

ABC's & NYSE

We all know about the alphabet but do we all know enough about the New York Stock Exchange? I think I know the exchange better than I know the alphabet. ☺ The symbols that companies are given when they trade on various exchanges are known as "ticker symbols" (ticker tape symbols) and that is what we use to identify stocks. Ticker symbols can range in size from just one letter to as many as four. On other exchanges, such as the Over The Counter Bulletin Board (OTCBB), many stocks have ticker symbols that are five characters long.

The symbols with only one letter are often coveted in investment circles: the single letter ostensibly signifying a "high class" firm while those firms with four or five symbols are "second class citizens." There are almost 3,000 stocks trading on the NYSE but only 26 can own a single letter ticker symbol, hence the cachet. This is just ego stroking on Wall Street. Don't make any investment decisions based on the length of a company's ticker symbol – we certainly don't.

The NASDAQ has typically used four letter tickers for its listed stocks. The American Stock Exchange (AMEX) & NYSE have used three or fewer

Continued on page 2, ABC's & NYSE

INSIDE THIS ISSUE

- 2 Health Savings!
- 3 Noteworthy News, Dust it off
- 4 \$ Quiz; Chasing Tails, Lapsing Social Security
- 5 Inspirational quotes, Easter Egg Hunt Results

Medicine & Money

There are amazing parallels in the fields of medicine and money. The same discipline needs to be followed in both fields to lead to success. Unfortunately, ignoring the facts only makes things worse. In the world of medicine and health if you keep fit, eat well and do the right things you reduce your chances of getting ill. Heredity may be against you but Jack LaLanne isn't 92 and healthy because he is lazy--he works out 2 hours a day and it has paid off well for him. Our lazy society is set up for health failure: from food portion sizes at restaurants (did you ever notice the size of a straw at McDonalds, it is about the same diameter as a garden hose ☺) to drive through pharmacies. The concept of drive through anything amazes me. Get up and walk a bit. Banks have drive-through windows so the car can see its real owner every once in a while. If you walked some more you may not need to be at the pharmacy at all, never mind the drive-through pharmacy. Another societal issue is the number of pharmacies. They're popping up on every corner in America: a sign that people are looking for the magic bullet, the pill to make them well. As we all know there is no magic bullet. Results will come from hard work – a daily discipline to go to the gym, walk, run, do yoga, whatever it is you do for exercise and fun. If you don't do it for a few days it's hard to get back on track. If you keep score of your health and your weight it will improve: winners keep score. If you avoid stepping on the scale, you are simply in denial. If you don't keep score in any other way, you are also in denial.

Let's look at the parallels in finance. Society is also set up for financial failure – we reward excessive

Continued on page 3, Medicine & Money

characters for their stocks.

The NYSE has reserved the following single letter tickers for some future date: G,I,J,L,N,P,U,V,W,Z. Just recently the NYSE assigned the letter M to Federated Department Stores, which owns Macy's, hence the decision to use "M." This was a bit of a surprise as the general consensus was that "M" was being reserved for Microsoft. Many assumed Microsoft would soon decide to list on the NYSE (the "Big Board") as well as its current home, NASDAQ. But Microsoft has resisted the urge to list on the NYSE and feels it is traded finely on the NASDAQ, where it's been since its initial public offering (IPO) back in 1986. Apparently the NYSE is tired of wasting time hoping Microsoft changes gears and gave away the "M." But it's not a done deal just yet. On May 18th the shareholders of Macy's must vote on the change of ticker symbol for the company to "M" from its current "FD." The current symbol makes sense and is easy to relate to the company's name. But the firm plans on changing its name to Macy's. Macy's currently represents 90% of Federated's revenue, so it makes sense to change ticker symbol to M.

Normally when a firm changes ticker symbols or names it isn't a big deal, but the Microsoft rub is what makes this change newsworthy. There is other news in the world of stock exchanges and tickers as well. The NASDAQ has just announced that it can now assign ticker symbols comprised of three or fewer characters. This move will further blur the lines between the various exchanges and force the exchanges to work out a system for allocating symbols. Delta Financial (ticker = DFC) has historically listed on the AMEX but just switched to NASDAQ and kept its DFC symbol. M is no longer available but I'm waiting for a company to trade under symbol "Z." "X" would be my first choice, but it has already been assigned to U.S. Steel.

In the past 25 years the 25 best-performing stocks were those that had ticker symbols comprised of more than one letter. Could it be that the "prestige" of a one letter ticker symbol is actually a curse for investors? ☺

Very, Very Interesting!

At three minutes and four seconds after 2:00 am on May 6th of this year we will have a date and time that will read: 02:03:04 05/06/07. This will never happen again in our lifetimes. ☺ ☺ ☺

Health Savings?

Doesn't that sound like an oxymoron? Saving money with health. Yes it can actually be done.

If you are fit and healthy you are much less likely to need to spend a lot of cash on medical care. Try to avoid the big pitfalls such as lack of exercise, smoking and obesity. Engaging in 30 minutes of exercise each day, even if you just go for a walk, will help tremendously in keeping you well. Medical care is a must and with today's tax laws we now have a plethora of ways to use tax-advantaged dollars to fund the medical expenses we may incur. If you have a high-deductible healthcare plan, which many do and don't even realize it, here are some things you can do:

Effective 1/1/07 a person may contribute \$2,850 to a HSA (Health Savings Account). The limit for a family is \$5,650. The money you contribute lowers your taxable income, just like an IRA or 401(k) contribution.

You can make the maximum allowable contribution (\$2,850 or \$5,650) regardless of what month you established the account. In prior years it was pro-rated so if you enrolled in December you could only make one month's worth of contributions.

You can now make a one-time, tax-free distribution from a flexible spending account (FSA) or health reimbursement arrangements (HRA) to an HSA.

You can now make a one-time, tax-free distribution from an IRA to fund your HSA. The IRA rollover plus any additional contributions you make cannot exceed the maximum annual contribution limit. Only one rollover per lifetime is allowed, but this is a real tax home run.

For individuals who establish an FSA through their employers and have a zero balance during the 2 ½ month grace period after the plan year will no longer be disqualified from establishing an HSA.

Good old Uncle Sam is providing these tax incentives to encourage our participation in HSAs and high-deductible health plans: this may well be the future of healthcare. My family has saved over \$15,000 in annual premiums by switching from traditional health insurance coverage to a high-deductible plan combined with an HSA. If you need more information on these plans feel free to call anytime to discuss in more detail. ☺ ☺ ☺

Noteworthy News! ! !

Congratulations to Ben Camerota and Theresa MacFeat on their engagement! They're planning to tie the knot in August 2008. ☺

Congratulations to Kevin Gaffney & Michele Krajewski on their engagement! ☺

Congratulations to Tony & Amy Calabrese on the birth of their second daughter, Ava Carmella. She joins baby Alexa. ☺

Congratulations to Marty Morris & Nicole Rannassizi on their engagement! They're planning to tie the knot in July or August. ☺

Congratulations to Kyle & Janaura Bishop on the purchase of their new home. ☺

Our condolences to the Rondelli family on the passing of Mary, a wonderful person, mother and grandmother. She was called to heaven after 92 years on earth.

Dust If Off!

I'm not talking about the furniture and knick knacks in your home, which if it's like mine it has plenty of dust and desperately needs a dusting. I am referring to your financial documents that you don't look at too often. My financial documents don't need a dusting and it is my responsibility to be sure you dust yours every so often. Legal documents, insurance policies, even the titling of your investment accounts. These seemingly small details are the very things that cause people real problems later in life or when they least expect it. Be sure your account titles and beneficiaries match where you want the money to go and review this periodically. When is the last time you even looked at your benefits package from work? The book they gave you is likely still in the folder, unopened. What about your life insurance? If your policy is over a few years old it is time to review it to be sure your coverage amount is correct and you have the right type of contract for your current and future needs. What about your wills and trusts? Are they current or did you get them done when the kids were born and are now in college? I know a few of you are thinking my kids are in college and I never got them done! ☹

Medicine & Money *Continued from page 1*

shopping, spending and consumerism and ignore good stewardship. Television shows sensationalize excessive spending and hedonistic lifestyles; they don't do the same for wise, calculated financial strategies that lead to lifetimes of happiness and successful families where kids have stability and safety. The television program "Cribs" showcases celebrities' excessive lives with palatial homes and fleets of cars that each cost more than my home did. Is there a celebrity couple which has successfully kept a family together forever, just one? I hope so but do not know of one. Is that what we want our children to aspire to be? Not mine – they're going to learn to work hard like I do to earn their lifestyle.

As a family we're going to live below our means and set ourselves up for a financially stress-free life and a comfortable future regardless of what is thrown at us. If you follow our advice and counsel you should have the same successes with your children, but it's a constant challenge. We are always put in a position to do what others are doing – travel, vacations, new homes, bigger homes, vacation homes, more cars, fancier jewelry, etc. It's cool to have a lot of stuff – it's not cool to be financially independent and live wisely. I advocate remaining uncool and stress-free: it's good for our health.

The State promotes lottery games, a voluntary tax whose biggest target is those who can least afford it. The State also has a financial interest in casino gambling, and promotes that social scourge as well. The State doesn't advertise financial literacy and education, which is truly a crime and fiscally short-sighted. Over time such efforts would provide more revenue than lottery sales and gambling revenues combined and many families could be saved from financial ruin and broken homes.

Our schools don't teach financial stewardship, but everyone needs these skills to succeed in life. I do a lot of lectures for physicians who have spent *at least* 8 years in post-secondary education, yet they never had a single finance class. At some of the local teaching hospitals I am the only financial education these docs have ever received. Fiscal fitness should be a mandatory part of all curriculums from elementary school through high school. Graduation should be denied to students who cannot demonstrate proficiency in basic finances. Live with financial discipline: pay close attention to your cash flow, save 20% of your gross income and let us worry about your investments. If you follow this path you will reach your goals. Enjoy the ride! ☺☺☺

Chasing Our Tails

Today's society is so busy we have more technology and sophistication but less time for our families. My schedule is a train wreck for a month in advance. I joke that I need to schedule a time to see the Cupcake Monday – Friday. The typical workday is an absolute blur: a 10 – 12 hour day passes by in what seems like 20 minutes. It's also a blessing because work is truly fun for me and I love being here, but moderation is equally important. We as a society aren't always focusing on what is important; we're focusing on too much minutia and keeping up with The Jones'. Don't think for a minute I have it all together with respect to balance. We have no financial worries but I am clearly a workaholic. After my regular office hours I sometimes work at home from after dinner to early the next day. That used to be my schedule every day but now it's only one or two days a week. Cupcake's mortal enemy is my laptop computer, and she's threatened to give it a drink of water if I don't moderate my usage at home. ☺ One effect of busy-ness is the addicting high it gives us--we feel important when we're busy. We must be a big time player if we're really busy, right? Many of us are excessively busy because we try to respond to everything, which is something none of us can do truly effectively. So we must learn to kindly say "no"! The world will keep spinning if you don't get to complete all of your "to do" items today. In fact, you might consider making a "to don't" list. We all struggle with this. But making a game plan is the key to sensibly rationing your valuable time and effort so you can focus on what is truly important to you.

We limit the girls to two activities each at any time; otherwise our lives would be a livery service for a 5 & 6 year old. I think they should play in the neighborhood more and travel less. Rather than running around creation from activity to activity it may be time to just spend more time hanging around with family and friends doing simple things – cookouts, playing board games, crafts, projects, or whatever it is you do enjoy doing with one another. What most of us need is a visit from a good friend rather than more minutia. The barbeque is almost always running at our house so come on over and let's enjoy the beautiful weather that has finally arrived! ☺ ☺ ☺



Last month's difficult quiz was won by Dan Sullivan. He and Denise will enjoy dinner on us at Carmen Anthony's. The last day the markets were down more than 3% before 2/27/07 was 9/27/02, 1111 trading days ago. This month's challenge is to tell me how many sub-prime adjustable rate mortgages will reset to higher interest rates in 2007 or 2008? The winner is going to dinner on us at any one of a few select fine dining establishments. BTN 040207

Social Security Lapse

We're all familiar with insurance policies lapsing when we don't pay our premiums or have a large claim. I can understand being dropped if you don't pay the premiums. The insurance industry is something else when it comes to claims. We forever pay premiums, which are pure profit for the insurer, and when we have a claim, they immediately drop us. Social Security is a massive insurance policy for the whole country that can LAPSE. If you are a homemaker, mom or dad, and you do not work anymore because you are home taking care of the rugrats, after 5 years of not working your Social Security will have lapsed. Yes that's right, lapsed. If you don't work for five years in a row you are now uninsured for Social Security disability purposes, regardless of the reason – raising rugrats, following the Grateful Dead, or whatever it is that kept you out of work. If you worked all of your life and have worked the required "40 credits" you are fully-insured for retirement benefits purposes, but you can still be uninsured (i.e. ineligible) for Social Security disability income benefits. Social Security's definition of disability is that you cannot do any occupation, even flip hamburgers at Wendy's. If you aren't working and haven't for 5 years, consider getting a part-time job and earning at least \$4,000 annually to get back to fully-insured status. If you are self-employed, consider putting your spouse to work or "on the books" to get back to this fully-insured status. If you'd like to talk more about this call the office anytime. ☺ ☺ ☺

☺ Easter Egg Hunt ☺

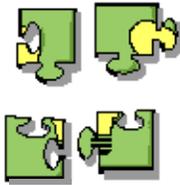
Inspirational Quotes

- Nature and wisdom are never at strife, Plutarch.
- It is easier to be wise for others than for ourselves, Francios De La Rochefoucauld.
- The first step in the acquisition of wisdom is silence, the second is listening, the third memory, the fourth practice, the fifth teaching others, Solomon Gabriol
- A wise man learns by the mistakes of others, a fool by his own, unknown.
- No man was ever wise by chance, Seneca

This year we had a very cold day with a bonfire and hot, hot coffee to warm everyone at the Easter Egg hunt. We had over 200 people at the Easter Egg hunt this year searching for over 6,000 eggs. Only two golden eggs went unfound.

I typically find a few stragglng eggs during the course of the year but this year may change that. The riddles for the adults were a big hit, although we need more adults to compete and stop the dominance of the Szymanski's.

Many of you said you were traveling on Easter weekend and could not attend so next year we will try to host it on another weekend to accommodate everyone. Thank you to all who came and we look forward to seeing you and your little hunters again next year.



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

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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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