

Scamming Your Info

Historically the most valuable material things that we possessed were our cash, goods or jewelry. The typical television program depicts a thief taking money, jewelry or a car from someone by force. In 2007 your most important commodity is you – your identity. There are lot of scams out there to trick people into giving up specific personal information about themselves to people with no ethics. The evil ones who succeed at tricking you out of your data can pretend they are you – open credit in your name, take out loans, etc. This can go on for years without you even knowing about it, until the collection agencies finally catch up with the real you, not the criminal. Go figure – the crooks can open accounts in your name and do it successfully, but when the creditors come calling they find you, the victim.

There are a lot of ways people can trick you into giving away your personal information. Email is a great medium, especially for those who are relatively new to the computer. Banks, creditors, insurance companies and other financial institutions NEVER email you asking you to “verify” some of your information. This is always a scam to take your data from you. When you’re surfing the web, be sure you only put personal and confidential information in secure sites. You can tell when a site is secure by the address. If I had a bank names Mike’s bank

Continued on page 2, Scams

INSIDE THIS ISSUE

- 2 Scams, Legal Pendulum
- 3 Noteworthy News, Year End Planning
- 4 \$ Quiz, Retirement Reality, Acronym Soup
- 5 Inspirational quotes, Kids Korner

Energy Efficiency

Energy prices are on the rise! Oil is currently hovering around \$82.00 a barrel, prices that are as high as they’ve been in almost 30 years. Our world is energy hungry, especially those of us here in America. We use more oil than any country. The current investment in technology to change our dependence on oil is enormous, but will take many years to complete. In the interim, there are many things you can do to help use less energy and keep our planet the way it’s been.

We recently changed all of our light bulbs from incandescent to fluorescent. This is a very inexpensive exercise and one that will likely save a lot of money. Sometimes when you go to the store the fluorescent bulbs are extremely expensive. If you watch the local newspaper you will likely see an energy event at town hall, on the green or some similar place in your town. These events are designed to give consumers incentive to switch to fluorescent bulbs by subsidizing the equipment. We paid a total of under \$100.00 to change all the lights in our home over from incandescent at a special event held at Torrington’s city hall. If you want to learn about the plan, go online to www.ctsavesenergy.org. Smart shopping will also result in good savings. Cupcake (one of the best shoppers) has identified better values on fluorescent light bulbs at BJ’s than can be had through subsidies at special events for your town. I’ll report to you in future newsletters just how much energy we save on a monthly basis from this changeover.

There are many things you can do to make sure all of your energy consumption is as efficient as possible. With the cost of all forms of energy these days, anything you do to improve your efficiencies will result in more money in your pocket to enjoy. (Or invest ☺)

Continued on page 3, Energy Efficiency

and wanted to sign in, www.mikesbank.com as a site would get me there to surf and read, but it isn't secure for your personal information. If you go to that site and attempt to sign in, you'll be immediately transferred to a secure site, which will look similar but have a slight difference you need to pay attention to – <https://www.mikesbank.com> The "s" after http indicates a secure webpage. Sites with the "s" are secure and you can safely put your info there. Be sure it's not a dummy site – dummy sites look and feel just like the real deals, but they're jokers playing a trick on you. Dummy sites may look something like this with the same Mikes Bank – <https://www.u.mikesbank.com> The "u" stuck in there is a slight touch, but it means a lot as to where you're really travelling on the web. Anything that isn't exactly where you're looking for is a scam site. The same is true for email addresses – my address is mike@fiscalwisdom.com. If someone attempting to impersonate me (I haven't a clue why anyone would ever do that ☺) may have a slightly different email, perhaps mike@iifiscalwisdom.com Again slightly different, but the "ii" in front of fiscalwisdom indicates criminals and stay away. The most scammed websites are EBay, PayPal and the banks. I've been recently getting a lot of them from Fifth Third Bank (who came up with that name!) and Citizens Bank & Bank of America, none of whom I do business with.

Outside of the internet you must watch phone calls. The same basic rules apply – financial institutions don't call you asking to verify personal information verification. Whenever you have the slightest doubt, ask the caller for their name and number, then call them back, speak to a supervisor and ask them a few questions only the supposed caller would know. Calling them isn't going to work, phone numbers can be easily redirected to a different number. You can call the general number for the company and double check the information. If they say they're calling from the phone company ask them how much your bill was 2 months ago – only you and they will know that. If they cannot answer your question, call the police. Don't ever let someone in your home and don't throw away anything with important names and numbers on it. Invest in a good shredder or burn your important papers and documents. Don't keep too much in your wallet or purse, the loss or theft of it can ruin you. Only carry a bit of cash and what you need on your person. Don't carry Social Security cards. ☺ ☺ ☺

Legal Pendulum

It seems universal – everyone agrees the legal system in this country is a train wreck. For every physician that graduates from medical school 11 attorneys graduate from law school. Why a person can sue McDonalds for \$1,000,000 for coffee that's too hot is a joke! If the coffee were too cold she'd of come back and bitched about it! There is never an end to the crazy stories of what the judicial system will do in America today. Personal responsibility? What is that? This craze is creating an issue for American business that many people can't see yet. America's off the deep end-- nobody is responsible for themselves any more. Our legal system is putting our economic relations with Britain and the rest of the world in jeopardy. We have a special relationship with the United Kingdom (UK) on an economic front. Most folks think about the unifying fronts on the war, but more importantly are how capital markets are intertwined. Both the US & the UK have over \$1 trillion dollars invested in each other's respective country. Over 7,000 U.S. financial firms have offices in the U.K. while over 5000 U.K. firms have offices in the U.S. The potential issue is current pending securities litigation. Scientific Atlanta vs. Stoneridge will be heard by the Supreme Court on Oct 9th. The petitioner wants the court to allow private securities lawsuits against non U.S. firms that have done business with businesses listed on the American exchanges. Stoneridge could exponentially increase the litigation exposure of non-U.S. companies. That would include virtually every business on the planet. Since the magnitude of settlements would be sky high (cases typically don't go to trial), it would be like paying protection money to do business with any U.S. firm. If a company does business with a U.S. listed firm, it better be ready to pay a billion dollar class action settlement. Many companies would decide it's just not worth the risks of doing business with the US if they are exposed to our litigation practices, which are ridiculed daily around the world. The old movies depicting business owners having to pay the mafia for "insurance" or "protection" so the business owner wouldn't get hurt and could continue to operate is essentially the same concept. This concept is much less violent, but it's identical in idea. The difference is in the execution of the loot; here we have brilliant attorneys manipulating the legal system to extort exorbitant settlements. The mafia used to "rough up" or "wack" those who were trouble. We can only legislate this problem away! ☺ ☺ ☺

- Congratulations to Gary Roberts on his new business, Yankee Travel. www.ytbtravel.com/yankeetravel ☺
- Congratulations to Carolyn Ingalls on her newest grandbaby, Gage Thomas! ☺
- Our condolences to the Tolles family on the passing of Bob, a wonderful man, husband father and grandfather.
- Congratulations to Christina Rodrigues on her new job with the Naugatuck Board of Education! ☺
- Congratulations to Martin & Nicole Morris on their recent marriage! ☺ The beginning of a beautiful life together.

Year End Planning

We're in the last quarter of the year and it's time to begin thinking about what to do now to help with taxes. If you have a pension that we administer for you then you just recently received a notice from us to distribute to your employees the annual notice of the plan. If you don't have a pension now is the time to think about establishing one. If you already have one it is time to review it to see if it's appropriate for next year. To change pension plans for 1/1/08 it's important to begin now—the more sophisticated plans take a while to get put in place so now is the time to make those conversations start happening.

If you've changed health plans this year and created a high deductible health plan, have you fully funded the Health Savings Account yet? Are you participating in FSA or section 125 plans where you can put money away on a pretax basis to pay for things that would otherwise be taxable? You may want to pay your property taxes due in January by December 31, 2007 to take the deduction this year. Sometimes when you pay in advance you get more tax deductions – can you ever have too many tax deductions? Three months goes by fast so begin to think about where you stand so far this year and what your last quarter will likely bring. ☺

Does your home have insulation? This is likely the biggest culprit of your heating dollars – no insulation or inadequate insulation. When we had our home sided a few years ago, Jack put a layer of insulation on top of the cedar shakes, then applied the siding – that provided a substantial energy savings. Be sure your basement and attic are also well insulated. If you're building a home or replacing a furnace, consider Geothermal heat. This is an absolute home run. This technology takes the ambient temperature of the ground and uses it to extract heating and cooling for your home. This technology works best with radiant floor heating but will also work with forced hot air. Unfortunately it will not work with cast iron baseboards, as I sadly found out when inquiring about my own system. This system of heating and cooling requires no oil, natural gas or propane, just some electricity to run the heat exchanger(s) and pumps.

When you go to replace appliances, be sure to get ones rated highly energy efficient. They are typically distinguished with the yellow energy guide sticker on them (labeled *Energy Star* are the most efficient) and good ones will save you over the long haul in on-going energy costs even though the initial sticker price may be a bit higher. If you can control when you use energy in your home, try using as much as you can at night when rates are much lower than during the peak hours of the daytime. There isn't much control there when running the air conditioner but it may make some sense to do laundry late at night for some additional savings.

Electronic thermostats are great tools at controlling temperatures when you need them. If you're gone all day or over the weekend, there is no point in heating or cooling your home to the perfect temperature. With the electronic thermostats, you can have it keep the system at temperatures higher than you like while out, then have it get the house to the perfect temperature a hour before you come home. In the winter you can do the reverse with heat. If you're going away for the weekend or the following week, you can program the unit to minimize energy use for the time when you're not at home.

There are many rebates today for those who invest in energy efficient technologies. Tax incentives, rebates and good stewardship of our resources all contribute to each of doing what we can to help minimize our impact on the planet. ☺ ☺ ☺

SEC, NASD & FINRA



Money Quiz

Last month's quiz was won by Kevin Chambers! ☺ The 20 highest paid hedge fund managers earned \$13.15Billion, averaging \$657.5 million each. That makes baseball's All-Stars look like paupers. ☺ . Kevin & Diane will enjoy dinner on us at Chili's of Southington.

This month's challenge is to tell me what percentage of earnings of all companies which comprise the S&P 500 Index are generated outside of the USA? The 2nd part of the question is what percentage of revenue for tech stocks in the S&P 500 is generated outside of the USA? You must answer both parts of the question correctly to win! The winner will enjoy dinner on us at any one of a few select fine dining establishments. BTN 100107

Retirement Reality

The new generation of retirees are doing anything but resting on the couch. What does retirement mean to you? What are you passionate about? What are you afraid of? What did you always want to do if you just had the time? Many of us think of retirement as the end of our working career. Retirement should mean the beginning of a new chapter in your life. Today's retirees can have a multi-dimensional and enjoyable life into their 80's and 90's. This isn't just about finances, it's about what you're going to do with yourself later in life. We will certainly make sure you're financially able to retire comfortably, but we can also help you think through and crystallize your true objectives in retirement. What is your goal for the 20 years after you submit your resignation? If you enjoy your work you may never retire. Unfortunately many don't enjoy their work and count the days to get to that special time we call retirement. You need to think about and picture exactly what you want to accomplish in the first 20 years of your retirement. Many retirees we help wonder how they ever worked. They're busier now in retirement than they ever were when they were in the workforce. If you can find meaning in retirement and keep your health, what more can you ask for? ☺ ☺ ☺

Acronyms – the financial industry and Federal Government would have to evaporate tomorrow if they couldn't use acronyms. Let me first define what these mean: SEC = securities exchange commission; NASD = National Association of Securities Dealers; FINRA = Financial Industry Regulatory Authority.

Here is the story behind all of these acronyms. The SEC is the agency responsible for administering federal securities laws in the US. Their mission is to protect investors and maintain fair, orderly and efficient markets while facilitating capital information. Their website is www.sec.gov.

The NASD used to be a self regulatory organization within the securities industry responsible for the regulation and operation of the NASDAQ and over the counter stock markets. NASDAQ stands for National Association of Securities Dealers Automated Quotation System. (How they ever got an acronym out of that or got that out of an acronym I'll never know ☺) NYSE stands for the New York Stock Exchange – this is the gigantic granite building with pillars that most people picture in their minds when they think of Wall Street and the stock markets. On the web you'll find the NYSE at www.nyse.com. The NASD site used to be www.nasd.com, but if you go there it will automatically take you to FINRA, which I talk about next.

FINRA is a new entity. Created in July 2007 it is the result of consolidation of NASD as well as the member regulation, enforcement and arbitration functions of the NYSE (New York Stock Exchange) FINRA is now the largest non- governmental regulator for all securities firms doing business in the U.S. FINRA is in virtually every aspect of the securities business, responsible for registering and educating industry professionals, examining securities firms, writing rules, enforcing rules and federal securities laws, informing and educating the general public, providing trade reporting and industry utilities and handling dispute resolution. FINRA has about 3,000 employees and operates from Washington, DC & New York, NY with 15 district offices throughout the country. The website is www.finra.com.

All of the sites are very informative and you can find clickable links to them all on our site, www.fiscalwisdom.com. You can check out any industry professional there and see what kind of history they have, what licenses they possess and what their backgrounds are. ☺ ☺ ☺

Inspirational Quotes

- If wisdom was so conventional why is there so little of it out there, *unknown*
- The finest steel has to go through the hottest fire, *John N. Mitchell*
- Success is a journey, not a destination, *Ben Sweetland*
- We become that which we think about, *unknown*
- People are always ready to admit a man's ability after he gets there, *Bob Edwards*
- Ability will never catch up with the demand for it, *Malcolm S. Forbes*
- The creator has not given you a longing to do that which you have no ability to do, *Orison Marden*
- We all have ability. The difference is how we use it, *Stevie Wonder*
- If we did the things we were capable of, we would astound ourselves, *Thomas Edison*



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

Kids Korner

Tips to teach our youth about money

Do your children realize a credit score exists or what it is? The only scores they're typically aware of are the ones they get in school for grammar or algebra. It's important that the kids realize their good financial behavior, or complete lack thereof, will create a score that follows them throughout their lives. This score makes can make their lives very easy or ultra difficult, depending on their behavior. You can make your own family score system to get the kids behaving properly. If they borrow money from you and agree to pay it back by a certain date, they get 5 points for doing it correctly. If they fail or are late, they lose 10 points. Start them out at zero, make 25 good credit and anything negative bad credit. Once credit gets bad, charge them Loan Shark interest whenever they ask for money – 100% per week is reasonable. When they get their credit to where it belongs, charge them 5% annually. They'll quickly realize how important good financial behavior is and how much easier/harder it can make their lives. ☺☺☺

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Company Directory

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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.

Name _____

Address _____

City _____ State _____ Zip Code _____

Name _____

Address _____

City _____ State _____ Zip Code _____

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- Key employee retention strategies
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- Trust, inheritance and foundation planning

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