
BetterInvesting™ Coastal GA/SC Chapter
April 2006 Newsletter

Below is information related to the following:

- Special Notes
- Commentary
- Chapter Classes/Events
- Computer Group
- Club News
- Volunteer Opportunities

SPECIAL NOTES:

Email Announcements:

Please remember to share our chapter announcements with others who may not be receiving these messages. If you know of others with email who would like to be on this list, please ask them to email us. sgallemore@georgiasouthern.edu

Chapter Web Page:

Members and other interested investors may find information about our events, past email newsletters, and other chapter information at:

<http://www.betterinvesting.org/chapter/coastal-chapter> or
<http://www.georgiasouthern.edu/~sgallemo/coastal-chapter>.

Postcards to Clubs:

Please note that only one person per investment club receives the Chapter postcards announcing chapter workshops and activities. This BetterInvesting contact person should share information on that postcard with all club members. Postcards come out a maximum of once per month.

Find-A-Club Program:

The new Find-A-Club program has been launched in a few Chapters as a pilot program. The idea of this program is to build a Club Database to be used to refer individuals to clubs. The Coastal Chapter is not among these pilot groups, but will participate when the program is extended to all Chapters. In the meantime, you will

note that we have a section of this newsletter (near the bottom) that invites clubs to notify us if they welcome visitors to club meetings. Such visits, as noted, imply no commitment on either the visitor's part or the club's part where potential membership is concerned. However, most clubs require one or more visits before considering an individual as a potential member.

Club Visits:

Chapter Directors would like to visit your club to assist with club operations and provide a brief portfolio review of your club's holdings, to learn of your education interests, and to provide information about other services the chapter may be able to provide, and of course to provide an opportunity for club members to participate in a question/answer session. Please let us know if you would like to schedule a visit.

sgallemore@georgiasouthern.edu

Better Investing Seminars:

If you know of a group that would like a free *Better Investing Seminar* presentation (overview of the BetterInvesting investment principles, how to get started investing, information about investment clubs, etc.), please let us know. For more information: sgallemore@georgiasouthern.edu.

COMMENTARY

Sandy Gallemore, Chapter President

Some investors have trouble figuring out the differences between stockbrokers and investment advisors. Not long ago the WealthAdvisor (Pinnacle Investment Management Inc) published a short article that helps us determine the difference.

The lines between stockbrokers and professional financial advisors who manage investment accounts for clients, charging a fee for that service, are often blurred because many brokerage firms now offer look-alike fee-based accounts. Brokerage firms are advertising their roles as "advisors" and "long-term investment planners." As a result, the Securities and Exchange Commission (SEC) has become concerned that investors are confusing the two and will be proposing some specific disclosures brokers will need to make to clients/potential clients.

Responsibility to clients is the main difference between stockbrokers and investment advisors. The latter are required to act as fiduciaries ("in law, a person who is obliged to discharge faithfully a responsibility of trust toward another"). Investment advisors have a legal obligation to put the interests of clients first. On the other hand, stockbrokers are not bound by such a legal obligation. Brokers have an obligation to offer investments that are "suitable" to the needs of clients. Because what is suitable for a client is not always clear, protection for the investor is weaker than it is with an

investment advisor. When disagreements have occurred between a client and a stockbroker, some arbitrators have ruled that the stockbroker was not obligated to represent the best interest of the client.

In a survey by the SEC, consumers often could not distinguish between investment advisors and stockbrokers. The proposal to be made by the SEC most likely will ask brokers to disclose in "plain English" that the interests of the brokerage firm may not be the same as those of the investor.

As BetterInvesting members, we know to ask questions; we cannot assume that others have our best financial interest at the base of recommendations. We know that no one cares more about our money than we do!

Better Investing!

Upcoming national events:

BetterInvesting CompuFest, Reno NV, June 23-25, 2006.

BetterInvesting National Convention, Columbus OH, September 7-10, 2006

CHAPTER CLASSES/EVENTS

The next workshops/classes to be held at the Mighty Eighth will be Winter Quarter 2007. Other classes will be held as off-site/club-sponsored (see notice below).

For all workshops/classes, please use registration form on webpage.

<http://www.betterinvesting.org/chapter/coastal-chapter> or

<http://www.georgiasouthern.edu/~sgallemo/coastal-chapter>

Off-Site Classes (club sponsored)

Class requests: The Chapter is prepared to provide classes for clubs or other groups of the BetterInvesting community (including individual members). Requests for an event must reach the Chapter at least six weeks prior to the requested time of the class. Email us for information about available topics. pilgrimdi@netscape.net

Responsibilities of the host: The host must guarantee a minimum of 10 pre-registrations for the day and is responsible for arranging suitable classroom accommodations, including a large screen, podium, table space for the presenter(s), etc. Further information is available on our webpage.

Registration requirements: The Chapter must receive the pre-registration forms with

fees enclosed at least 14 days in advance of the planned date. Chapter registration forms must be used – see our chapter web site (or alternate site) or email us for a copy of the form. <http://www.betterinvesting.org/chapter/coastal-chapter> or <http://www.georgiasouthern.edu/~sgallemo/coastal-chapter> or email pilgrimdi@netscape.net.

CHAPTER COMPUTER GROUP

Please respond to this email if you are interested in assisting with the re-formation of a Chapter Computer Group.

INVESTMENT CLUB NEWS

If your club would like to highlight its successes or share ideas, let us know and we will include the information in this section of the Newsletter:
sgallemore@georgiasouthern.edu.

Should you have a group of people interested in forming a new club, please let the Chapter know (you may reply to this memo with that message). We love to help new clubs form.

Clubs Currently Welcoming Visitors

Women Investing Now (WIN) Investment Club of Statesboro GA welcomes visitors to most of its monthly club meetings, which are held on the fourth Tuesday of the month. Visits to the club do not constitute any commitment on the part of the individual or the club regarding potential club membership. Please contact the club if interested in visiting. sgallemore@georgiasouthern.edu

Please note: The Chapter cannot publish any advertisements for new club members, nor can we publish any requests of individuals to be put into contact with a club. The best way to determine if a match-up exists is to attend workshops and look for others in your area, or to mention your interest in investment clubs to people you see in your area.

CHAPTER VOLUNTEER OPPORTUNITIES

The Coastal GA/SC Chapter has openings for a few Associate Directors and Volunteers who would like to assist with Chapter operations, publicity for our workshop classes and activities, teaching, and/or with providing other services to our membership.

If you are interested in serving as a chapter volunteer, please respond to this email or contact our Volunteer Coordinator. Not only will you be sharing your talents to help others improve their investment skills, but also you will have unique opportunities to improve your own investment knowledge by attending national BetterInvesting and Chapter director training programs. Volunteer Coordinator: Valjean Stell-Burns, valsburns@comcast.net.