



Your Chapter News

Volume XXXIV, Issue II

Helping you become a Better Investor

January 2007

Special points of interest:

- BIRC May 11th & 12th
- Stock Selection Guide (SSG) series in March & April
- BetterInvesting Seminar Series
- Treasurer's Tax Workshop, February 6th.
- Model Club still going strong

Details inside

NATIONAL ASSOCIATION OF INVESTORS CORPORATION
BETTER INVESTINGTM
 REGIONAL CONFERENCE
Great Lakes Coalition
May 11-12, 2007

On May 11 and 12, 2007; the third annual Great Lakes Coalition BetterInvesting Regional Conference (BIRC) will be held. This year's conference promises to be the best yet. Whether you're a novice or experienced investor, we have classes created with your needs in mind. You can view the complete BIRC schedule on pages 4 and 5.

The exquisite Ypsilanti Marriott Hotel at Eagle Crest is the site of this year's conference. BIRC is a great way to: energize your club, learn about investing and personal finance from top instructors, network with other like-minded investors, share best club practices with other investment clubs, connect

with an investment club in your area, and find individuals searching for an investment club. With 30 educational sessions, featured speaker Lori Schock of the SEC, five corporate presentations, corporate exhibitors, prizes, plus breakfast and lunch on Saturday - this is a must-attend event.

Register by April 11, 2007 and get an all-access pass for as little as \$60 per person. See the registration form on page 7 for more information on how to register.

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A SPECIAL ONE TIME TAX CREDIT ON YOUR 2006 TAX RETURN

When it comes time to prepare and file your 2006 tax return, make sure you don't overlook the "federal excise tax refund credit".

You claim the credit on line 71 of your form 1040. A similar line will be available if you file the short form 1040A.

If you have family or friends who no longer file a tax return AND they have their own land phone in their home and

have been paying a phone bill for years, make sure they know about this form 1040EZ-T.

What is this all about? Well the federal excise tax has been charge to you on your phone bill for years. It is an old tax that was assessed on your toll calls based on how far the call was being made and how much time you talked on that call.

When phone companies began to offer flat fee

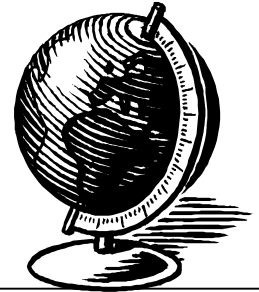
phone service, challenges to the excise tax ended up in federal courts in several districts of the country. The challenges pointed out that flat fee/rate phone service had nothing to do with the distance and the length of the phone call. Therefore, the excise tax should/could not be assessed.

The IRS has now conceded this argument. Phone companies have been given notice to stop assessing the federal excise tax as of Aug 30, 2006. You will most likely see the tax on your

(Continued on page 5)

Class Locations

BDL Brighton District Library, 100 Library Drive, Brighton, 48116
 EMUL EMU Livonia, 38777 W. Six Mile Road Suite 400 Livonia, 48152
 FCL Farmington Community Library, 32737 W. 12 Mile Road, Farmington Hills, 48334
 HI Holiday Inn, 30000 Van Dyke, Warren, MI
 HQ NAIC Headquarters, 711 W. 13 Mile Rd., Madison Heights, MI 48071
 LCCL Livonia Civic Center Library, 32777 Five Mile at Farmington Rd., Livonia
 SCSL St. Clair Shores Public Library, 22500 Eleven Mile Road, St. Clair Shores 48081
 SJM McAuley Inn, Auditorium 5305 Building, St. Joseph Hospital Campus, Ann Arbor



Club Calls: Help is Just a Call Away

By Colleen Mulder-Seward



Did you know that your BetterInvesting Southeastern Chapter offers a free service to its members? **Club Calls** help clubs that have general questions about the formation and operations of an investment club. Please note that no formal in-

struction will be given during a Club Call. Our "Classes on the Road" program addresses these needs. Club Calls is strictly a question and answer program. Most questions can be answered easily with an email or phone call. But, if your clubs needs more intense help, we will even come to your club meeting.

You can request your Club Call by completing the form found on our web site at <http://www.betterinvesting.org/chapter/article/semich/152> or send us an email at SEMHelp@betterinvesting.net. Please use "Club Call" as the subject of your email.

Classes on the Road Information

The Southeastern Michigan Chapter is taking our "classes on the road". If you have a group of 10 or more people, you might be interested in this service. Any of our "standard" classes may be taught at your location. Longer classes may be broken up into multiple sessions. If you are interested in a class that is not one of our regularly scheduled classes, please contact us, and we may be able to work with you to

create a "custom" class.

We will attempt to fill all requests, as long as we have sufficient resources and instructors available to teach the classes.

Initiate a request by sending an email to SEMHelp@betterinvesting.org. Please use "Classes on the Road" as the subject of your email. You may also send mail to



Southeastern Michigan Chapter
 NAIC, Attn: Classes on the Road,
 P.O. Box 251832, West Bloomfield,
 MI 48325-1832.

Registration Information

Check our website, for the latest information on classes and the registration form. Advanced registration and payment are required for all classes except the BetterInvesting Seminar Series which is 'pay at the door.' Please complete the registration form and return it with appropriate payment to:

Southeastern Michigan Chapter,
 NAIC
 c/o Gloria Luther
 PO Box 251832
 W Bloomfield, MI 48325-1832

You may pay with a check made payable to Southeastern Michigan Chapter, NAIC or with a credit card. With credit card payment, you also may fax your registration

to (248) 683-1005.

Class Confirmation: Be sure to include your email address if you want a confirmation.

Refund Policy: Refunds will be given only if we receive notification 48 hours before the start of the class, (248) 683-1005. Within 48 hours of class, credit will be issued toward another class.

Class Schedule

Details of Class Locations on page 2



January

- 08 Board Meeting, LCCL, 6:30pm - 8:45pm
- 20 Model Club, HQ, 10:00am - Noon
- 25 Discussion of Practices of Good Investment Clubs, SJM, 6:30pm - 8:45pm

February

- 06 201 Tax Workshop, BDL, 6:30pm - 8:45pm
- 12 Board Meeting, LCCL, 6:30Ppm - 8:45pm
- 15 Stock Study Group, SJM, 6:30pm - 9:00pm
- 24 Model Club, HQ, 10:00am - Noon
- 28 Analyzing A Stock Mutual Fund, HQ, 7:00pm - 9:00pm

March

- 06 101 Introduction to BetterInvesting, 7:00pm - 8:45pm
- 10 101 Introduction to BetterInvesting, St Clair Shores Lib, 10:00am - Noon
- 12 Board Meeting, LCCL, 6:30pm - 8:45pm
- 15 Stock Study Group, SJM, 6:30pm - 8:45pm
- 17 Model Club, HQ, 10:00am - Noon
- 27 120 Basic Investing Concepts and Introduction to the Stock Selection Guide, HI
6:30pm - 8:45pm
- 31 130 The Stock Selection Guide; Completing and Using BetterInvesting's Main Investing Tool, HI,
9:00am - 4:00pm

April

- 03 135 Basic Judgment on the Stock Selection Guide, HI, 6:30pm - 8:45pm
- 09 Board Meeting, LCCL, 6:30pm - 8:45pm
- 17 Judgment Day Seminar, HQ, 6:30pm - 8:45pm
- 21 Model Club, HQ, 10:00am - Noon
- 26 Stock Study Group, SJM, 6:30pm - 8:45pm
- 28 221 Portfolio Management Using PERT, EMUL, 9:00am - Noon
- 28 220 Advanced Judgment on the Stock Selection Guide, EMUL, 1:00pm - 4:00pm

May

- 07 SE Mich Chapter Annual Meeting, FCL, 6:30pm - 8:45pm
- 11 BIRC Eagle Crest Marriott
- 12 BIRC Ypsilanti, MI
- 19 Model Club, HQ, 10:00am - Noon

Better Investing Regional Conference Schedule

Friday, May 11, 2007

4:00-6:15pm Registration

5:00-6:15 Exhibits Open, BetterInvesting Sales Table Open

6:15-6:25 Welcome – Ken Kavula, Conference Chairman

6:25-6:50 Company Presentation: General Electric

7:05-8:00 Class Session A

- 1. SEC Forms Important to Investors- Lori Schock*
- 2. Building a More Effective Club: Club Management and Education- Ken Kavula*
- 3. Finding Stocks to Study: Basics of Stock Screening – Mary Ann Davis*
- 4. Identifying High Quality Stocks: The Quick Analysis, Part I – Kaush Meisheri*
- 5. Introduction to Portfolio Manager Software – Matt Willms*
- 6. Which Software is Right for Me? - Doug Gerlach*
- 7. Small Company Discovery and Analysis – Mark Robertson*

8:15-9:10 Class Session B

- 1. Managing Your Club Portfolio-Getting Your Portfolio Ready for Review – Ann Cuneaz*
- 2. Is it a Growth Company? Introduction to the Stock Selection Guide: Sections 1 and 2- Ken Kavula*
- 3. Investor Protection: How the SEC Can Help – A Tour of the Securities & Exchange Commission Website – Lori Schock (repeated in Class Session C)*
- 4. Identifying High Quality Stocks: The Quick Analysis – Part 2 –Kaush Meisheri*
- 5. Using Portfolio Manager with Other BetterInvesting Software – Matt Willms*
- 6. Introduction to Toolkit Software – Doug Gerlach*
- 7. The Art of Selling – Colleen Mulder-Seward*

9:10 Cash Bar

Saturday, May 12, 2007

7:15-8:00 Registration, Breakfast, Exhibits open

BetterInvesting Sales Table open

8:00-8:15 Welcome and Introductions – Ken Kavula, Conference Chairman

8:15-8:40 Company Presentation: Sanofi-Aventis

8:45-9:00 Company Presentation: Procter and Gamble

9:10-10:10 Exhibits open ; BetterInvesting Sales Table open

10:10-11:05 Class Session C

- 1. Using Toolkit Software to Review your Portfolio –Ann Cuneaz*
- 2. Is the Company Affordable? Introduction to the Stock Selection Guide: Sections 3, 4, and 5 – Ken Kavula*
- 3. Advanced Judgment Using Toolkit 5 Software – Mary Ann Davis*
- 4. Earnings - the Central Element of Stock Investing – Kaush Meisheri*
- 5. Secrets of Wall Street Analysts – Doug Gerlach*
- 6. Using the Manifest Investing Website to Evaluate and Manage Your Stocks – Mark Robertson*
- 7. Investor Protection: How the SEC Can Help – A Tour of the Securities & Exchange Commission Website -Lori Schock*
(repeat from Class Session A)

(Continued on page 5)

Tax Credit

(Continued from page 1)

September cutoff statement, but it should NOT be on your October bill.

But the challengers of the old law also demanded restitution. So the IRS has announced that a one time credit will be available when you and I file our 2006 tax return as I explained above. However, the IRS also established limits on how BIG a credit you can get. Here's how it works

If you file your return as a single person with just you as a dependent you get to claim a \$30 credit on line 71 of your 1040.

If you file with a child or a parent as your dependent, you claim \$40.

If you file your return as a married couple with no children you claim \$40.

If you file as married with children you claim \$50 if one child, \$60 if two children.

In all cases, the most you get to claim is \$60.

UNLESS: If you have all your phone bills starting AFTER Feb 28, 2003 through July 31, 2006 (do not use any bills starting Aug 1, 2006.), then you can add up the ACTUAL TAX AS IT APPEARS ON YOUR BILLS AND CLAIM THAT FOR A CREDIT.

Now if you have your actual phone bills and come up with an ACTUAL TAX AMOUNT, you cannot use line 71 on your tax return. You have to complete a special form number 8913 and attach it to your tax return.

Individuals using the special form 1040EZ-T will have to attach this form 8913 also.

One final point: this credit is a refundable credit. That means you get this money no matter how your tax return works out. If you would end up owing the IRS a balance, the refund will reduce that balance you owe. If you end up getting a refund, the credit will be added and you get a bigger refund by that \$30 to \$60 depending on how many dependents are on your return.

Better Investing Regional Conference Schedule

(Continued from page 4)

11:20-12:15 Class Session D

1. *A Closer Look Using Toolkit PERT Worksheet A – Ann Cuneaz*
2. *Research: the Other 20%– Ken Kavula*
3. *There is a Time to Sell – Mary Ann Davis*
4. *When to Buy: Understanding the Role of the PE Ratio – Kaush Meisheri*
5. *Retirement Planning – Colleen Mulder-Seward*
6. *Armchair Quarterbacking Your Portfolio – Matt Willms*
7. *Evaluating Your 401(k) and 403(b) – Mark Robertson*

12:25-1:10 LUNCH

1:10-1:20 Drawings and Introduction

1:20-1:45 Company Presentation: SAP

1:50-2:15 Company Presentation: Tessco Technologies

2:25-3:20 Class Session E

1. *Red Flags NOT on the Stock Selection Guide – Ann Cuneaz*
2. *Using the Stock Comparison Guide– Ken Kavula*
3. *Best of the Web for Research – Mary Ann Davis*
4. *Turtle and the Hare: Individual Stock Investing vs. Passive Indexing– Kaush Meisheri*
5. *Portfolio Manager Interactive Laptop Session – Matt Willms*
6. *Screening for Winners with Stock Prospector Software – Doug Gerlach*
7. *International Investing - Mark Robertson*

3:35-4:20 “Investment Scams” – *Featured Speaker: Lori Schock, Securities and Exchange Commission*

4:20-4:30 Final Drawing and Wrap-up – Ken Kavula

BetterInvesting Model Club

Have you been looking for an investment club to join, but haven't been able to find one? The Southeast Michigan Chapter may have a solution for you! We are planning to start a model investment club in our local area. Our model club will be an actual investment club with members making contributions, and stocks being purchased. All NAIC



principles and procedures will be closely followed.

Through the model investment club we hope to demonstrate sound investment techniques, and help others learn how to start and run their own clubs. The model club meetings are open to the public, so others may observe the way an investment club works. Any NAIC member in our chapter may apply for membership to the model club. Certain criteria, such as, basic understanding of the Stock Selection Guide, must be met. The number of members is limited to 25 and we are currently at 19. We began in February 2004.

Currently, the stocks in our portfolio are: Bed Bath & Beyond

(BBBY), Biomet (BMET), Ceradyne (CRDN), Commerce Bancorp (CBH), Fiserv (FISV), Knight Transportation (KNX), Medtronic (MDT), Strayer Education (STRA), Teva Pharmaceutical Industries (TEVA), Wal-Mart (WMT) and Walgreen (WAG).

From the President, Mary Hoversten

Welcome to a year full of exciting investment activities with the Southeastern Michigan Chapter. We invite all Club Members (and anyone interested in becoming a Club Member) to join us at St. Joseph Mercy Hospital Auditorium on January 18th for a free program on Club Best Practices. This is an excellent opportunity to ask questions, share experiences, get to know the clubs in our area and meet one another in an informal atmosphere. You may want to consider joining forces with a nearby club for activities and programs your group may not be able to handle alone.

We are considering joining Ken Kavula and members of the Mid Michigan Chapter in forming a Model Club in the Brighton area this year. If you are interested in being a member of a Model Club or just

visiting to see a way it can be done, please contact me at hoversmt@umich.edu. We will probably meet once a month on a Saturday morning if interest warrants.

We will start a Stock Study Group at St. Joseph Mercy Hospital Auditorium on the 3rd Thursday of the month starting on February 15th. This will be similar to the Computer Group and Better Investing Seminars of the past years with emphasis on Stock Studies. We will start with the BI Stock to Study for the month, then take a look at the best 2-3 stocks in that Industry. Even if the BI Stock to Study is not the most timely, by looking at the best in the Industry we should find something of interest. We also would like you to bring in whatever stock you find of interest at the time. Just bring in your stock study

on a disk or thumb drive and we will have an opportunity to discuss a good range of stocks. If people have a particular topic they want to learn more about or Better Investing comes up with something new – like the website or an online SSG program- we can take some time to examine the topic, but we will not necessarily have a “lecture” every month. We will be charging \$5 for the meetings (or ½ punch on your green card).

Don't forget to plan on joining us for BIRC – the Better Investing Regional Conference – at the Eaglecrest Marriott in Ypsilanti Michigan on May 11th and 12th. We will have excellent teachers both national and from the 3 states in our coalition and a wide range of classes for beginners through experienced investors. So come learn with us!!



Great Lakes Coalition
May 11-12, 2007

FEATURING
LORI SCHOCK, ACTING DIRECTOR OF THE SEC'S OFFICE OF
INVESTOR EDUCATION AND ASSISTANCE

SAP, GENERAL ELECTRIC, PROCTER AND GAMBLE, TESSCO, SANOFI-AVENTIS

FRIDAY & SATURDAY, MAY 11 - 12, 2007

Eagle Crest Conference Center
1275 S. Huron Street, Ypsilanti, MI

Friday: Registration and Exhibits 4:00-6:15 pm; Program 6:15-9:10 pm; Cash Bar 9:10 pm
Saturday: Registration, Breakfast and Exhibits 7:15-8:00 am; Program 8:00 am-4:30 pm - including lunch

Register for the Entire Event, Friday night only or Saturday only. Save with Early Bird Special Prices!

EARLY BIRD REGISTRATION PRICES

To meet the Early Bird Registration deadline date, your envelope must be postmarked on or before the date indicated.

For registrations postmarked by April 11, 2007	Entire Event	Friday only	Saturday only
Single member price* #	\$75	\$30	\$65
2 members registered in one envelope (price includes <u>both</u> registrants)* #	\$130	\$50	\$110
3 or more members registered in one envelope (price is for <u>each</u> registrant)* #	\$60	\$20	\$50

REGULAR REGISTRATION PRICES

For registrations postmarked April 12 - May 10, 2007	Entire Event	Friday only	Saturday only
Single member price* #	\$90	\$35	\$75
Registration at the door* #	\$125	\$50	\$95

*Spouse of member is considered a member

#Non-members add \$25 to member prices (includes 1 year BetterInvesting membership)

Special Room Rates of \$99/Night Available - Call Ypsilanti Marriott at Eagle Crest at (734) 487-2000 or 800-228-9290. Mention BetterInvesting. On-line reservations available at <http://marriott.com/DTWYS>. Use promotional code nainaia. *Special room rate is only available now through April 13, 2007. Book your room now, to avoid disappointment.*

SEND REGISTRATION FORM TO:

RUTHETTA DORNBOS, MID-MICHIGAN CHAPTER, 2805 CHIPPEWA LANE, MIDLAND, MI 48640 PDORNBOS@AOL.COM (989.631.1486)

MAKE CHECKS PAYABLE TO: **NAIC GREAT LAKES COALITION**

No refunds after April 20, 2007; minimum \$5 processing fee may be charged.

BETTERINVESTING REGIONAL CONFERENCE REGISTRATION FORM

FRIDAY-SATURDAY, MAY 11-12, 2007

Eagle Crest Conference Center, Ypsilanti, MI

Please duplicate form as needed. *Please attach a separate form for each person whose payment is enclosed.*

Name: (First) _____ (Middle Initial): _____ (Last): _____
 Non- member NAIC member Membership ID# _____
(Located on your BI magazine label above your name)

Street Address: _____

City: _____ State: _____ Zip: _____

Phone #: _____ E-mail for confirmation: (PRINT CLEARLY) _____

If you prefer confirmation through US Mail, please enclose a stamped, self-addressed envelope.

PLEASE CHECK BOX IF YOU HAVE SPECIAL MEAL REQUIREMENTS OR OTHER SPECIAL NEEDS. *Write your needs on the back of this form.*

Chapter: Mid-Michigan NW Buckeye NW Indiana SE Michigan
 W Michigan Other: _____

Registration for: Entire Event Friday only Saturday only

Check enclosed for following amount: \$_____ If Early Bird Special, check here and list names of all others included.

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Southeastern Michigan Chapter BetterInvesting
P.O. Box 251832

Phone: (248) 683-1005
Email: SEMHelp@betterinvesting.org



Helping you become a Better Investor

We're on the web!

<http://www.betterinvesting.org/chapter/semich/>

Learn to Select Stocks the BetterInvesting Way

STOCK SELECTION GUIDE SERIES March 27 - April 3 in Warren

\$75 for entire 3 class course

- 120 - Basic Investing Concepts and Introduction to the Stock Selection Guide (class 1 of 3), March 27, 6:30 - 8:45 p.m.
- 130 - The Stock Selection Guide; Completing and Using NAIC's Main Investing Tool (class 2 of 3), March 31, 9:00 a.m. - 4:00 p.m.
- 135 - Basic Judgment on the Stock Selection Guide (class 3 of 3), April 3, 6:30 - 8:45 p.m.

BONUS: Register for the SSG Series of classes and receive a free copy of the new NAIC Stock Selection Handbook written by Bonnie Biafore (a \$20 value).

See our Chapter website (<http://www.betterinvesting.org/chapter/semich/>) for class descriptions and pretests to check your readiness. Prior registration is required.

Beyond the Basics

220 - Advanced Judgment on the Stock Selection Guide, April 28 1:00 PM - 4:00 PM, EMUL, \$30

This class is open to anyone with a general understanding of the Stock Selection Guide, and would like to learn more about judgment. This class goes beyond the basic judgment discussed in Class 135: Basic Judgment on the SSG. This class covers: estimating future earnings using the preferred procedure, outliers, the PEG ratio, 25/50/25 zoning (and why we like it), projecting future high and low P/Es and projecting the low price

221 - Portfolio Management Using PERT, April 28, 9:00 AM - Noon, EMUL, \$30

Learn how to protect your assets, while improving the total return of your portfolio. This class teaches the strategies of defensive and offensive portfolio management using the PERT system of forms. The PERT Report, the PERT Trend Report, PERT-A worksheet, and PERT-B worksheet are used to demonstrate portfolio management techniques.