Axelson, Williamowsky, Bender & Fishman, P.C.

November 2009

What's Inside

Firm News

Newsletter Launch

Welcome to the premier issue of the Axelson, Williamowsky, Bender & Fishman, P.C. Newsletter. Our goal in launching this quarterly publication is to provide our clients, partners and valued members of our community with:

- Firm News - Latest firm news, events and updates
- Advice of Counsel - Expert advice and commentary directly from experienced attorneys
- Case Files - Hard-hitting industry news and timely articles relevant to our clients' needs and interests
- The Jury Box – Your chance to go on the record with your comments, survey responses and legal knowledge

We hope you find the newsletter engaging, informative and relevant. This is a new outlet for us to communicate with our audience and we are depending on your expert testimony to inform us on what's working, what needs to be thrown out and what you'd like to see in future issues. Send your verdict to tlb@awbflaw.com.

Website Revamped

The Axelson, Williamowsky, Bender & Fishman, P.C. website (http://www.awbflaw.com) has been fully redesigned to better reflect the firm's identity, practice areas and accomplishments. Visitors now have easier access to:

- Help and advice from our attorneys
- Firm news
- Full-Service Practice Areas
- Law Updates and Opinions

Advice of Counsel

Top 5 Steps to Wealth Preservation

Attorney Jeffrey Axelson, knowledgeable and experienced in the area of financial law, shares five critical steps towards maintaining and protecting your wealth during challenging economic conditions.

1. Keep the Faith – Resist the urge to cash out investments tied to stock performance. If you take your money out now, you'll never recoup the losses incurred during the down years when the market rebounds.

2. Leave a Map - Creating a will, trust or other estate planning document can be an unpleasant process, but it is nothing compared to the complications, frustrations and potential additional taxes your family will have to endure if you don't clearly state how your assets should be maintained.

3. Be a Friend, Not a Bank – Avoid issuing loans to friends or family members. Recouping your funds can take years and can often hurt relationships, especially in recessionary periods.

4. Adjust Your Sights – Try to make decisions supporting your end-state goal (retirement, vacation home, etc) rather than focusing on the day-to-day fluctuations of your investments.

5. Trust is Key – None of the steps listed above will be effective if you're not working with someone you trust and respect.

For a one-on-one consultation with Mr. Axelson, please contact (301) 738-7600

The Jury Box

Reader Survey

We want to make this newsletter a must-read for our clients and business partners by delivering valuable advice and analysis from our attorneys, who have more than 100 years combined experience, on a range of legal topics, concerns and practice areas. This quarter, we are featuring the Top 5 Steps to Wealth Preservation. Which one of the following topics would you prefer we cover in our next issue?

A. Employment Law
B. Foreclosures
C. Real Estate Settlements
D. Workers' Compensation

Submit your responses via email to tlb@awbflaw.com

Case Studies

Your Retirement: Create a Plan B

Working longer and contributing more are the keys to reviving your savings.
By Mary Beth Franklin, Senior Editor
From Kiplinger's Personal Finance magazine, October 2009

WHERE YOU ARE: You lost 30% or more of your retirement savings in the market crash.

WHERE YOU WANT TO BE: Able to retire comfortably within the next five to ten years.

HOW TO GET THERE: Take a deep breath, assess the damage, and figure out how to rebuild. That's what Penny Spidle, 62, did after she and her husband, John, 59, lost more than 40% of their retirement savings. Penny had hoped to retire this year, but when she opened her 401(k) statement for the first quarter of 2009 and saw that it had fallen 42% from the year before, she knew that was no longer possible. "I panicked," she says. "I thought, "Oh my God, we're going to starve to death when we're old.'"

Fortunately, Penny's employer, Arch Coal, a mining company in Wright, Wyo., is among a growing number of companies that offer personalized investment advice to workers through their 401(k) plans. For an annual fee of 0.6% of her account balance, Penny is entitled to ongoing, personalized advice and professional management of her 401(k) investments from Financial Engines, an investment adviser for workplace retirement plans.

Refocus your investments. After a lengthy telephone interview to pinpoint her retirement-income goals, the status of all of her investments and other sources of income, Financial Engines recommended that Penny gradually pare the international stocks in her account, in which she had invested more than half of her money -- a much too aggressive asset allocation for someone so close to retirement. Instead, she is creating a more broadly diversified portfolio, including about 20% in a stable-value fund (see Stable Funds in Chaotic Times, http://www.kiplinger.com/magazine/archives/2009/10/stable-value-funds.html).

When Penny's second-quarter statement showed positive returns for the first time in more than a year -- largely due to the stock-market surge after March 9 -- she was ecstatic. Even more thrilling was her initial financial report from Financial Engines, which showed she had a 95% chance of meeting her retirement-income goal of $64,000 a year -- assuming she maintains her current contribution level to her 401(k), continues to work for three more years and waits until she retires at 65 to begin collecting Social Security benefits. "I was worried that I'd be working until I was using a walker," says Penny. "Now I think I can attain my new goal of retiring at 65."

If you don't have access to personalized financial advice at work to help get your savings back on track, you can hire a financial planner (find one in your area through the Financial Planning Association). Or try a free retirement-planning tool, such as TD Ameritrade's new WealthRuler, Fidelity's MyPlan or T. Rowe Price's recently revamped retirement-income calculator.

Work a few more years. Many older workers assume they will have to work five or ten years longer than they had planned to make up for last year's stock-market losses. But a recent analysis by Financial Engines found that big investment losses don't necessarily translate into equally big declines in projected retirement income. That's because some of that retirement income will come from future savings and Social Security benefits -- neither of which is affected by past stock-market losses. For Penny and many others who are nearing retirement, delaying their plans by just two to three years can get them back on course without any increase in annual savings.

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Practice Areas:

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Real Estate Settlements & Transactions

Business and Tax

Employment Law

Foreclosure

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