

January Newsletter 2009

Client Meeting

Mark your calendars for February 2, 2009
7-8:30 PM at Kensington Court
610 Hilton Blvd.
Ann Arbor, MI 48108
Phone (734) 761-7800 for directions to
Hilton
Dessert will be served

Topics covered include:

- An overview of the markets in 2008
- How your accounts performed in 2008; why, what contributed, and what held us back.
- Our view of the coming year and our top ideas
- Update on changes in tax law and how they impact you!
- An update on investments from Peter Prinstein of Pimco Funds

It will be an excellent program and well worth your time. Please contact the office at 944-7556 or toll-free (866) 944-7556 to reserve a seat or e-mail Kim at kim.larrow@raymondjames.com

Investors should consider the investment objectives, risks, charges and expenses of an investment company carefully before investing. The prospectus contains this and other information about the investment company. The prospectus should be read carefully before investing.

Living in a World of Uncertainty

One of the things I think all of us strive for is to maintain control of our lives. We like having routines whether it is regular exercise, visiting with friends or going to work. The last year has been a challenge because some of the things we take for

granted like going to work or spending \$3,000 a month from our retirement savings all of a sudden are less certain. Past generations lived with much less certainty than each of us today. Most were farmers and very dependent on a good harvest which was subject to lots of uncontrollable elements. Farmers did all they could to set aside funds for the years when the harvest did not come in. Over the last 20-30 years Americans have focused less on setting aside these funds for a rainy day and more on living for the moment. This recession is reinforcing for each of us the importance of setting aside those funds.

This leads me to what can we do to help each of you. Over the last few years we have been working to do a better job of gather information to track earnings, spending and wealth accumulation. To make good financial planning decisions we need to meet and discuss how your situation has changed and come up with a strategy to deal with these changes. An important step in times of uncertainty is to focus our efforts on the things we can control. For most of us this is spending. Sabrina and I looked at our spending early this fall and really eliminated many discretionary expenses. This has helped our budgeting and put us in a better position to save. Spending and saving are the two things we can control. We cannot clearly control what the stock and bond markets will do.

Many studies have shown that the ways to reduce uncertainty are to have a plan. We do a financial plan for each new client. This is a great first step but it is the ongoing review of the plan that allows us to do course corrections to make sure you reach your goals. Please look at your schedule and call us to set up a time to meet. One of the best

ways to eliminate those feelings of anxiety about your financial situation is to meet with us and develop a course of action!

Change in Required Minimum Distribution Rules for 2009

Congress and the White House approved legislation that includes a one-year suspension of the required minimum distributions for 2009 for taxpayers who are 70½ and older

Under the legislation, no minimum distribution is required for calendar year 2009 from individual retirement plans and employer-provided qualified retirement plans that are defined contribution plans (within the meaning of section 414(i)). Thus any annual minimum distribution for 2009 from these plans required under current law, otherwise determined by dividing the account balance by a distribution period, is not required to be made. The next required minimum distribution would be for calendar year 2010. This relief applies to life-time distributions to employees and IRA owners and after-death distributions to beneficiaries.

An Excerpt from an article by Ben Stein in the NY Times:

We are more than our investments. We are more than the year-to-year or day-by-day changes in our net worth. We are what we do for charity. We are how we treat our family and friends. We are how we treat our dogs and cats. We are what we do for our community and our

nation. If you had \$100 million or \$100,000 a year ago and now you have a lot less, you are still the same person. You are not a balance sheet, at least not one denominated in money. Losing and making money are not moral issues so long as you are being honest. You may have a lot less money as this year ends than you did two years ago. But you are just as good or bad a person as you were then. It is a myth that money determines who you are, and if you have gotten over that myth by now, then 2008 will have been a very good year.

Ben Stein is a lawyer, writer, actor and economist. New York Times, December 28, 2008

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Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation.

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