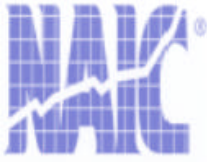


## ALABAMA CHAPTER



# NEW\$

THE  
ALABAMA  
CHAPTER  
IS THE LOCAL  
ARM OF  
NAIC

VOLUME 10, ISSUE 1

INVESTMENT EDUCATION FOR INDIVIDUALS & INVESTMENT CLUBS

APRIL 2005

Home page address: [www.better-investing.org/regions/al](http://www.better-investing.org/regions/al)

### ALABAMA CHAPTER NEWS\$

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The purpose of the Chapter News is to keep you informed about upcoming chapter programs, seminars, director meetings, and other activities. It is your newsletter. Tell us about items that you would like published. Does your club have special events that you want the public to know about? Are you looking for members?

Whether you want to invest on your own or through an investment club, the NAIC courses provide a solid foundation for decisions. Based on analysis of a company's financial fundamentals, the NAIC method has been the standard approach for investors for more than 50 years. Many investment clubs in your area use NAIC principles. The classes also introduce you to the software available for investing.

We can arrange for classes for your club or group. Contact Barb or Jeff Gierloff to arrange details, or if you have any questions about the classes.

You can learn more about the NAIC process and software by attending the NAIC Computer Users Group Meetings. These are at the Charles H. Stone Agricultural Center, 819 Cook Ave., Huntsville at 6:30-8:30 PM on the 4<sup>th</sup> Tuesday of each month. These meetings are free, and NAIC membership is not required. Meet investors who use NAIC software and the internet to search for and analyze stocks, and see software demos. For information contact Tom Robinson (256) 883-7113 or email: [trir@comcast.net](mailto:trir@comcast.net).

### CLUB CONTACTS

Every investment club has a designated **club contact**. This is the person in the club that all NAIC and Chapter mailing is addressed to for club dissemination among the members. The only mailing all club members as well as individual members of NAIC is the Chapter NEWSLETTER. So club members, we urge you to see that your club contact passes on to you the timely information he or she receives from NAIC and the Alabama Chapter.

## **Huntsville Area Investing Classes for 2005 National Association of Investors Corporation (NAIC)**

Typically 1<sup>st</sup> & 4<sup>th</sup> Thursday of the Month, starting at 6 PM  
at the Heritage/Renasant Bank at 4245 Balmoral Dr.  
Huntsville, March-Sept

### **2. NAIC Investing Principles & Math**

**April 7, 2005 Cost: \$10**

Learn how NAIC concepts, using fundamental analysis, outperform the market. A general discussion of the characteristics of growth companies introduces the factors that are analyzed in the Stock Selection Guide, NAIC's stock analysis methodology. NAIC methods use basic math. This session reviews the typical operations, and makes it easy, even if math isn't your strong point. Examples are given showing the power of compound growth, a simple way to calculate it, and how NAIC investment growth has historically performed compared to other indexes and funds.

### **3. Using Valueline**

**May 5, 2005 Cost: \$10**

Valueline is the traditional source of stock information used by NAIC investors. One page crammed full of information provides most of the data needed for stock analysis. This course discusses all this data: specific to a company, an industry and general comments concerning the economy and sample stock portfolios.

### **4. Stock Selection Guide Front**

**May 26, 2005 Cost: \$10**

The SSG is NAIC's procedure for fundamental analysis on an individual stock. This can be done either manually, or through software, such as Toolkit 5 (TK5). Comments made are relevant to both approaches. This session covers Section 1 Visual Analysis, found on the front side of the SSG form.

### **5. Stock Selection Guide Back**

**June 2, 2005 Cost: \$10**

This covers the rest of the SSG, on the back side of the SSG. This includes: 2 – Evaluating Management, 3 – Price-Earnings History, 4 – Evaluating Risk & Reward, 5 – Five Year Potential

### **6. PMG, PERT A&B, Sell Strategies**

**June 23, 2005 Cost: \$10**

The Portfolio Management Guide and Portfolio Evaluation Review Technique (PERT) reports are supplemental tools for individual stock analysis and monitoring. They also can be done by hand or they are automatically filled out by the TK5 software. So the work is done, but the form must still be understood.

### **7. Portfolio Management**

**July 7, 2005 Cost: \$10**

Additional tools in TK5 are oriented to monitoring all the stocks in your portfolio, and allow rapid identification of stocks in trouble or not meeting your projections. Portfolio diversification by size and holding is also emphasized.

### **8. Stock Comparison Guide, Annual Report Analyzer**

**July 21, 2005 Cost: \$10**

More TK5 tools, dealing with comparing the fundamentals of two or more stocks, and their growth characteristics. TK5 also has the ability to review the judgement you input in the analysis, and highlights areas of concern. The Annual Report Analyzer is not a standard NAIC tool, but provides the capability to look at the values and trends as indicated in the annual financial figures provided by the company. This is a valuable capability and is commonly used by NAIC investors.

### **9. Advanced Investing Math**

**Aug 4, 2005 Cost: \$10**

Primarily deals with mathematical equations to calculate compound growth. Knowledge of algebra not required, but would help. Presents methods that the average NAIC (or other) investor doesn't know about.

### **10. Prospector**

**Aug 25, 2005 Cost: \$10**

This software package rapidly analyzes more than 11,000 stocks and identifies the handful that meet your criteria. This then can be used as the basis of detailed analysis performed by the SSG. This class will teach you how to define the criteria, use the results and find the best of the best.

### **11. Personal Record Keeper**

**Sept 1, 2005 Cost: \$10**

If your financial records are dumped in a box, or are in 20 binders spanning 20 years, this software is another must have. Provides tax basis for investments, accurate calculation of annual compound growth even with multiple reinvestments (not a simple calculation). Allows you to recall all relevant data for an investment, even accounting for splits, mergers, spinoffs, etc. Will pay for itself many times over, especially when correctly filling out tax forms.

### **12. Club Accounting**

**Sept 22, 2005 Cost: \$10**

If you belong to a club, this software package is essential for tracking the finances of the club, in order to determine the individual member's ownership and the state of the clubs holdings. It also prints out the K-1 forms required by the IRS.

**FOR MORE INFORMATION PLEASE  
CONTACT:**

**JEFF OR BARB GIERLOFF, PHONE 883-9947**

**EMAIL: [jgierloff@yahoo.com](mailto:jgierloff@yahoo.com)**

**Or visit our website for up to date information: <http://www.better-investing.org/chapter/alabama>**

## ORGANIZATION CHART:

Chairman Emeritus:	Bob Lewis	334-682-5291	boblew@frontiernet.net
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1 <sup>st</sup> Vice President :	Marvin Eargle	205-823-5036	meargle@earthlink.net
2 <sup>nd</sup> Vice President:	Don Wiginton	205-967-5907	don@wiginton.com
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Central Area VP:	Marvin Eargle	205-823-5036	meargle@earthlink.net
South Area VP:	James Minor	334-272-4285	jm1136@chapter.net
Secretary:	Alice Lawlor	256-539-2815	aml@hiwaay.net
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### Mutual Fund Contact

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### Web Pages

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James Minor 334-272-4285 jm1136@chapter.net

## The Tuesday Academy Stock Study Club (TASSC)

A cadre of Academy members has formed an investment study club. The TASSC will establish membership in the National Association of Investors Corporation (NAIC) and will use NAIC procedures, tools and methodology to study stock market equities. The members will develop and monitor a model portfolio using standard NAIC Club procedures; however, the portfolio will be a hypothetical one with no actual monetary commitment from members. The actual cost to the members will be an active Academy membership, a NAIC membership and administrative club expenses.

The primary goal of the stock study club will be learning solid fundamental investment principles. All members will be responsible for contributing to the progress and success of the club through participation at the monthly meetings.

The TASSC will meet at 1:30 PM on the third Tuesday of each month in Room 118 of Wilson Hall. If any Academy member is interested in participating and committing to this valuable learning experience or would like more information, please contact John Phillip via e-mail at [the\\_p\\_patch@knology.net](mailto:the_p_patch@knology.net) or phone at 830-0094 or Tom Robinson via e-mail at [trir@comcast.net](mailto:trir@comcast.net) or phone at 883-7113.

## **NAIC Training: B'ham, Second half 2005**

### **A Live SSG using Toolkit 5**

A real, live stock study using NAIC software. The emphasis is on software use so a fair knowledge of the SSG will be presumed.

Jun 21                      Tuesday, 6:30 – 9 PM                      \$ 10

### **A Live SSG using Toolkit 5**

A real, live stock study using NAIC software. The emphasis is on software use so a fair knowledge of the SSG will be presumed.

Aug 16                      Tuesday, 6:30 – 9 PM                      \$ 10

### **NAIC Investing Fundamentals, SSG & Judgment Basics Using Toolkit 5**

A beginner's course using the most popular stock study software.

Nov 1, 8, 15, & 22 Tuesdays, 6:30 – 9 PM                      \$ 40

All Classes held at:

#### **VESTAVIA HILLS UNITED METHODIST CHURCH**

**2061 Kentucky Avenue, Vestavia Hills, AL**  
(Tyson Hall Building)

Check [www.better-investing.org/chapter/alabama](http://www.better-investing.org/chapter/alabama) for more details.

Send name, address, phone number, club name, and fees to:

NAIC-AL Chapter  
P.O. Box 660605  
Vestavia Hills, AL 35266

The next NAIC Alabama Chapter Board meeting will be at 819 Cook Ave, in Huntsville, in the Stone Agricultural Center on April 30, 2005 at 1 PM. The Center is on the south side of Cook, close to the fire station.

Need Help? Assistance in organizing a club? A speaker for your meeting?

Call:

Leonard Harris (256) 716-0529 or your area Vice President

If you are interested in software demos at your club, please contact Tom Robinson or Jeff Gierloff. These demos are also available through the Computer Group meeting.

#### **REMINDER**

Neither NAIC, the Alabama Chapter or the Directors or volunteers are allowed to recommend specific stocks for purchase or sale. Individual stocks may be discussed, but the investors must perform their own analysis for decisions made in their own portfolio.

#### **Volunteers for Chapter**

The Alabama Chapter is always looking for volunteers to serve as Chapter Volunteers and Associate Directors.

The pay isn't very good, but you get other rewards by learning and helping your fellow man. Here's an opportunity to learn more about the investment world according to the NAIC way and then use this knowledge in helping others through the Chapter organization. Directors for the organization are chosen by the Nominating Committee from those who serve as Associate Directors and Assistants. If you are interested in serving in either of these two areas please contact your area Vice-President or the Chapter President.