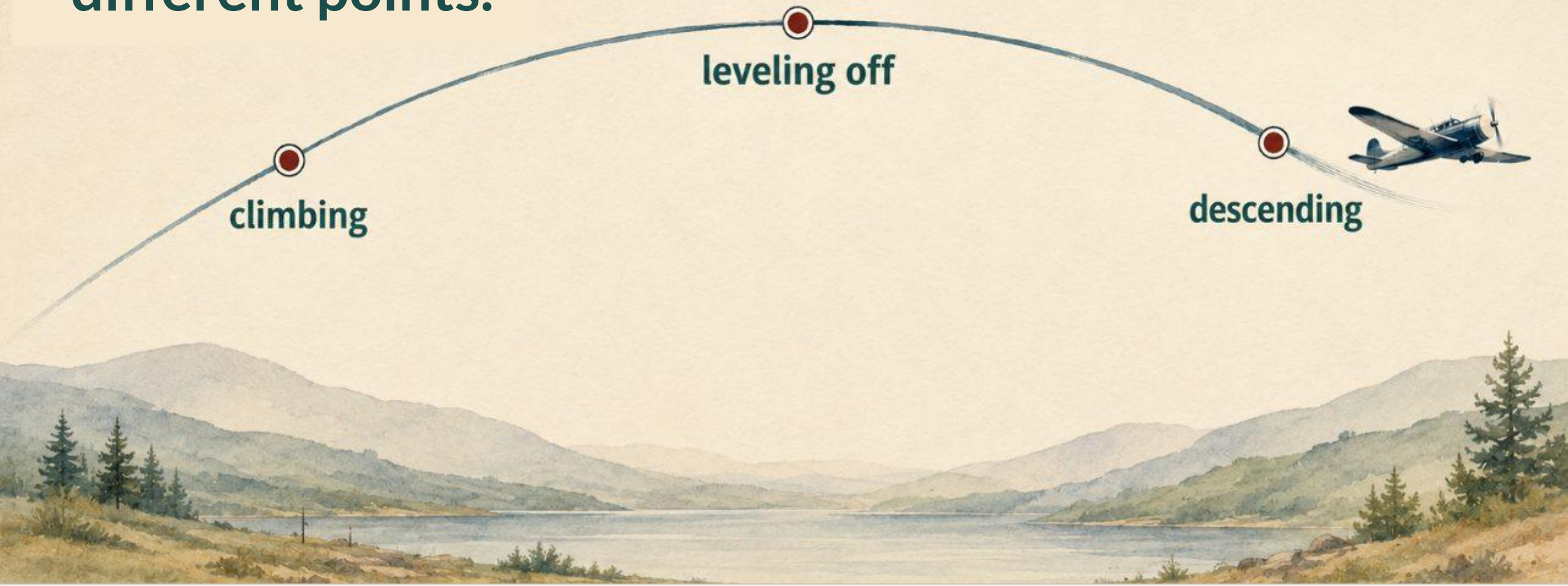
Twenty years
to get back . . .

. . . even though
she was smart,
accomplished,
and careful.

The fear isn't about intelligence.

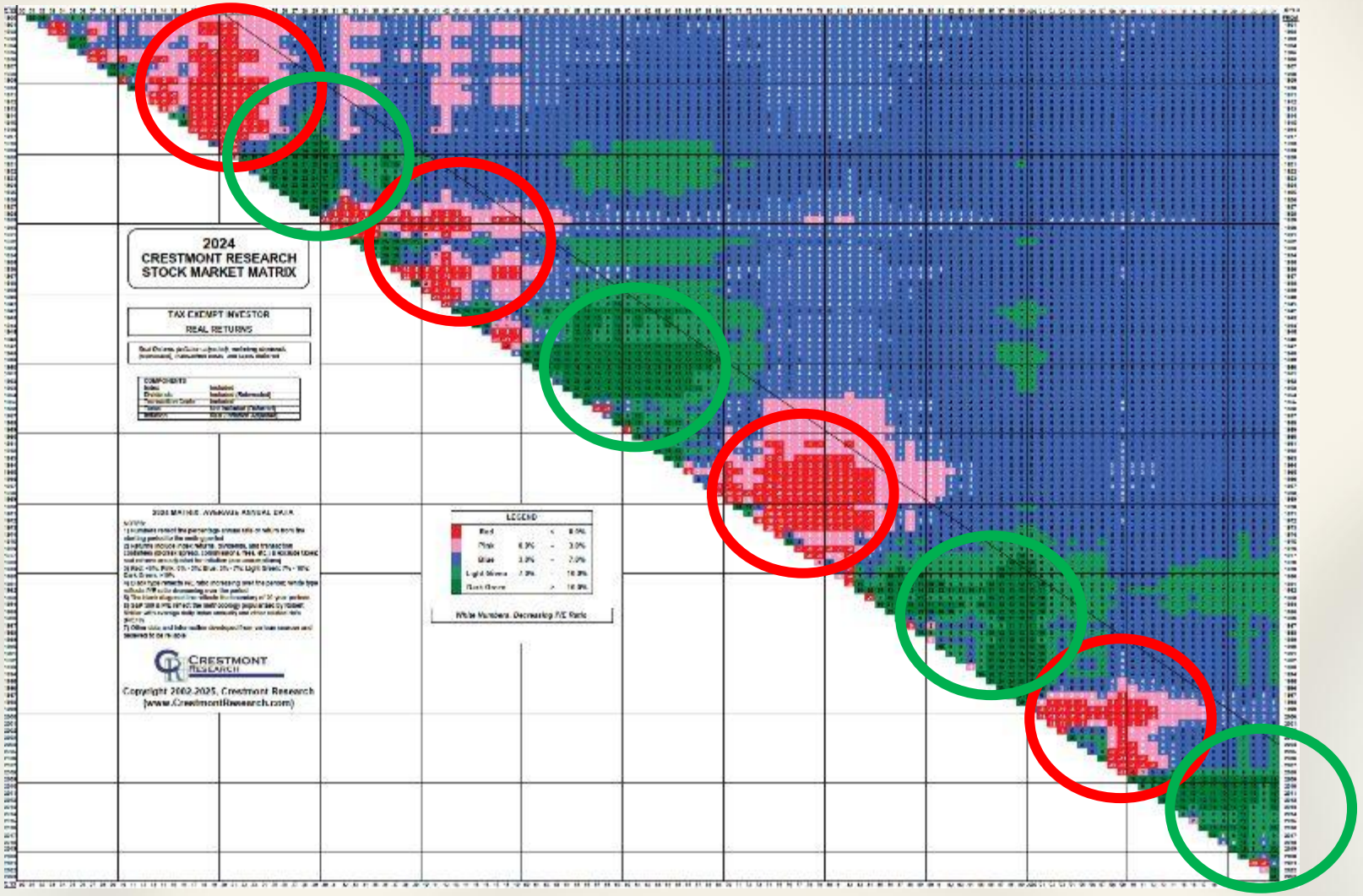
Do smart people beat the market? Mostly, they do not.

Same flight, different points.



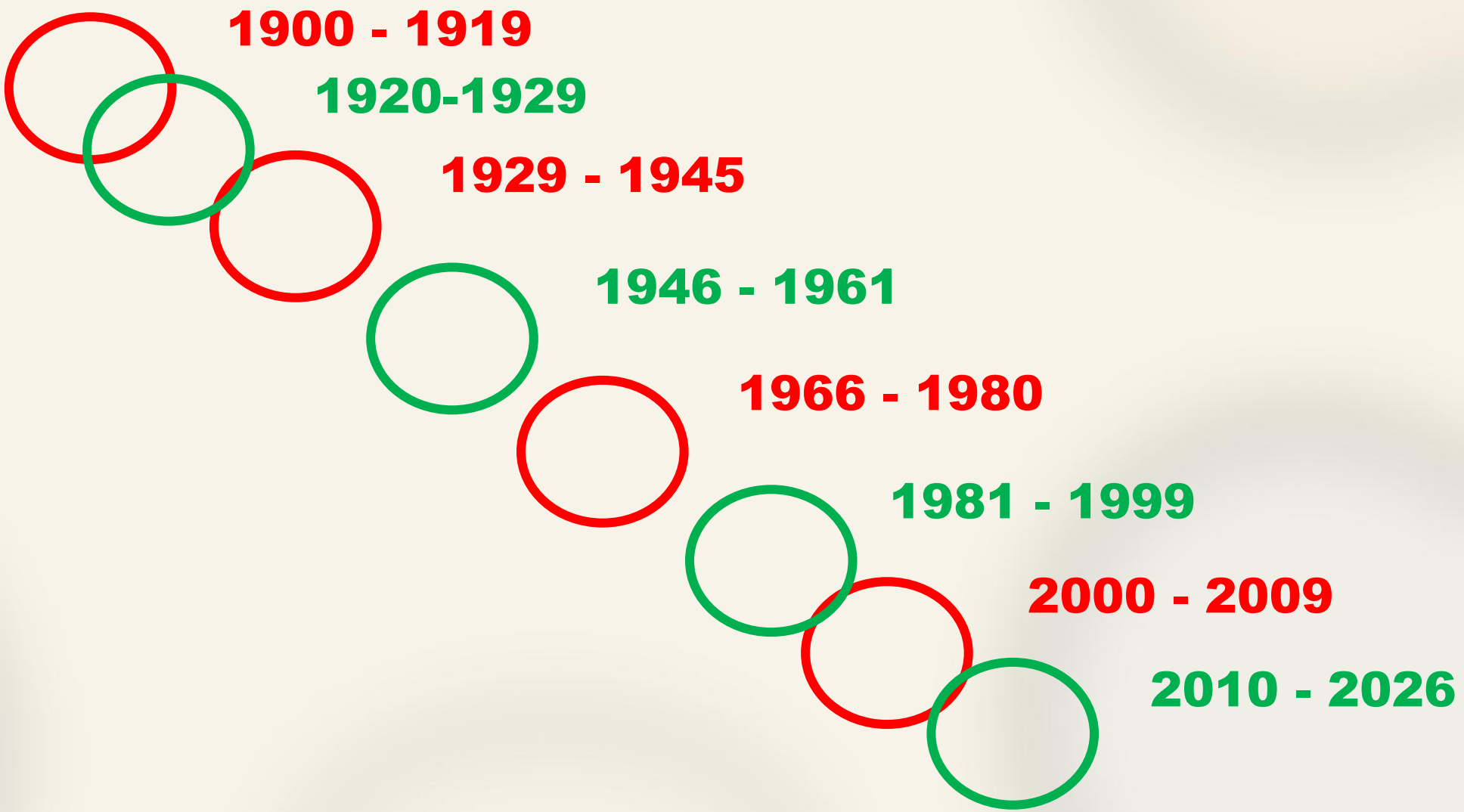
Descriptive orientation device, not a forecast.

Markets move in long seasons, not straight lines.



Source: Crestmont Research © 2025

“Secular” Market Moves, 10-20 year cycles

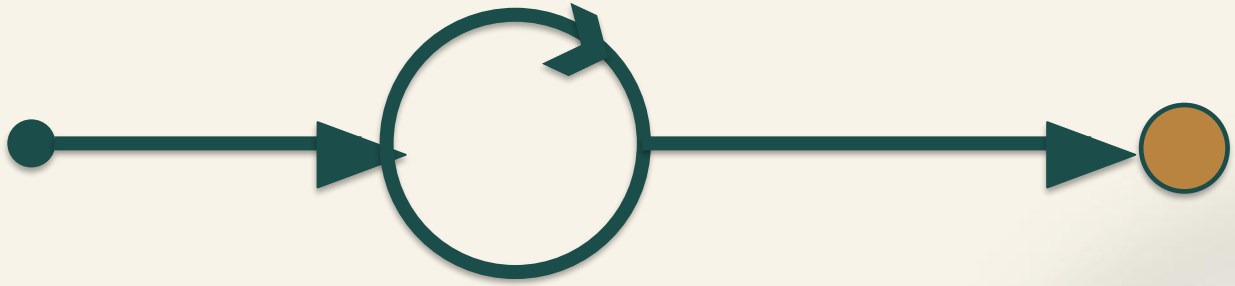


Source: Crestmont Research © 2025

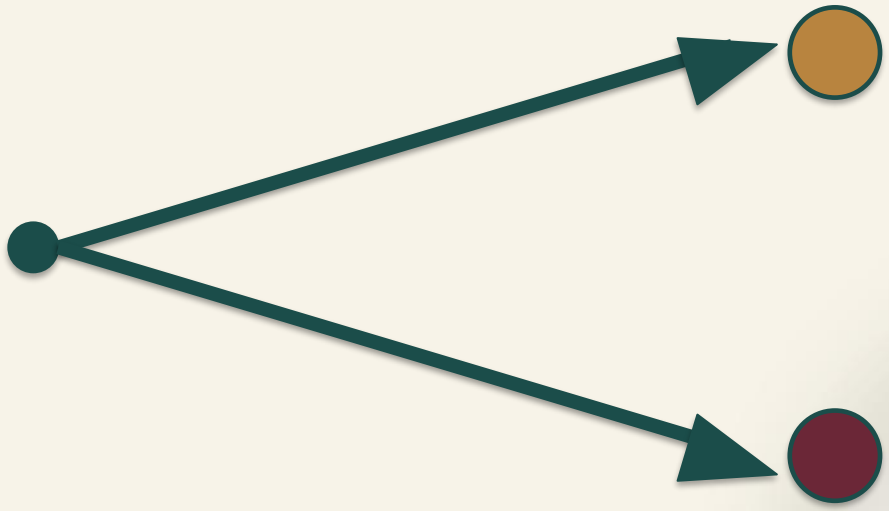
You don’t choose the season; you do control your response.

Source: www.multpl.com; Reported record, not a prediction.

The habits that got you here may not get you through retirement.



A good decision can lose;
a bad one can win.

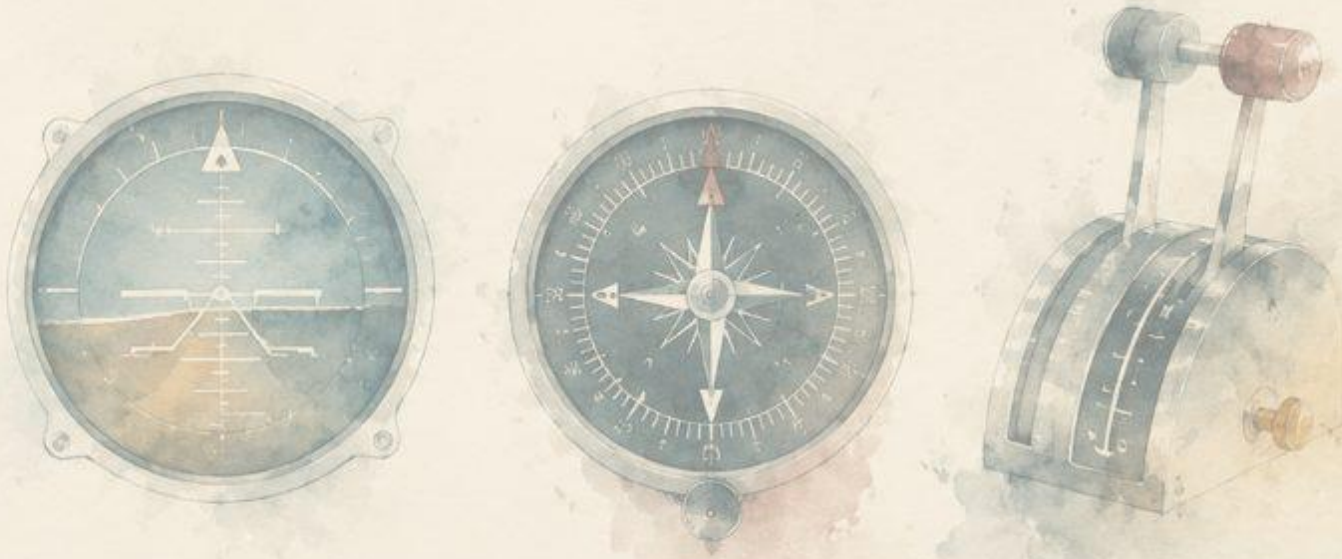


In clear air, pilots fly by feel.

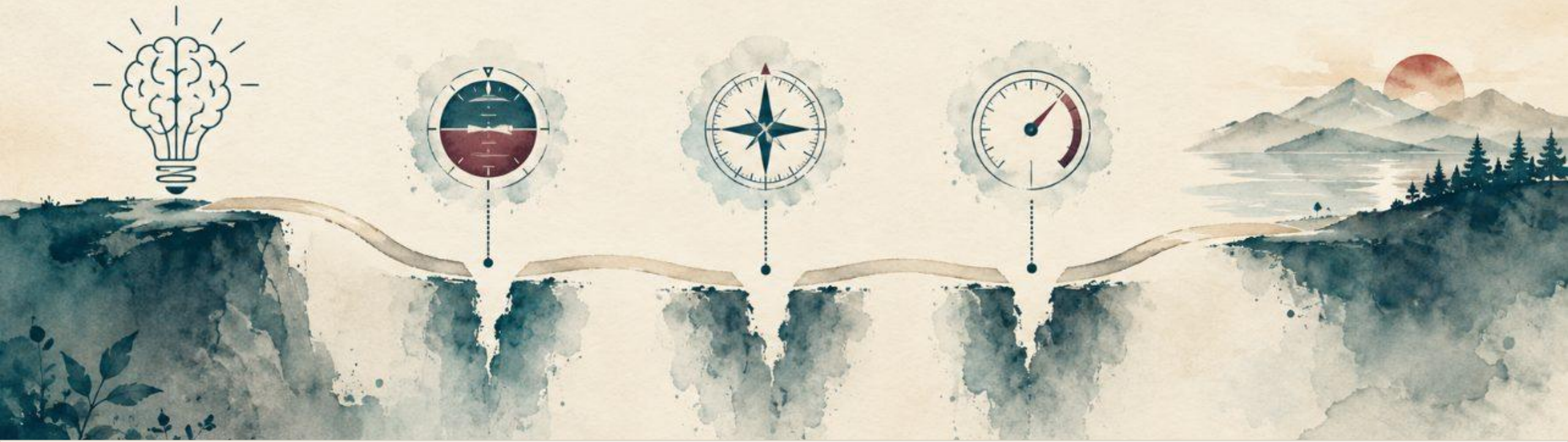
Everybody
eventually flies
into weather.

Inside clouds,
feel says one thing;
the instruments
say another.

An investing system
is your instrument panel.
It's first job is to protect.



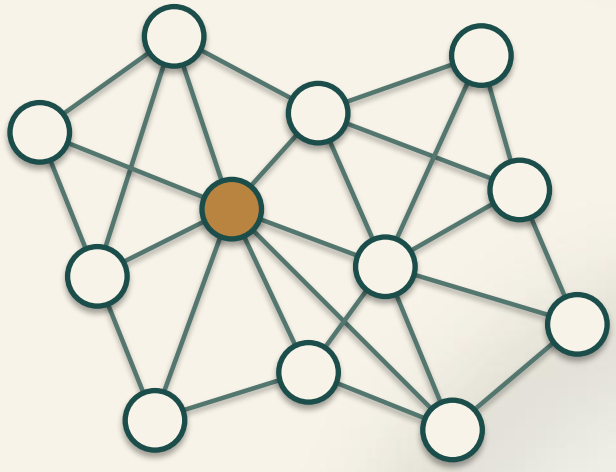
The distance between your intelligence and your portfolio potential has three gaps.



Gap 1 of 3: Knowledge

See beyond a stock, notice the systems.

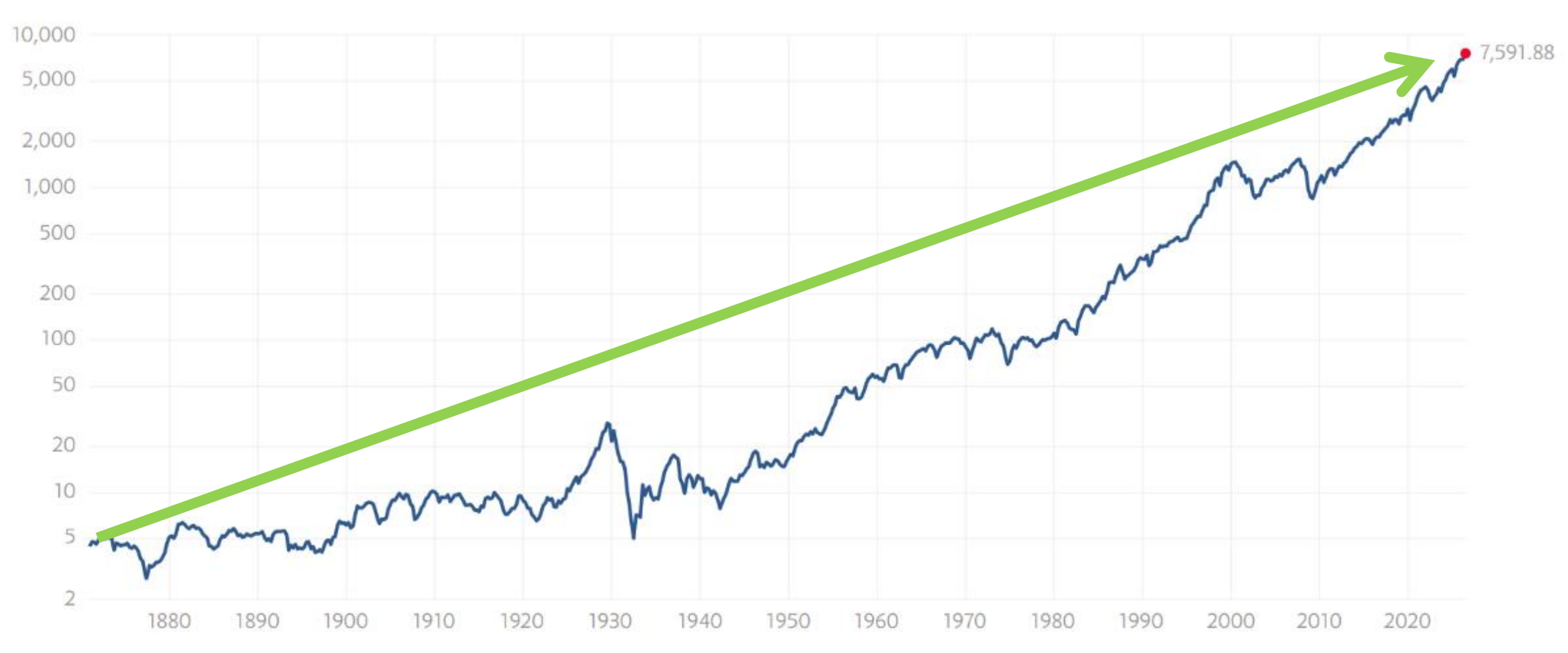
Linear Thinking



Systems Thinking

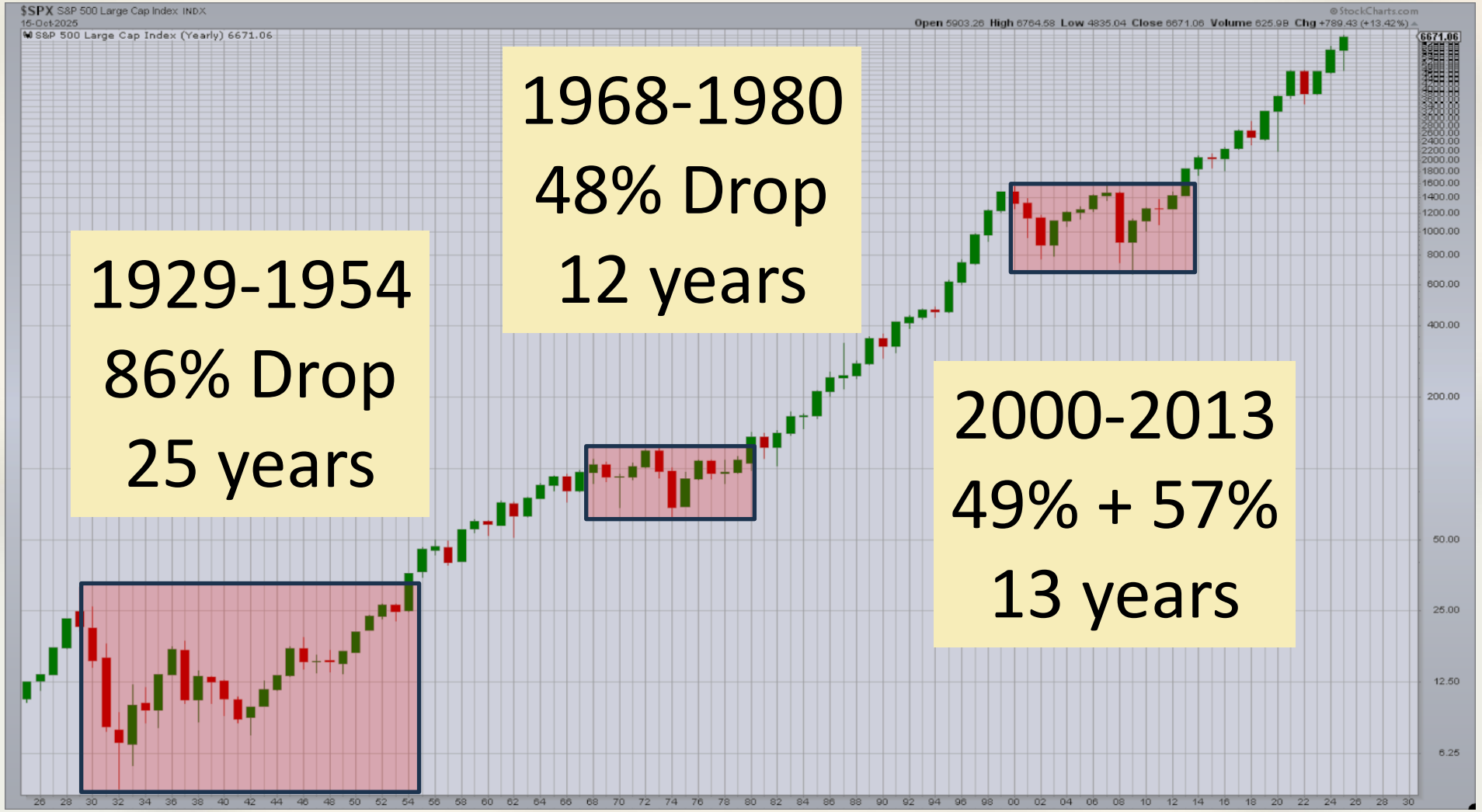
A way of seeing, not a forecast or recommendation.

Long term historic returns.



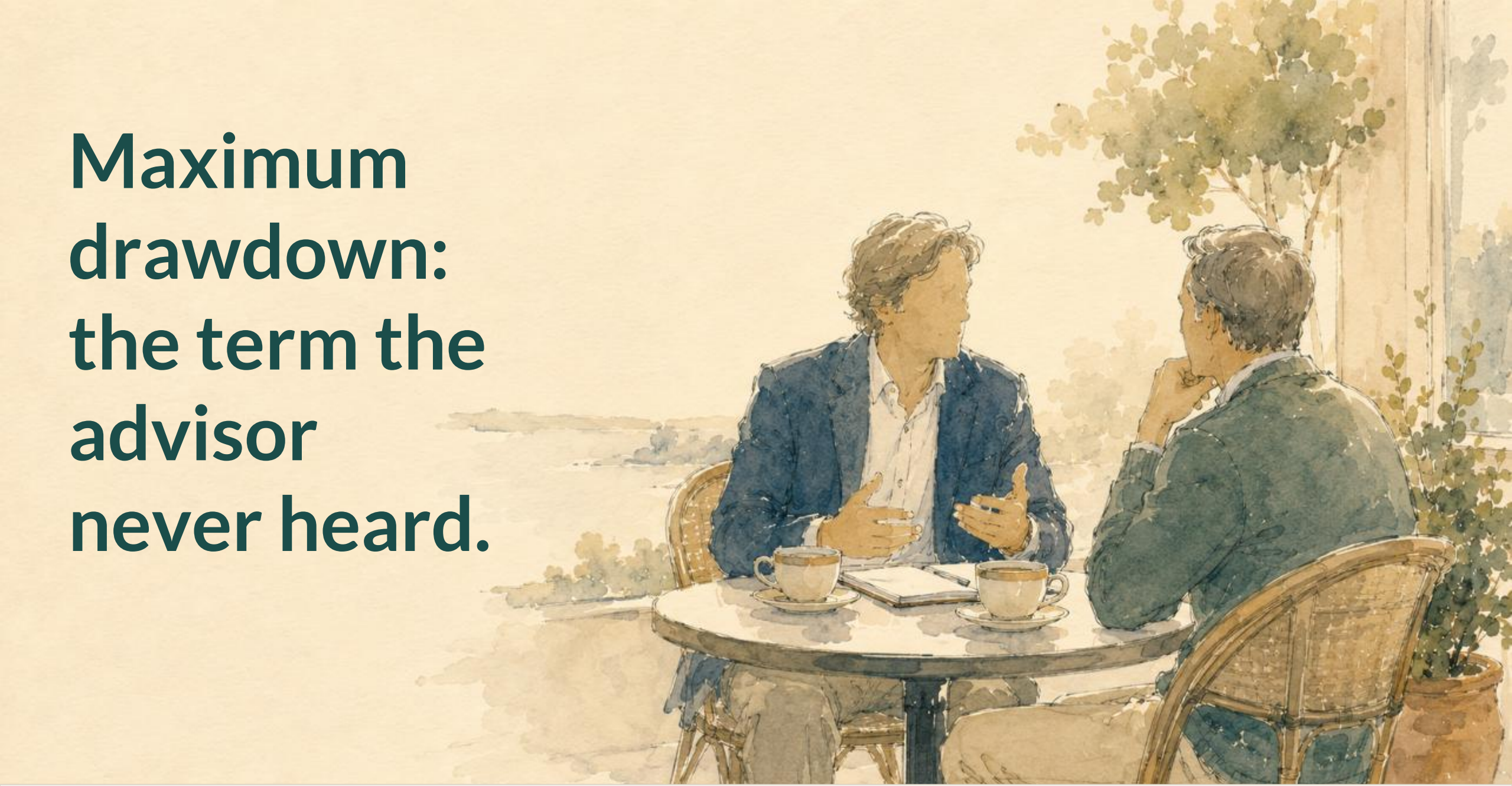
Source: multpl.com

Your horizon is 10–40 years, not 120.

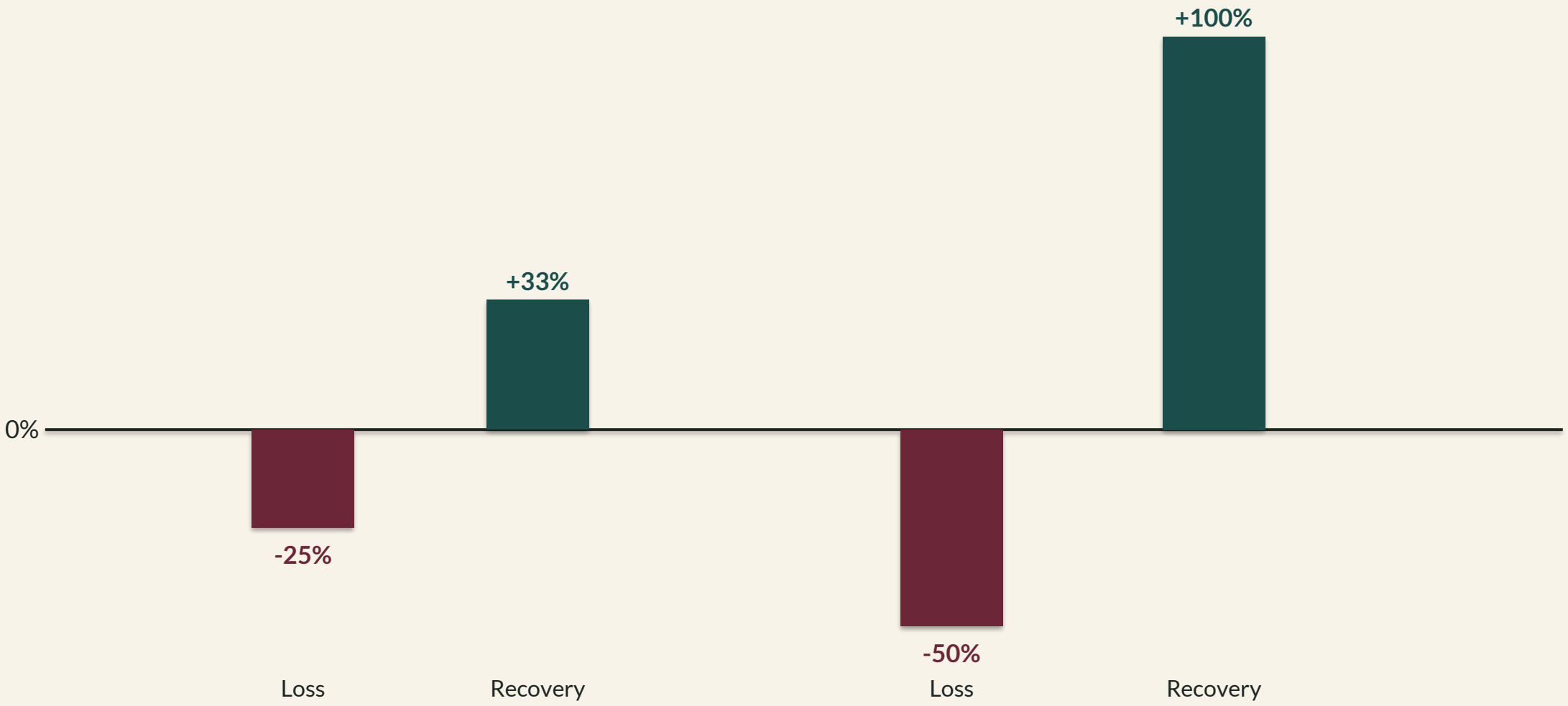


Source: stockcharts.com

Maximum drawdown: the term the advisor never heard.



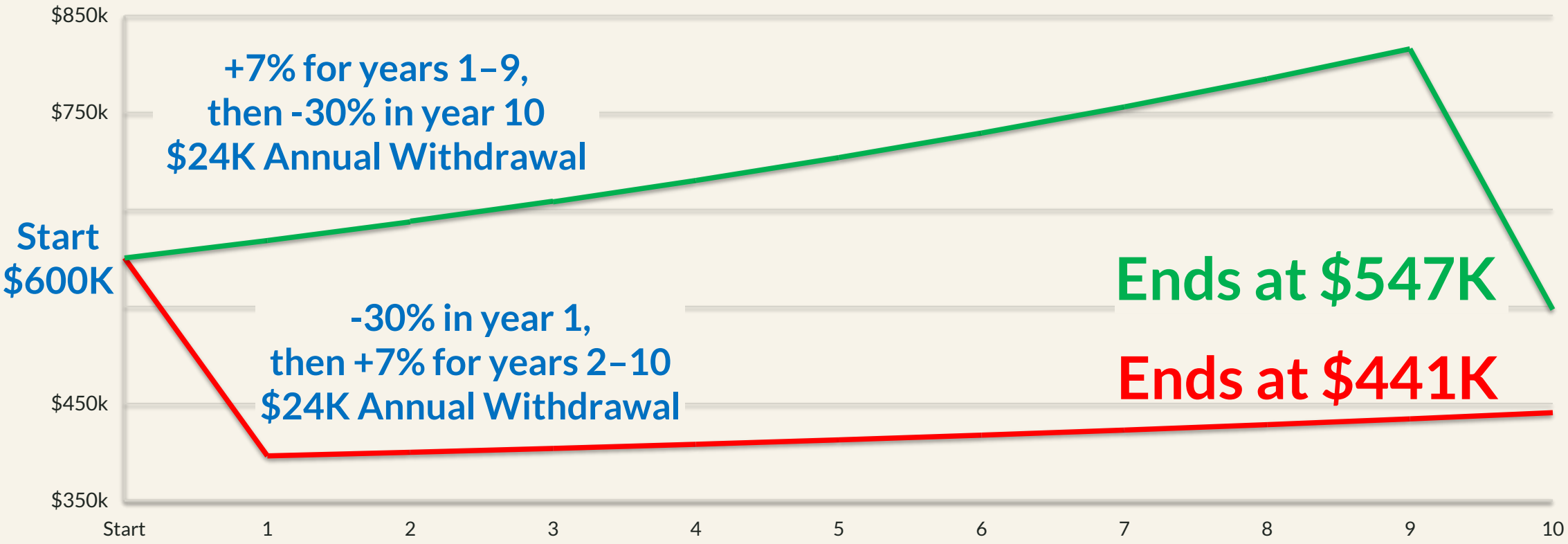
A 50% loss needs a 100% gain to break even.



Illustrative math, not a specific portfolio claim.

Order of Returns Matters Most Around Retirement

Both start at $600k. Both withdraw $24k at the end of each year for 10 years.



Illustrative sequence-risk example with annual withdrawals; not a forecast.

Find your number.

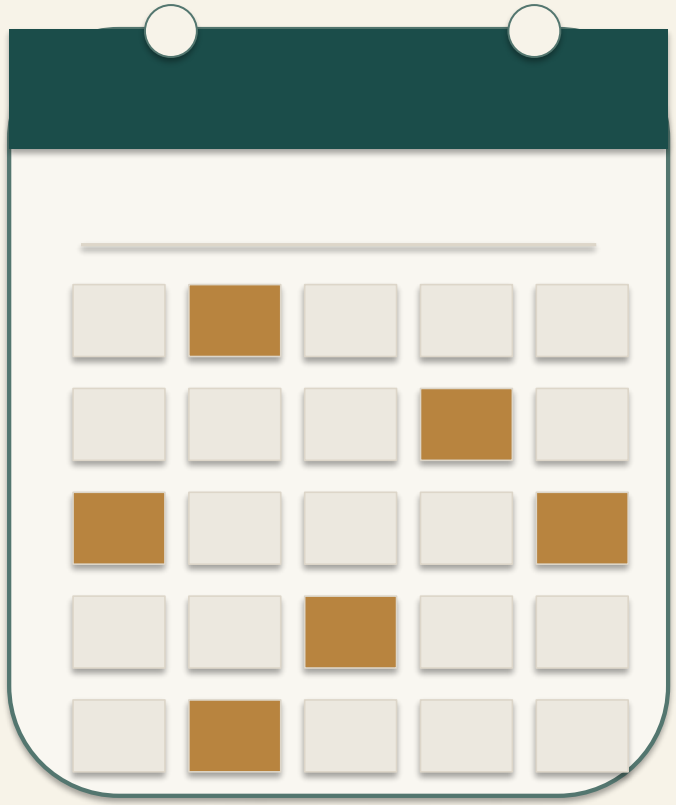
Handout

1. Pull your statement.
2. Circle your three largest holdings.
3. Look up each one’s worst peak-to-trough drop.
4. Write that percentage next to today’s balance.
5. Convert $ amount into months/years of spending.

Educational only, not individual advice; reports the record, does not predict or recommend.

Gap 2 of 3: Consistency

Knowing isn’t the same as doing, repeatably.



A System

IS: rules decided in advance

Defines the shape of a system, not any specific system, product, or strategy.

A System

DOES: Converts insight into action

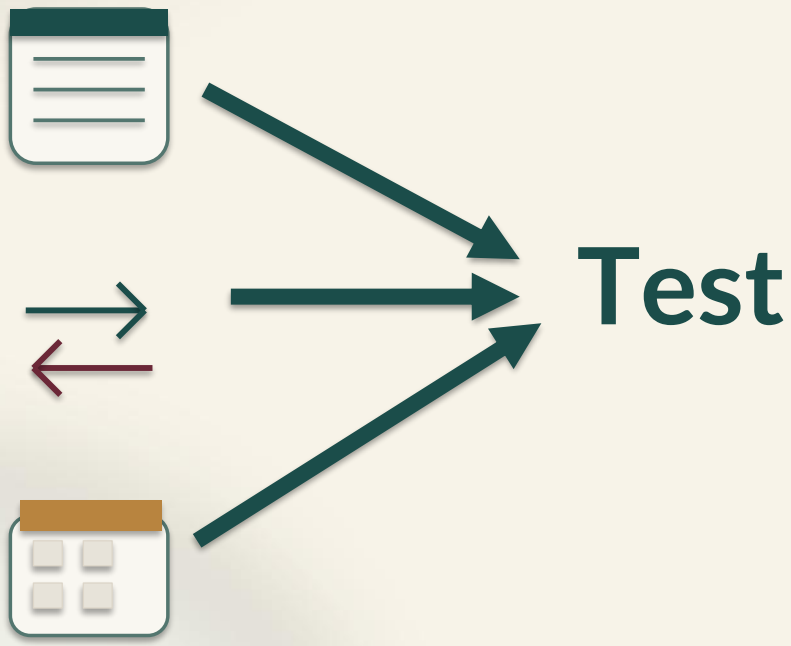
Defines the shape of a system, not any specific system, product, or strategy.

A System

CONTAINS: objectives, rules, risk limits

Defines the shape of a system, not any specific system, product, or strategy.

A System

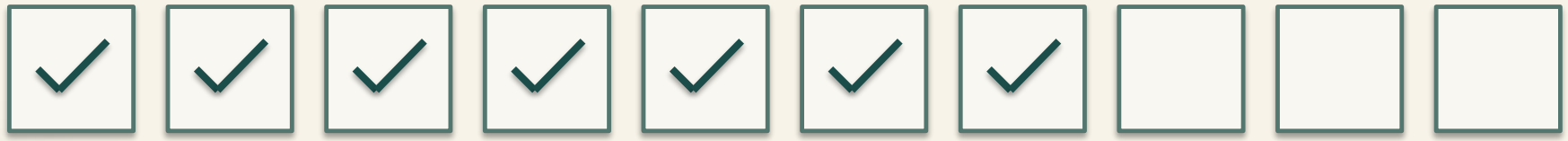


Defines the shape of a system, not any specific system, product, or strategy.

One simple system, start to finish.

Source: stockcharts.com. One generic illustration of how a rule-based system is built, not a specific system, product, or recommendation, and not a claim about returns.

The edge is consistency, not genius.



Set your rule, in calm weather.

Handout

If _____ happens,

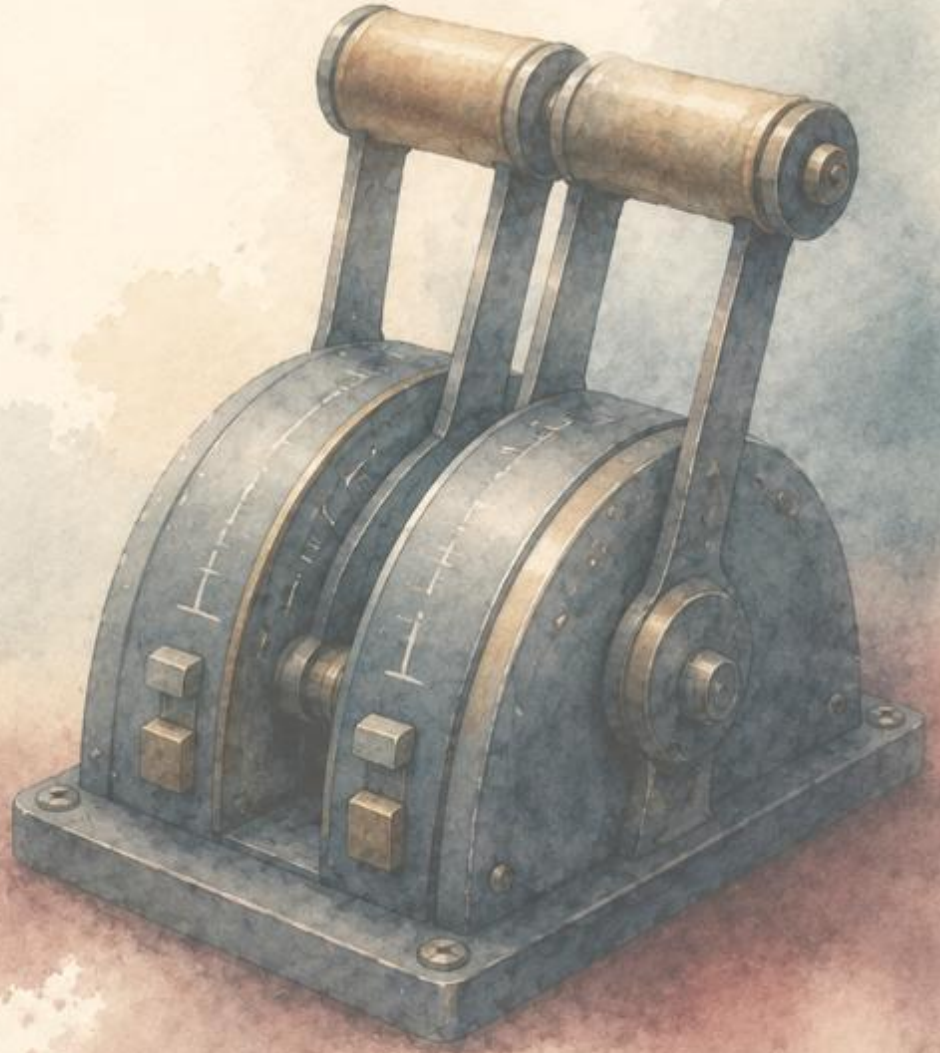
I will _____.

Hold, Rebalance, Buy ___, Sell ___, Shift To Cash

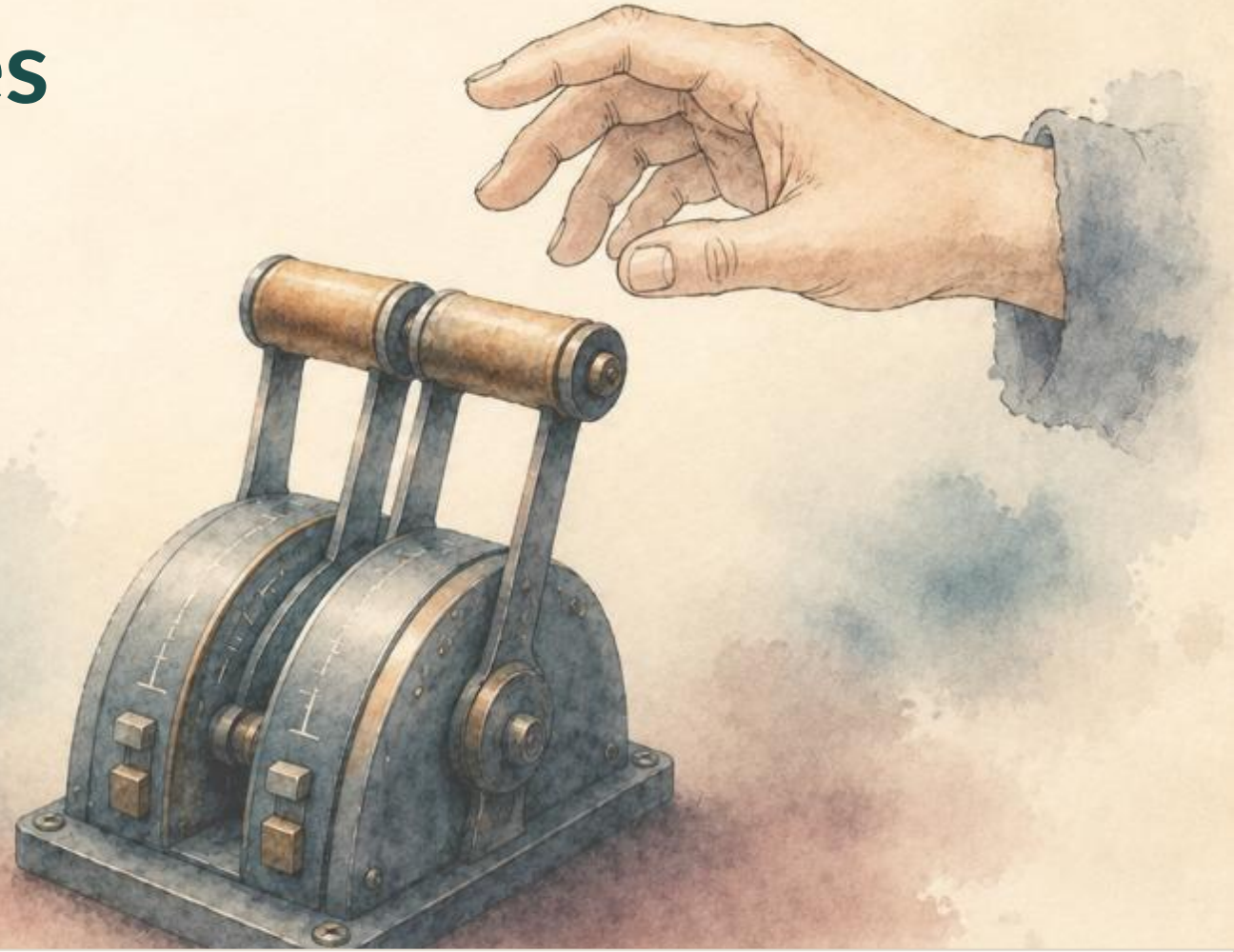
Stand

You decide the trigger and the response; educational only.

Gap 3 of 3: Behavior



A system is only as good as your follow-through when following the rules gets uncomfortable.



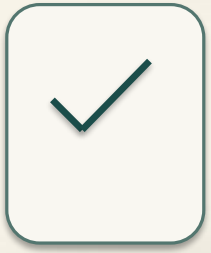
The version of you that froze.

The version of you that acted anyway.

Who you are drives decisions + action

Handout

I am a _____.



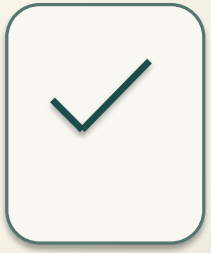
If my portfolio falls_____, I will _____ _____.

Behavioral and educational; not individual advice.

Who you are drives decisions + action

Handout

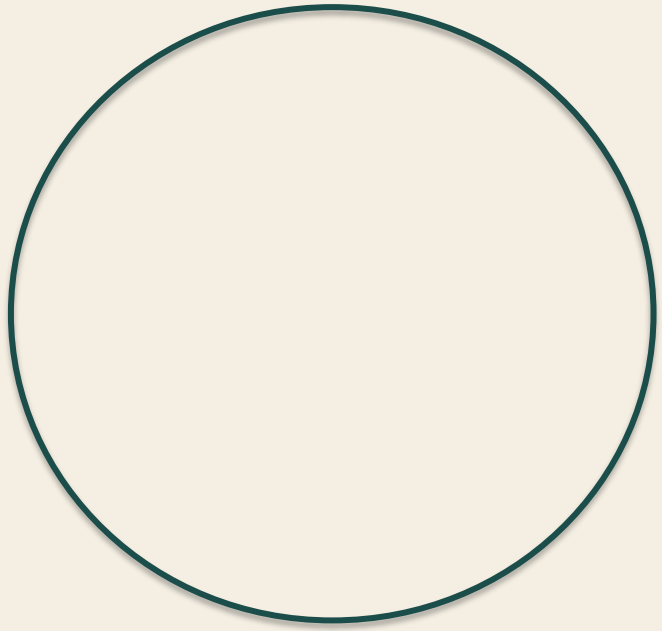
I am a *patient steward who acts on my rules, not my fear.*



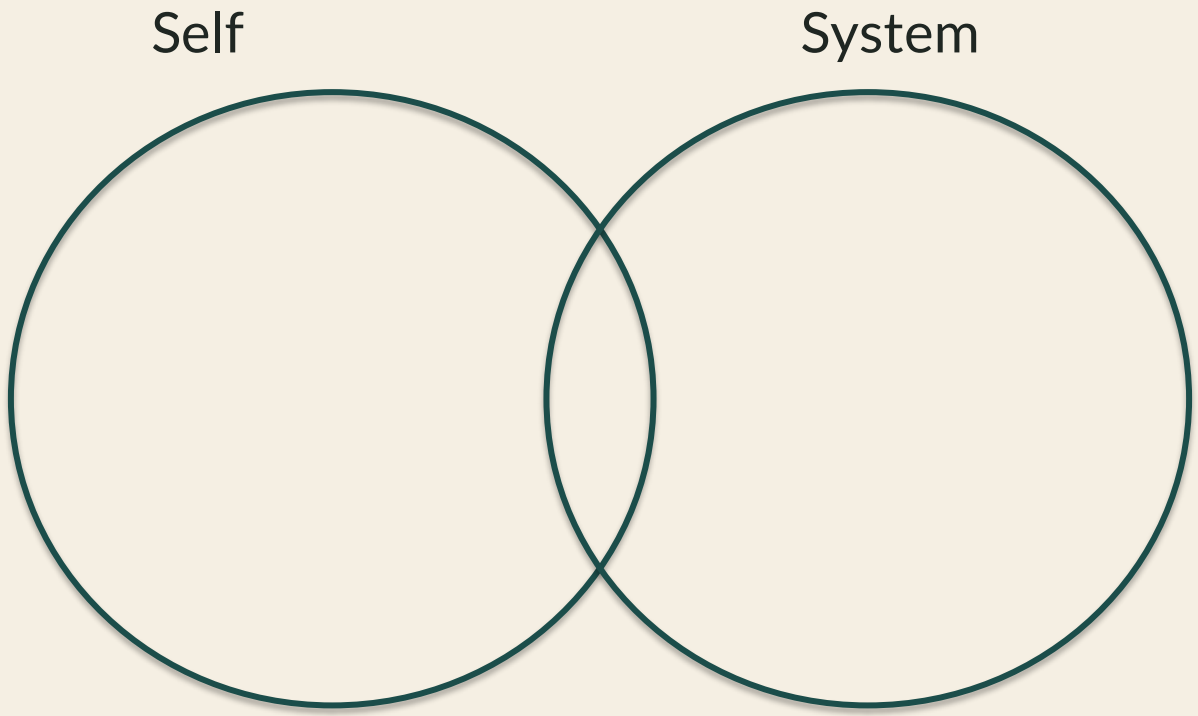
If my portfolio falls *xx%*, I will *follow my down-market rules and not sell at the bottom.*

Behavioral and educational; not individual advice.

Self



Self System Market model, Dr. Ken Long.



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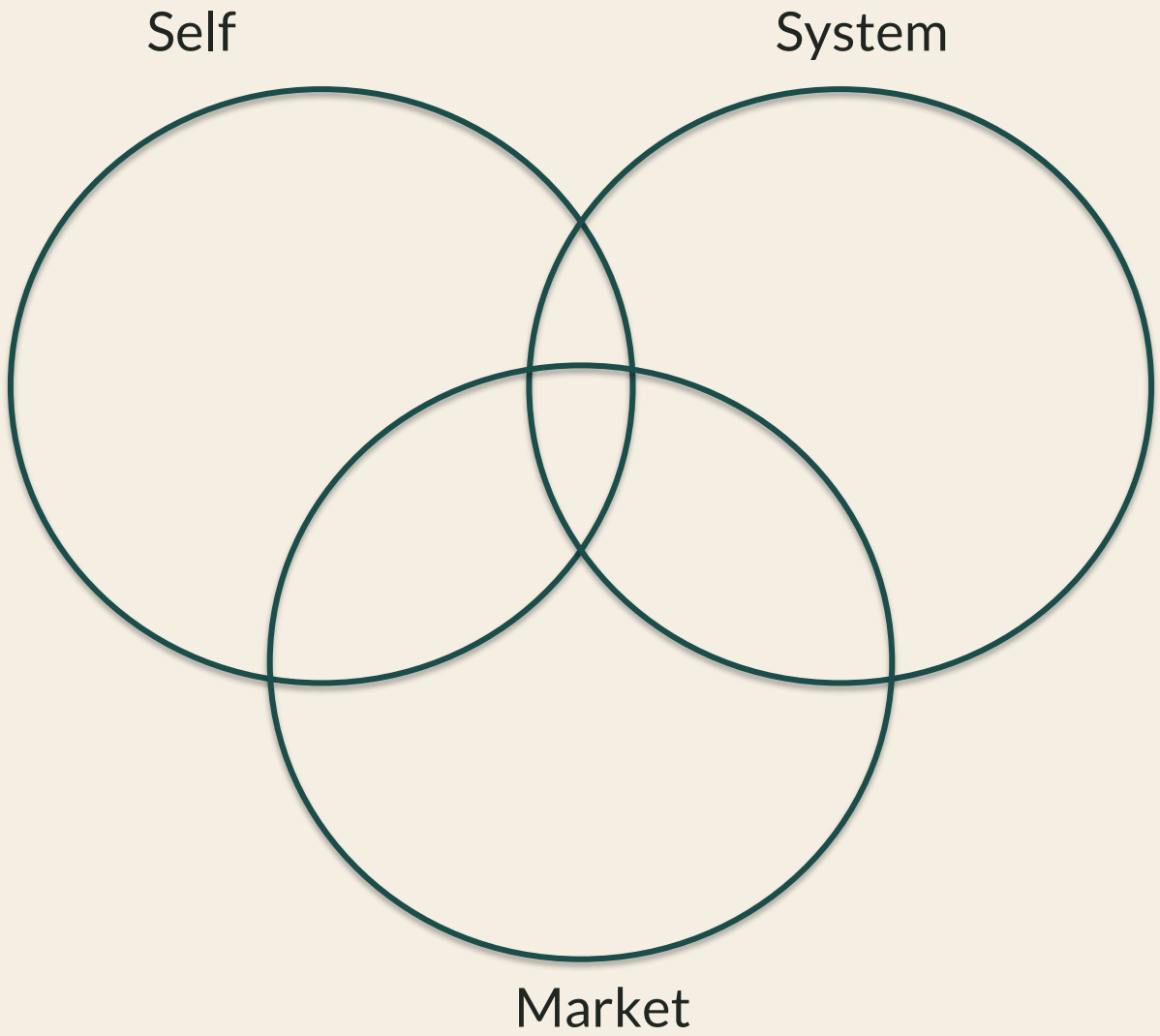
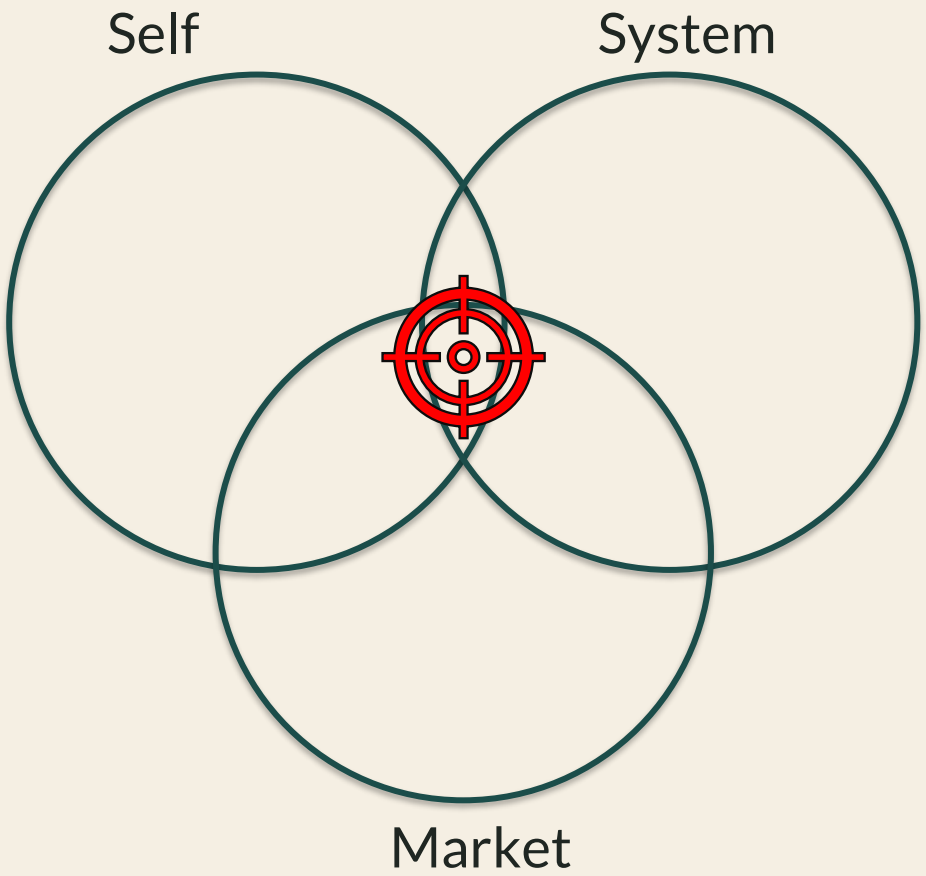


Self System Market model, Dr. Ken Long.

Align self and system to meet the market.



Self System Market model, Dr. Ken Long.

Smart, No System:
-52% drawdown, 9 years to recover.

Illustrative case, not individual advice

Same intelligence, Defense First System: 18% drawdown, recovered in 2 years.

Illustrative case, not individual advice

Three gaps, closed.

- [x] You see your risk.
- [x] You have a rule.
- [x] You follow it.

Smart got you here.

A system takes you the rest of the way.

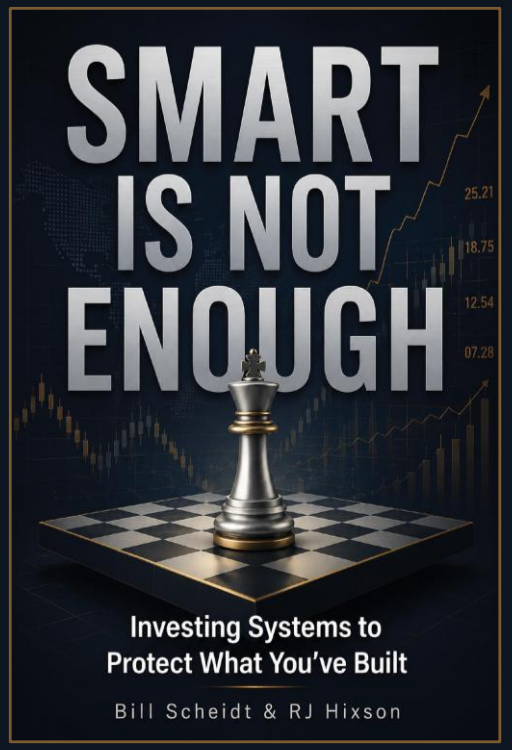
Find your number — today.

- [x] Pull up your account statement.
- [x] Circle your three largest holdings.
- [x] Look up each one's worst historical percentage drop since 2000.
- [x] Convert that into months/years of spending.

Then do the one thing that number is for — go set your rule.

Educational only, not individual advice.

Protect what you built, then grow it.



For smart investors who want a calmer way to navigate rough markets.

You've worked too hard to let **the next market downturn undo it all.**

Smart investors do not lose money because they lack intelligence. They lose when three gaps show up under pressure:

Knowledge Gap

What you know vs. what markets require

Consistency Gap

What works in theory vs. what you can execute

Behavior Gap

What you plan vs. what you do when it's hard

Smart Is Not Enough shows how to close those gaps—so you can defend what you've built and stay aligned with your system when markets get rough.

Get the free chapter and book updates:
https://www.smartisnotenoughbook.com

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