



Go Grocery Green

Bringing your own cloth bags to the supermarket when you shop is not only good for planet Earth, but most grocery stores will give you a few cents back for each bag you use. Don't forget to bring and use your coupons.



ENERGY COSTS

The price of gasoline has risen to unprecedented levels. The cost has hit many consumers hard. Every time that the price of gas goes up at the fuel pump by 10 cents the resulting expenditure of the average drivers' (based on an estimate of 15,000 miles driven per year and an average of 20 miles per gallon) gas consumption will rise by about \$75 over a year.

Here are some tips for improving your fuel consumption and lowering your driving costs:

- Use a sunshade to keep your car cool. (Remember to keep a window open slightly to allow the hot air to escape);
- Park in the shade in hot weather;
- Keep your car tuned, tires properly inflated and change your oil at intervals recommended in your owners' manual;
- Pay attention to temperature and don't fill your gas tank in the warmest time of the day. Gasoline becomes denser in colder temperatures. Gas pumps are set to measure the volume of the fuel that you pump and not the density. This means that if you fill up your gas tank in the cooler morning or evening temperatures, you'll be getting better fuel economy;
- The best time to replenish your gas tank is when you have half a tank or less left in your vehicle, or when you find a gas price that you just can't afford to miss;
- Try using your air conditioner only when necessary. However, for highway driving, it's probably better to use the air conditioner than to leave your windows open, as open windows will cause wind resistance and drag on the vehicle, which will then consume more fuel. ●

in this issue

<i>Home Equity Borrowing</i>	2
<i>"Business of the Year" Award</i>	2
<i>Mutual Funds: Facts & Fancy</i> ..	2
<i>Passing the Buck</i>	3
<i>Information</i>	3
<i>Business Continuity Plan</i>	3
<i>The Lighter Side</i>	3
<i>Holiday Closings</i>	3
<i>Speakers</i>	3
<i>Beneficiary Review</i>	
Peter J. Chemidlin	3
<i>Compliance Chat</i>	
Diana Cilluffo	4
<i>Investment Terms</i>	4
<i>Family Chatter</i>	4
<i>Did You Know?</i>	4

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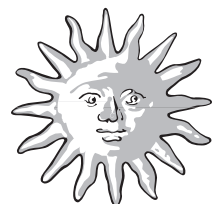
TIDBITS

- Congratulations to Michael Gordon, the winner of the Family Investors Company Client Appreciation contest in the Spring newsletter. Thank you to all of our clients and friends who entered. Your personal comments on your entry forms were appreciated. Look for more contests in upcoming issues.
- Fanwood's annual **Fanny Wood Day** street festival will be held on Martine Avenue and South Avenue on Sunday, **September 21st**. There will be family entertainment, food vendors, crafters, and local business displays. Stop by and say "Hello" to us at the Family Investors Company display.

Future Happenings...

No seminars will be held in the Family Investors Company office during the Summer months. Check the schedule in our Fall issue, which will be available in early October.

Have an enjoyable summer.



Mutual Funds Facts & Fancy

- Double-digit mutual fund returns will be rare in today's tough economic times. Stay focused on your investment goals and objectives.
- Family Investors Company does not have proprietary mutual funds. We are an independent broker/dealer that recommends investments based on suitability to our clients' stated investment objectives and risk adversity, not on company quotas and bonus commissions.
- Balance in your mutual fund holdings is especially important with volatile markets. The proper mix of equity and fixed-income may prevent portfolio disasters. Call us for guidance.
- Keeping your 401(k) properly allocated can sometimes be difficult. You may be given choices of investments you know nothing about. Call our office for guidance. ●

"BUSINESS OF THE YEAR" AWARD



As mentioned in the Spring newsletter, Family Investors Company was named "Business of the Year" by the Scotch Plains Business and Professional Association and the Fanwood Business and Professional Association. In this picture, CEO Fred J. Chemidlin, Jr. accepts the award from Steve Goldberg, Chairman of the Scotch Plains BPA Scholarship Committee. ●

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.

Email info@familyinvestors.com to request this service.

HOME EQUITY BORROWING

A home equity loan lets you borrow a lump sum, usually at a fixed interest rate. You pay in fixed installments (same payment at the same time each month), as with a mortgage. A home equity loan may also involve closing costs, similar to a mortgage. These loans are typically best for those consolidating high interest debts such as credit card balances. In addition, these loans are also a way to pay for major expenses, such as college costs for your child, as long as the payments fit into your monthly budget.

A home equity line of credit (HELOC) normally carries a variable interest rate. The lender sets a limit

and allows you to borrow by writing checks up to that amount. Any amount you borrow reduces the amount available until you pay it back. Once an amount is repaid, you can borrow it again. Home equity lines of credit are typically best for a homeowner who needs money to pay for a long-term renovation project that comes in stages. The line of credit gives you access to the amount of cash you need, when you need it, and you only pay interest on what you have borrowed.

Remember, with these types of loans, your *home is the collateral*. ●

BENEFICIARY REVIEW

by Peter J. Chemidlin

For many investors, a retirement plan (IRA, 401(k), 403(b), pension, etc.) is their largest asset other than real estate holdings. When was the last time you reviewed your retirement plan beneficiary/beneficiaries?

Divorce, marriage, death of a named beneficiary or the birth of a child are events in your life which would make it prudent for you to conduct a “beneficiary review” of your primary and contingent beneficiaries on your retirement accounts and also the beneficiaries on your insurance policies. Did you know that beneficia-

ry designations always supercede your will or trust?

When naming your beneficiaries it is important to know who will get the monies when you die, and how they will get the money. Could your beneficiary handle a large sum of money? Would they invest it or spend it recklessly? If you are concerned that a beneficiary could not handle a lump-sum payment, there are options available to you. Your representative can assist you with this to help put you at ease.

Call your representative today to schedule a “beneficiary review.” ●

PASSING THE BUCK?

According to William Ernest Henley: “I am the master of my fate. I am the captain of my soul.” Whose job is it to ensure your retire-

ment years are comfortable? Surely not the government’s—because if you plan to rely on a monthly Social Security check, you will be living in poverty. ●

INFORMATION

No one really knows the future of Social Security. However, the government does send annual Personal Earnings and Benefits statements to American workers over age 25 with estimates of retirement, disability and survivor benefits that you and your family may be eligible for. If you don’t receive yours by your birthday, request one at ssa.gov.

It’s important to study your statement when it arrives so you have a better idea the amount of supplemental savings you’ll need to prepare for retirement. Social Security benefits won’t fund your retirement by itself. Conventional wisdom states that *you’ll need about 60 to 70 percent* of your salary, depending on

how soon you plan to retire.

Family Investors Company’s primary job is to provide service to our clients...and we try to do it in a very personal way. During our listed office hours we have a real person to answer your calls and provide you with personal contact. We have been in business for 48 years doing this and we believe this will become even more important in the years ahead. Massive advertising promotes the masses. Our client base is mainly referral. Family Investors Company is big enough to provide the variety of financial products you want, yet small enough to give you the personalized service you deserve.

Call our office today. ●

BUSINESS CONTINUITY PLAN

Family Investors Company maintains a Business Continuity Plan should the office be closed

during normal business hours due to unforeseen disasters. For a copy of this plan, please contact our office ●

The Lighter Side

May your neighbors respect you, trouble neglect you, the angels protect you and Heaven accept you.

When money speaks, the truth keeps silent.

Success usually comes to those who are too busy to be looking for it.

The first step to getting the things you want out of life is this: Decide what you want.

Holiday Closings

Our office follows the schedule of the NYSE and will be closed on Friday, July 4th and Monday,

September 1st. A sign is always posted on the office front door as a reminder.



Email Addresses

Email addresses are no longer available in the Market Report 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

Speakers

Family Investors Company representatives are available to speak on various financial topics to your club or organization. There is no charge for this service. Contact the office for more information.

Compliance Chat by Diana Cilluffo

Securities regulations require that investors indicate their objectives for investing their money – such as growth, tax-free income, capital appreciation, etc. What is your objective or objectives? Have these objectives changed recently? Investment objectives impact the particular securities your account representative may recommend to you. Your risk toler-

ance also impacts these recommendations.

Are you an aggressive investor? Can you sleep comfortably when the Dow Jones drops 350 points? Or are you more at ease knowing your investment portfolio is invested conservatively? Speak to your representative and let him/her know your investment concerns and risk tolerance. ●

INVESTMENT TERMS

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

Testamentary Trust: A trust created within a will. It does not take effect until the death of the grantor.

Total Return: The return on an investment, including income from dividends and interest, as well as appreciation or depreciation in the price of the security, over a given time period, usually a year.

Interest Rate Risk: The possibility of a reduction in the value of a security, especially a bond, resulting from a

rise in interest rates. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time.

Annual Percentage Yield (APY): The rate of return on an investment for a one-year period. For an interest bearing deposit account, such as a savings account, APY is equal to one plus the periodic rate (expressed as a decimal) raised to the number of periods in one year. The value is then subtracted by one. Due to compounding, the APY will be greater than the periodic interest rate multiplied by the number of periods in the year.

FAMILY CHATTER

Fred Chemidlin and wife, Barbara, enjoyed an air show at McGuire Air Force Base where they watched the Thunderbirds perform. Fred also continues his involvement with his tithing ministry. **Peter Chemidlin** coached son, Tighe, and his teammates in the FYO Senior Baseball league. Peter himself is playing softball on the St. Bart's Oldtimers' League.

Darraugh Valli, and husband Peter, have been busy with their children's sports activities. Son, Sean, is on the traveling baseball league while daughter, Micaela, plays soccer and competes on swim team.

Emmy Salerno is recovering from successful foot surgery. **Matt Chemidlin**, wife Janice, and their children, Angela and Scott, took a cruise to the Baha-

mas and vacationed in Florida. **Edna Trujillo's** daughter, Andrea, was accepted at, and will be attending, the University of Virginia in the Fall. **Steve Goldberg's** daughter,

Melissa, celebrated her Sweet 16 birthday, enjoying a party at Studio 901 with over 100 family members and friends in attendance. **Alicia O'Connor**, husband Ed, and their three children visited Disneyworld. **Diana Cilluffo** celebrated her ???

birthday in Negril, Jamaica with family and friends. **Neil Schembre** and daughter, Breea, vacationed on Long Beach Island with family members.

Joe Chemidlin and wife, Valerie, spent a week at the beach in Ocean City, Maryland. ●



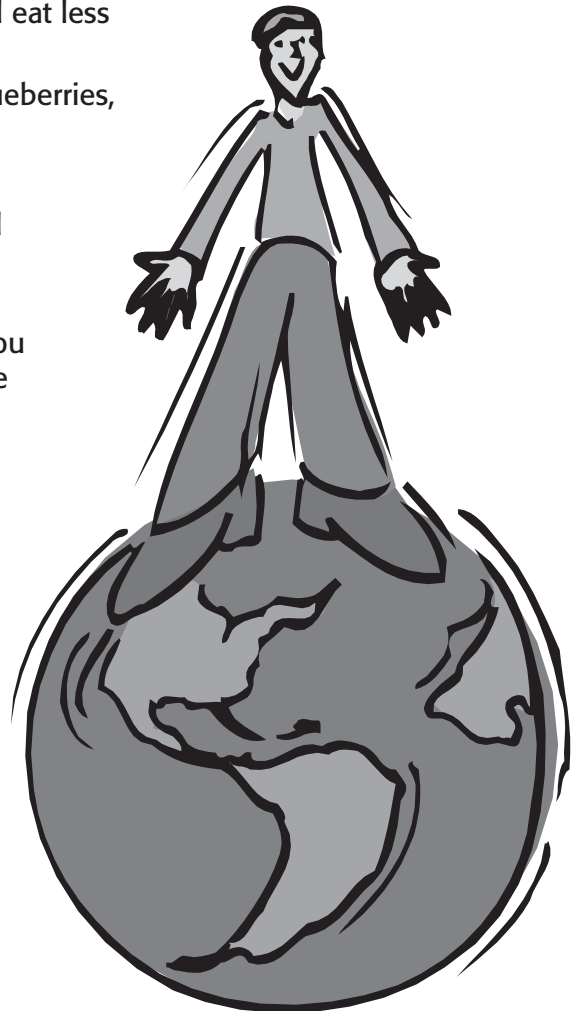
Did You Know?

In 2020, higher education for your children will cost nearly \$225,000 for a private college or \$105,000 for an

in-state public university. How will you pay for this? A College 529 Plan may be suitable. ●

Tips for an Exceptional, Superb & Powerful Life

1. Take a 10-30 minute walk every day and while you walk, smile. It is the ultimate anti-depressant.
2. Sit in silence for at least 10 minutes each day.
3. When you wake up in the morning complete the following statement, 'My purpose is to _____ today.'
4. Live with the 3 Es - Energy, Enthusiasm, Empathy, and the 3 Fs - Faith, Family, Friends.
5. Watch more G movies, play more games with friends and read more books than you did in 2007.
6. Make time to practice meditation and prayer. They provide us with daily fuel for our busy lives
9. Dream more while you are awake.
7. Eat more foods that grow on trees and plants and eat less foods that are manufactured in plants.
8. Drink some green tea and plenty of water. Eat blueberries, seafood, broccoli, almonds & walnuts.
9. Try to make at least three people smile each day.
10. Clear your clutter from your house, your car, and your desk and let new energy into your life.
11. Don't waste your precious energy on gossip, issues of the past, negative thoughts or things you cannot control. Instead, invest your energy in the positive present moment.
12. Realize that life is a school and you are here to learn and pass all your tests. Problems are simply part of the curriculum that appear and fade away like algebra class but the lessons you learn will last a lifetime.
13. Time heals almost everything. Give time, time.
14. Smile and laugh more. It will keep the energy vampires away.
15. Life isn't fair, but it's still good.



2008 Marginal Income Tax Rates

These tax rates apply only to taxable income. Various adjustments and deductions, including the standard deduction and personal exemptions all lower your taxable income. Capital gains are usually taxed at different rates and are calculated separately. **These rates are provided for tax planning purposes only.**

Single Filing Status	Married Filing Jointly or Qualifying Widow(er) Filing Status	Married Filing Separately Filing Status	Head of Household Filing Status
10% on income between \$0 and \$8,025	10% on income between \$0 and \$16,500.00	10% on income between \$0 and \$8,025.00	10% on income between \$0 and \$11,450.00
15% on income between \$8,025.00 and \$32,550 plus \$802.50	15% on income between \$16,500.00 and \$65,100 plus \$1,605.00	15% on income between \$8,025.00 and \$32,550.00 plus \$802.50	15% on income between \$11,450.00 and \$43,650.00 plus \$1,145.00
25% on income between \$32,550 and \$78,850 plus \$4,481.25	25% on income between \$65,100.00 and \$131,450 plus \$8,962.50	25% on income between \$32,550.00 and \$65,725.00 plus \$4,481.25	25% on income between \$43,650.00 and \$112,650.00 plus \$5,975.00
28% on income between \$78,850 and \$164,550 plus \$16,056.25	28% on income between \$131,450 and \$203,300.00 plus \$25,550.00	28% on income between \$65,725.00 and \$100,150.00 plus \$12,775.00	28% on income between \$112,650.00 and \$182,400.00 plus \$23,225.00
33% on income between \$164,550.00 and \$357,700.00 plus \$40,052.25	33% on income between \$203,300.00 and \$357,700 plus \$44,828.00	33% on income between \$100,150.00 and \$178,850.00 plus \$22,414.00	33% on income between \$182,400 and \$357,700 plus \$42,755.00
35% on income over \$357,700.00 plus \$103,791.75	35% on income over \$357,700.00 plus \$96,770.00	35% on income over \$178,850.00 plus \$48,385.00	35% on income over \$357,700 plus \$100,604.00