

Summer

Quarterly News

Seidel Financial, Inc.



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Financial Facts

What were the original Dow Jones Industrial Average stocks?

The original Dow Jones Industrial Average stocks, created in 1896, and what eventually happened to them, are as follows: American Cotton Oil became part of Bestfoods American Sugar became part of Amstar Holdings American Tobacco Broken up in 1911 Chicago Gas became part of Peoples Gas Distilling & Cattle Feeding Whiskey trust became part of Millennium Chemical General Electric still in the DJIA Laclede Gas Active National Lead became part of NL Industries North American Utility Tennessee Coal & Iron became part of U.S. Steel U.S. Leather (preferred) Liquidated in 1952 U.S. Rubber became part of Michelin

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Rich's Thoughts

LIVING TRUSTS: FACT AND FICTION

Living trusts are powerful estate planning tools that can help many people. Living trusts provide certain advantages that are not available with other estate planning devices. Living trusts are a way to manage and control property during life and distribute property at death. They are not, however, a cure-all. Disciples of the living trust abound today.

They tout the advantages of living trusts with the fervor of a television evangelist. Let's separate the facts about living trusts from some of the fiction that is being advocated.

First, it is necessary to understand the nature of a living trust. Technically, living trusts are "revocable inter vivos" trusts. If a trust is "revocable," the person who establishes the trust can change all or any part of the trust, so long as that person is competent.

"Inter vivos" is Latin for "during life." At death, the living trust becomes irrevocable.

Assets owned by living trusts

generally are not included as part of the probate process at death. Probate is the court proceeding by which a deceased person's assets are gathered and distributed to his or her beneficiaries.

Fact or fiction, avoiding probate is always desirable? In a strict sense, this is fiction.

Probate can be an expensive and time consuming process.

However, many states have adopted the modern Uniform Probate Code that substantially streamlines the process. Also, there are some situations in which a probate proceeding may be desirable.

Fact or fiction, living trusts always save money during administration of the estate? By avoiding the probate court, living trusts may save on the associated attorney fees and court costs. However, there are still income and estate tax returns to file and legal, administrative and asset transfer work to do. This claim is not fiction, although it is hyperbole.

Fact or fiction, living trusts save on estate taxes? Fiction.

Living trusts do not necessarily

save federal estate taxes. Estate tax saving provisions can be incorporated into living trusts. However, those same provisions can be incorporated into a will. Therefore, living trusts do not offer any inherent tax saving advantages. Fact or fiction, living trusts are private? This is largely fact. By avoiding the probate process, you can keep the distribution of your assets private. Also, if the trust is funded (i.e. assets have been transferred into the trust before death) the size of the estate can be kept quiet. Note, however, that some transfers, notably real estate, are always public. Note also that the probate process in many states prohibits outsiders from learning what assets are part of the estate's inventory.

Rich

This material was prepared by Raymond James for use by the financial advisor noted above.

Services Offered

- * Life Insurance
 - * Long Term Care Insurance
 - * 401 k Plans & Simple IRAs
 - * Retirement Planning
 - * Fee Based Accounts
 - * Estate Planning
 - * Trust Accounts
 - * Notary Service*
- *Offered exclusively by Seidel Financial, Inc.

Poem for Summer

Laughter of Lilacs
 Rainbows of roses
 Songs of the robins
 Lily of the valley borders
 Sunshine to warm the heart
 Oh what joy this season does impart!

by Anne Morrow Lindberg



Keeping Things In Perspective

**People will forget what you said,
People will forget what you did,
But people will NEVER forget the way you
made them feel.**

Maya Angelo



NOTE to CLIENTS: During inclement weather, please park near door, rather than in back parking lot.



Mission Statement

We believe in earning people's trust and confidence upon which long-term relationships are built.

We believe people do business with people—not company names.

We believe the purpose of listening to customers is to better understand them—not to give them a quick reply.

We believe most customers are given away due to lack of

service, rather than taken away because of price.

We believe a person's word and handshake are more binding than any legal contract.

We believe in confidentiality.

We believe success is dependent upon hard work, integrity, competency and the ability to never compromise the principles that guide ones way of life.

These beliefs serve as the foundation of our mission:

To work hard in building personal relationships, understand our customer's needs and provide a level of service that enhances the life and legacy



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Today's Stock Market Report

Rule No.1: Never lose money.

Rule No.2: Never forget rule No.1.

Warren Buffett



NEWS FOR YOU – Tina Barnard, Office Manager

Summer and Saving - Aaah... summer ... a time to relax.... a time of easy living... a time when many teenagers get their first paying jobs. Hopefully, as parents, or grandparents, you started teaching them long before they were teenagers, the value of earning and saving. If you haven't started teaching them, or you have small children who are ready to start learning the value of earning and saving, here are some tips to get you started: 1) Start teaching them early, as soon as they know the value of money, so it becomes a life-long habit. 2) If they receive an allowance, encourage working for that allowance. 3) Be a good role model. 4) Open a bank account for them. 5) With an allowance, or a paycheck, encourage them to pay themselves something, and then put the rest in their bank account. 6) Have them make a wish, or want list, vs. a need list, and see if they can eliminate some of those wants. 7) Give them real life situations they will encounter once they are living on their own, so they will have some idea of what can happen, and often does happen, even when you don't expect it. Try to instill in future generations habits, that may help them avoid some of the mistakes of the previous generations. **Have a Great Summer!**

*If you received this newsletter by mail and would rather have future correspondence from this office through e-mail, please e-mail me your address. Thank you. * tina.barnard@raymondjames.com

Just for Fun

A patient goes to see the doctor, the doctor says:

- So, what seems to be wrong with you?

- Doctor, says the patient, I feel like everyone ignores me!

- The Dr. says, Next!

