



THE LIGHTER SIDE

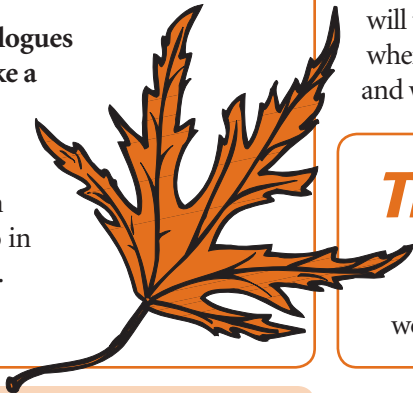
Motivation is what gets you started.
Habit is what keeps you going.

What lies behind us and what lies before us are small matters compared to what lies within us.

Laughter is a tranquilizer with no side effects.

Two monologues do not make a dialogue.

The future depends on what we do in the present.



FDIC INSURED OR NOT?

Bank closings were common in the past couple of years. You may see a bank advertising a higher than normal interest rate for savings accounts and CDs and you wonder if the bank is legitimate. If the bank truly is a member of the FDIC (Federal Deposit Insurance Corporation), the bank will have the FDIC sign displayed on its door. For internet banks, the FDIC logo will be prominently displayed.

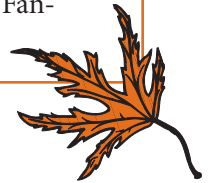
If you have doubts or reservations about a bank, you can call 877.275.3342 or visit the bank find feature on the FDIC website at:

http://www2.fdic.gov/idasp/main_bankfind.asp

Once you enter the name of the bank about which you are inquiring, the site will tell you immediately if the bank is FDIC insured. The site will also tell you when the FDIC insurance went into effect as well as when the bank was founded and where its headquarters are located. ●

TIDBITS

The **Fanny Wood Day Street Fair** will be held on **Sunday, October 4th** from 11AM until 5PM on South and Martine Avenues in Fanwood. Stop by and say "Hello!" (There is no rain date)



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Future Happenings...

Family Investors Company is pleased to offer our **Fall seminar schedule:**

- **Tuesday, November 10th — Estate Taxes** will be presented by **Anthony Cavallo, JD, CPA**. With a change in administration, new inheritance and estate tax laws may be enacted. Find out latest information about federal estate and New Jersey estate tax laws.
- **Wednesday, November 18th — All You Ever Needed or Wanted to Know About Life Insurance** will be hosted by **Steve Goldberg**. There are term life, whole life, and universal life insurance policies—just to name a few. What type of life insurance policy is right for you? How much insurance do you actually need? Get all your questions answered at this informative seminar.

All seminars begin at 7PM and will be held at the Family Investors Company office. Admission is free, but a reservation is necessary as seating is limited. Call the office at 908-322-1800 or send an email to info@familyinvestors.com to confirm your attendance. Bring a friend.



Mutual Funds – Facts & Fancy

Some mutual fund companies are no longer sending out confirmation statements when mutual fund dividend income is reinvested. You can always check the status of your account at the mutual fund companies' websites. If you are unsure of the web address for your fund company, please call the office.

If you take your mutual fund dividend income in cash and have a check sent to your home, consider set-

ting up an automatic deposit to your bank account. No more lost checks or postal service mishaps. Speak to your representative about this option.

Some mutual funds have cut their dividend or will not be paying dividends until further notice. If you rely on dividend income to meet your monthly expenses, please contact your representative to discuss available options to keep your monthly income stream intact. ●

529 PLANS

If you are saving for your child's college education in a 529 Plan, you may be aware that you can reallocate your investments once per calendar year or when you change the plan's beneficiary without incurring any taxes.

For calendar year 2009 ONLY, the IRS is allowing participants to change the investment allocation TWICE. Contact your representative for more information.

If you are in an age-based investment plan, you do not need to reallocate the portfolio as it does so automatically going from aggressive to more conservative as the child gets closer to college age. ●

SAVINGS

The economic recession has brought about a new trend for Americans—savings! The personal savings rate, according to the US Bureau of Economic Analysis for the second quarter of 2009, is a whopping 5%! This is higher than at any time during the past decade. It seems reality has finally set in and people are beginning to keep their credit cards in their wallets. Let's hope this trend continues. ●

401(K) CONTRIBUTIONS

The maximum amount allowed to be contributed to a 401(k) Plan for 2009 is \$16,500. Family Investors Company has always recommended you contribute as much as possible to your 401(k) for tax savings and investment potential.

The maximum contribution is correlated to the Consumer Price Index. However, the CPI is released on October 15th is expected to be lower than the previous year. If current assumptions are correct, the CPI number will lower the amount you can contribute to your 401(k) in 2010 to \$16,000. ●

LIVING WILL

We cannot stress enough the importance of having a will and a living will. Nearly 2/3s of Americans DO NOT have a will. If you have children, a will is especially necessary to name a guardian should you pass away.

A living will speaks for you if you become incapacitated and appoints a medical power of attorney to ensure your medical care wishes are adhered to. ●

INFORMATION

In these troubled economic times, many people have changed or lost their jobs as a result of cutbacks, etc. If you have a 401(k) from a previous employer, consider rolling it over to an IRA. You get these benefits:

a) the **freedom** to select virtually any type of investment for your individual retirement plan.

b) **more information** about your investments (federal law is stricter with IRAs regarding the disclosure of

information about the funds you are invested in.

c) **greater flexibility** in choosing your named beneficiary(ies).

d) **fewer restrictions** on how you receive your retirement distributions.

Your former employer does not care about you as much as you care about yourself.

Call our office. We can help you. ●

Email Addresses

Email addresses are no longer available in **Family Matters** or on the Family Investors Company website. The email addresses which have been published in the past are, however, still valid. When in doubt, you can always email: info@familyinvestors.com

INVESTMENT IDEA

by Fred J. Chemidlin, Jr.

With the difficult stock markets and the recent scandals, it is more important than ever to stay focused on your long-term goals. It is very scary to go through, but these volatile markets are what create opportunities. A successful investor is one who takes advantage of these opportunities. It is important to stay invested.

It's important to stay diversified. A loss on paper is not a realized loss until you sell the security. For a successful investor, holding a security is just as

important during difficult markets as buying into the market. We all know it is best to buy low and sell high, but we also know that is not human nature.

Our human nature tells us we want to do things that make us feel good...that is what makes investing so difficult. To be successful investors, we have to buy into the market when it doesn't feel good.

Now is the time to open or add to an account for yourself, your child or grandchild. Call your representative today. ●

NJ FAMILY CARE

With the economic recession and job loss, people have lost health insurance and cannot afford COBRA coverage. **NJ FamilyCare** is a federal and state funded health insurance program created to help New Jersey's uninsured children and certain low-income parents and

guardians to have affordable health coverage. It is not a welfare program. **NJ FamilyCare** is for families who do not have available or affordable employer insurance, and cannot afford to pay the high cost of private health insurance. Visit www.njfamilycare.org for more information. ●

Year 2009 Gross Income Guidelines*

Federal Poverty Level Range	FAMILY SIZE 1 child	FAMILY SIZE 2 people	FAMILY SIZE 3 people	FAMILY SIZE 4 people	FAMILY SIZE 5 people	FAMILY SIZE 6 people	FAMILY SIZE 7 people	Premiums	Copayments
	MAXIMUM ANNUAL/MONTHLY INCOME								
0 - 133%	\$14,404 \$1,201	\$19,379 \$1,615	\$24,353 \$2,030	\$29,327 \$2,444	\$34,301 \$2,859	\$39,275 \$3,273	\$44,250 \$3,688	No premium	No copay
>133 - 150%	\$16,245 \$1,354	\$21,855 \$1,822	\$27,465 \$2,289	\$33,075 \$2,757	\$38,685 \$3,224	\$44,295 \$3,692	\$49,905 \$4,159	No premium	No copay
>150 - 200%	\$21,660 \$1,805	\$29,140 \$2,429	\$36,620 \$3,052	\$44,100 \$3,675	\$51,580 \$4,299	\$59,060 \$4,922	\$66,540 \$5,545	No premium**	\$5 - \$10
>200 - 250%	\$27,075 \$2,257	\$36,425 \$3,036	\$45,755 \$3,815	\$55,125 \$4,594	\$64,475 \$5,373	\$73,825 \$6,153	\$83,175 \$6,932	\$40 monthly per family	\$5 - \$35
>250 - 300%	\$32,490 \$2,708	\$43,710 \$3,643	\$54,930 \$4,578	\$66,150 \$5,513	\$77,370 \$6,448	\$88,590 \$7,383	\$99,810 \$8,318	\$79 monthly per family	\$5 - \$35
>300 - 350%	\$37,905 \$3,159	\$50,995 \$4,250	\$64,085 \$5,341	\$77,175 \$6,432	\$90,265 \$7,523	\$103,355 \$8,613	\$116,445 \$9,704	\$133 monthly per family	\$5 - \$35

■ Parents/Children ■ Children only

* Family size larger than 7 people call 1-800-701-0710 for guidelines.

** Parents at this income level pay an additional monthly premium of \$33.50 for first parent and \$14 for the second parent.

You can receive **Family Matters** via email or online at our website. We would be happy to send it to you quarterly as soon as it becomes available. Please email us at: info@familyinvestors.com to request this service.

We would like to take this opportunity to wish our friends and clients a very **Happy Thanksgiving and a joyous holiday season.**

Client Appreciation Contest Winner

Congratulations to **Vincent Cuccaro**, winner of the Summer 2009 Client Appreciation Contest. Well done, Vincent!

Thanksgiving Day:

Not what we say about our blessings, but how we use them, is the true measure of our thanksgiving.

Holiday Closings

The Family Investors Company office follows the schedule of the New York Stock



Exchange. Our office will be **closed on Thursday, November 26th and will close at 1PM on Friday, November 27th.** The office will **close at 1PM on Thursday, December 24th and will be closed Friday, December 25th and Friday, January 1st.** The office will **close at 4PM on December 28th, 29th, 30th, and 31st.** Signs are always posted at the front door as a reminder to our clients and friends.

Our office is now open on Saturdays from 9AM until 12 Noon. Additional hours are available by appointment.

Compliance Chat by Diana Cilluffo

The FINRA Conduct Rule 2280 requires investment firms to annually inform clients of the FINRA's Public Disclosure program regarding investment firms and individual representatives. You can check the background of the investment firms and the representatives with whom you do business by calling the FINRA at their toll free number:

1-800-289-9999

or via the internet at www.finra.org

There is also a brochure available detailing the Public Disclosure Program. Family Investors Company urges you to take advantage of this free service. ●

INVESTMENT TERMS

You hear investment terms on television and read them in print media and on the internet. But what do they mean? Here is a primer of some common investment terms:

Radar Alert: A strategy used by mutual fund managers to monitor the buying and selling of a company's stock with the hopes of identifying any possible hostile takeover attempts that would be indicated by a surge in the amount of shares acquired by one investor.

Fair and Accurate Credit Transaction Act of 2003:

A Federal Act passed by Congress that serves as an addendum to the Fair Credit Reporting Act and provides consumers with the ability to obtain one free credit report from all three credit agencies annually. This act only

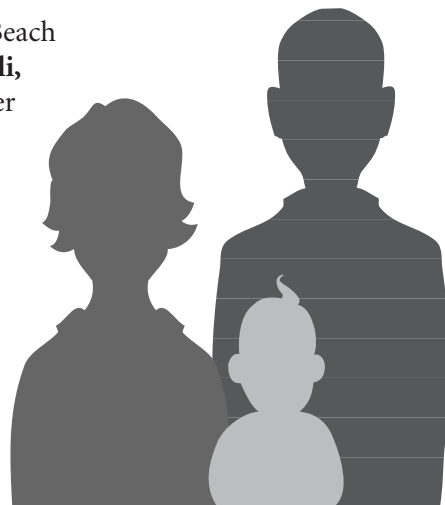
provides the credit report and not additional information such as the credit score or ranking. The goal of the addendum was to provide consumers with an easy way to monitor their credit in order to avoid identity theft and maintain their credit standing.

Zero-Based Budgeting: The budgeting method for a corporation or government in which all expenditures must be justified each year, not just amounts in excess of the previous year.

Tailgating: The unethical practice by a broker of placing an order for the same security that a customer of his/hers just placed, hoping to profit from whatever information the customer might be trading on.

FAMILY CHATTER

Fred Chemidlin and wife, Barbara, spent his birthday weekend in Monmouth Beach with 5 of his children, their spouses and 16 of his grandchildren. **Darraugh Valli**, husband Peter, and twins Micaela and Sean vacationed in North Carolina's Outer Banks. Darraugh competed in and finished the Danskin Women's Triathlon at Sandy Hook for the third time. **Matt Chemidlin**, wife Janice, and children Angela and Scott, vacationed at Cape May and enjoyed the shore and whale watching. **Emmy Salerno** and husband, Charles, toured the Canadian Rockies visiting Lake Louise and Banff. **Edna Trujillo** and husband, Luis, vacationed with friends in Florida. **Steve Goldberg**, wife Pat, and children Andrew and Melissa, vacationed at Wildwood Crest. Steve will again don his Santa suit and entertain children at the Scotch Plains Business & Professional Association Holiday Festival. **Pat Renner** is very busy with her 2 grandchildren and is thrilled that 2 more are on the way. **Joe Chemidlin**, wife Valerie, children and grandchildren vacationed in Ocean City, NJ and Gettysburg, PA. ●



Don't Forget

The Scotch Plains Business and Professional Association will hold their annual Holiday Festival on Sunday, December 6th on the Municipal Grounds. Be sure to stop by and see Steve "Santa" Goldberg. ●

Numbers Quiz

Answer all the questions.

The winner will receive a **\$100 gift certificate.**

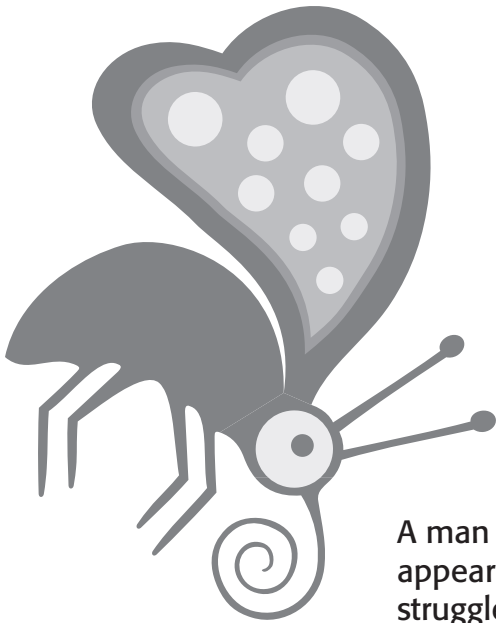
1. Number of cards in a standard deck _____
2. Stripes on the American flag _____
3. Signs of the Zodiac _____
4. Days in February in a Leap Year _____
5. Letters of the alphabet _____
6. Wheels on a unicycle _____
7. What you get for passing GO in Monopoly _____
8. Number of Wonders of the Ancient World _____
9. Hours in a day _____
10. Degrees Fahrenheit at which water freezes _____
11. Heinz varieties _____
12. Quarts in a gallon _____
13. Players on the field of a football team _____
14. Piano keys _____
15. Squares on a checkerboard _____

Once you answer all the questions, complete the entry form and mail back this form to the office. No purchase necessary and you need not be a client to win. 18 years of age to enter. One entry per person. Associates of Family Investors Company and their families are ineligible. Winning entry to be drawn on November 30, 2009 from all correct entries received. Good Luck!

Name _____

Address _____

City, State, Zip _____ Phone _____



A man found the cocoon of a butterfly. One day a small opening appeared. He sat and watched the butterfly for several hours as it struggled to force its body through that little hole. Then it seemed to stop making any progress. It appeared as if it had gotten as far as it had and it could go no further.

Then the man decided to help the butterfly, so he took a pair of scissors and snipped off the remaining bit of the cocoon. The butterfly then emerged easily. But it had a swollen body and small, shriveled wings. The man continued to watch the butterfly because he expected that, at any moment, the wings would enlarge and expand to be able to support the body, which would contract in time.

Neither happened! In fact, the butterfly spent the rest of its life crawling around with a swollen body and shriveled wings. It never was able to fly.

What the man in his kindness and haste did not understand was that the restricting cocoon and the struggle required for the butterfly to get through the tiny opening were God's way of forcing fluid from the body of the butterfly into its wings so that it would be ready for flight once it achieved its freedom from the cocoon.

Sometimes struggles are exactly what we need in our life. If God allowed us to go through our life without any obstacles, it would cripple us. We would not be as strong as what we could have been. And we could never fly.

(author unknown)