

Changes in Market Orders

When trading securities people don't think much about the order that they've placed. Today many people place orders through an advisor like us while some prefer to place their orders online. Either way, the order is being routed to a stock exchange. Not all exchanges are created equal and profits can be had by the various prices the same security can be trading on at various markets – simultaneously. This technique is called arbitrage. Let's take one companies stock – we'll use IBM as our example. IBM trades on many exchanges – the New York Exchange, the American Stock Exchange – many local exchanges across America including Boston, Cincinnati, Chicago, Illinois, LA, Miami, Philly, Salt Lake City, etc. There are also international exchanges all over the place where U.S. securities are traded through depository receipts – basically a clone of the stock that is being tracked, but traded in

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Medicare, Prescriptions, Promises & Problems



There are changes galore happening in the Medicare arena in the coming months and we're here to help answer your questions. Most people on Medicare have parts "A" & "B". A is the entitlement portion that covers inpatient hospital services assuming you've earned the 40 quarters of coverage necessary to be fully insured. Part B is the outpatient aspect covering physician office visits and non inpatient services. Part B carries a monthly premium that is deducted from your social security check. Part B premium annual cost of living increases are much higher than the annual cost of living increases in your monthly benefit check – nothing more than a sophisticated tax under another name. ☺ Both part A & B have co-insurance, deductibles and co-pays so many people get a supplement plan designed to help offset those costs. The supplement plans come in different flavors ranging in names from plan A to J with each plan covering more items and of course costing more. The supplemental plans are informally known as plan C – Medicare supplements and Medicare Advantage plans (the HMO's) So far so good, the government is making sure we're all comfortable with the alphabet. Now beginning November 15th of this year most all of our seniors will need to choose a prescription drug benefit – what they're calling plan D. The Government is claiming the D is for drugs as well as the next

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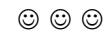
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the currency of the country. Here we trade foreign stocks with ADR's or American Depository Receipts. People often wonder when I buy or sell a security who is on the other side of that transaction. The answer depends on the type of security you are buying. Stocks, ETF's and Closed end funds all have market makers – a firm responsible for handling the “inventory” of the security. Some firms have one market maker, others have several. Open end funds (most mutual funds the public is aware of are open end) are sold and redeemed directly through the manufacturer of the fund.

With respect to orders on stocks there are many different types of orders that can be placed on a transaction and a few of them have just been eliminated. Market orders are the most frequent type of orders and they work by transacting the security at the then market price, whatever it may be. Limit orders are orders that are only executed when a specified price has been met and not beforehand, even if it's only 1 penny shy of the limit price. Many times when an order is placed, it isn't filled all at once by one firm. Let's say we're selling 100,000 shares of IBM. It may be sold off in increments depending what the next buyer is looking for. Perhaps the order is filled with the following number of shares – order 1 wants 2000 shares, order 2 wants 60,000 shares, order 3 wants 15000 shares and order 4 completes the order. This can be stopped by adding an “All or None” provision to the order where nothing will be sold or bought unless the whole lot goes. This trade option has been dissolved by the SEC in a recent ruling beginning October 17th. Another version of this type of order is called “Fill or Kill” (this doesn't sound like a typical commission named rule but it has nothing to do with the mafia and nobody gets hurt upon execution – pun intended ☺) – this order specifies that when a certain

price is hit, fill the entire order or none of it. The SEC also eliminated this option for stock orders after October 17th. The orders are still available to bond trades but will change how stocks are bought and sold. If you had any open orders that fit the description here they've been cancelled. Call to discuss alternatives.



Coming Events

Seniors expo on November 3rd at the Canton Community Center. We'll be there helping educate the public on finances as well what to do about the new prescription drug maze. There will be many other businesses on hand educating seniors in other areas of importance. Flu shots will be available by the Farmington Valley VNA and are by appointment only, please call 860-653-5514 to schedule an appointment if you'd like the injection. ☺

The Power of Laughter

As you all know, I laugh a lot – and believe laughter makes people happier and healthier. I often go home and “wind up” my little girls through laughter just before bedtime. Cupcake doesn't appreciate it but the sound of laughter is contagious – if you hear it and don't laugh yourself something may be wrong. Attitude has a lot to do with laughter. Are you laughing enough? If not make it a point to read a joke each day – they're everywhere – on the internet in newspapers, blogs, etc. I've been compiling a list of “clean” jokes to share with my daughters and would love to hear any clean ones you know or learn. Life is funny, depending on your perspective. It can be frustrating too, only you determine which lens you're looking through. I urge you to use the comical, easy going lens – it'll make your journey through life more pleasant and enhance the lives of those you touch. ☺

Noteworthy News! ! !

Congratulations to Robert & Maureen Bourassa on their 50th wedding anniversary. This is so great to see – this doesn't happen enough in the world today – I hope to see much more of it. ☺

Our condolences to Maletta Pfeiffer and family on the passing of her mother Greta at age 93 – the loss of an amazing soul. ☹

☺ As the Power ball pot gets exponentially large, keep in mind that lotto in the eyes of the state is a voluntary income tax – I don't know about you but I pay enough mandatory income tax and the chances of me volunteering my hard earned money to them is zero. You've got a better chance of drowning in a teaspoon of water than hitting Power ball. ☺

Real Estate & Television

This is comical and I just found out about it. I'm not much a television fan but when I do watch it it's either Animal Planet, Discovery, History Channel or perhaps Cupcake is watching an evening soap opera and I'm using it as background noise while researching on the computer. It's come to my attention there are now television shows on how to "flip property" and make money. Lets think about this – when there are evening television programs about how to "profit" "get rich" "trade" (whatever term you want to use) real estate, I'm saying we're in a bubble. In 1999 there were television commercials pushing online trading – one specific one comes to mind where the tow truck driver mentioned he owned his own island as profits from his online trading endeavors. (he didn't mention the island was Rikers and he didn't own it but was a resident, or are they called guests? ☺) The bottom line is internet stock trading was a bubble then as real estate is now. If this were easy everyone would be rich – it's not and they're not for a reason. Call to discuss your situation ☺

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logical letter – I'm glad they didn't decide to change the alphabet. Now choosing which plan is another array of choices. The open enrollment period for plan D is 11/15/2005 – 05/15/2006. If you're not sure what plan to select, please call and we'll help you make the right decision for your circumstances. This is also a perfect time to be sure your supplement choice is in line with what the new prescription drug benefit provides and you're not overlapping with benefits or have a gaping hole in your plan. None of these government driven plans will cover you for a health care catastrophe. If you become ill and need care, either in home or in a facility, these plans will not protect what you've worked a lifetime to accumulate. To protect your assets you'll need another strategy that typically includes a combination of a gifting program, a long term care insurance policy and other financial strategies. Call to discuss these issues while you're healthy, we usually get the call after a health catastrophe has already happened. ☺

Car Buying Service

This is fun for us but turmoil for most people. Which model, which manufacturer, new or used buy or lease – the questions are almost endless. The cars are not the problem, it's the way they are sold. Cars happen to be my passion and I am officially launching the ability for you to tap into this. We'll help you determine which type of vehicle is best for you. We'll do the research on reliability, options, performance, value, etc. so you don't have to learn it all. We'll help determine if it makes sense to lease or buy and negotiate the terms for you. Many car dealerships have the four boxes they put you through – let's just call it the ringer and we've all been there. There are several moving parts in the car buying equation and here they are – monthly payment, interest rate, trade in value, sticker price. We'll set it up so that all you have to do is go and sign final paperwork and drive the car away. No aggravation, no hassle – a pleasant car buying experience ☺

New Players



Money Quiz

This quiz has proven to be too technical, we've gone three month's without a winner to the quiz. It makes me sad because I like to see people learn, work and win. From 7/1/00 – 6/30/05 the S&P500 returned -3.6797% as a capitalization weighted index – if it were equal weighted it would have returned 8.2877%. This month's challenge is to tell me how many gallons of oil each American consumes daily?
10:03:05

Account Access ☺

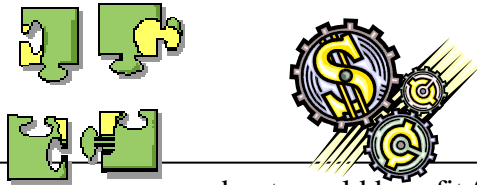
If you'd like to visit your account, log into our website, www.fiscalwisdom.com. If you're not registered, type "a" as username and "b" as password. This will bring you to a new screen – once there hit the yellow register button. Log into this screen using your soc sec # and temporary password of "CHADWICK" Once in, you'll have the opportunity to create your own unique user id and password – please be sure to write this down and store it in a safe place, we do not have access to your user id or password. There will be questions asked to verify you are you and we will get a notice stating you are trying to access your account. Be sure you accurately enter your information for security purposes. After we've verified that you are indeed you, we'll send you an email verifying you are now live and can view your accounts anytime, from anywhere. To view your accounts, go back to www.fiscalwisdom.com and enter your new user ID and password. ☺ I purposely ran this again so you can get into the website – not a Freudian slip. ☺

We've added some new players to the team and I'd like to tell you all about them. Our first new addition to the practice is Nancy Therriault (pronounced Terr-e-o, not pronounced as it sounds I butchered it the first five times I said it ☺) as my new assistant. She'll be responsible for making sure I'm on track and the day to day operations of the practice are in order. She's happy to help with any questions or concerns you have so call anytime, even if just to chat. She is also the wonderfully friendly voice you hear when you call. Next we've added Maureen (Ree) Torrence to the practice as our resident expert on Medicare, Medicare Supplements, Long Term Care, prescription drug coverage for seniors, health care, home care.....this list can go on and on so I'll stop here. The bottom line is if you have any questions as they relate to issues of health care and how it fit's in with Government programs, how to protect the assets you've worked a lifetime to accumulate or anything having to do with Medicare Part "D" prescription drug coverage please call Maureen to discuss those concerns and get a simple explanation for an overly complicated issue. Our third addition to the practice is Robin Bourassa. She'll be responsible for marketing and public relations as well as some of the daily operational activities. If you'd like to tap into our resources for educational information on finance, please contact Robin and she'll set it up for you. We're happy to be a resource to speak with your group or association, educate you, help you with articles or content, education or information to better arm the public at large on making conscious, responsible decisions as it relates to finance. Take advantage of our new staff and get answers to your questions.

☺ ☺ ☺

Inspirational Quotes

- There is nothing either good or bad, but thinking makes it so, William Shakespeare.
- A man sees in the world what he carries in his heart, Faust.
- You can't expect people to look eye to eye with you if you are looking down on them, author unknown.
- Smile, if you can't life the corners, let the middle sag, author unknown.
- A smile is an inexpensive way to improve your looks, author unknown.
- Knowledge is proud that she knows so much; wisdom is humble that she knows no more, Cowper
- A man never likes you so well as when he leaves your company liking himself, Dale Carnegie.



Radio Trivia

- In 1981 there were 321 oil refineries in our country, how many are there today? 148....
- Average return for the S&P 500 for the last quarter of the year for the past 15 years? 7.4%.....Good news for the next 3 months.
- Average cost of a nursing home stay in Connecticut? \$96,000.00 – the 2nd most expensive state in the nation – behind Alaska.☹
- The total cost of tuition, room and board and fee's for Harvard University for the 2005 – 2006 year? \$41,675.00 Plan early - ☺
- What % of total U.S. crude oil production comes from the Gulf of Mexico?.....29%

We're going to be adding more prizes to the weekly radio trivia; do you think you've got what it takes to answer our challenging questions? You'll only have 55 minutes to figure it out. Good luck. ☺

We can piece the puzzle together and make your money work for you. ☺

If anyone you care about would benefit from receiving this newsletter, tell us who they are and they will be included on our mailing list. They'll certainly appreciate you thinking about them and having their best interests at heart.

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Name _____

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