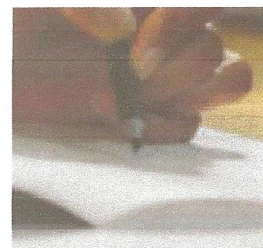




**LPL Financial**  
**Eric Wasson, CFP®**  
CERTIFIED FINANCIAL PLANNER™  
Member FINRA/SIPC



This is the time of year when many of us are planning shopping trips as well as get-togethers' with family and friends. Don't forget build in some rest and relaxation time to combat the stress and fatigue that often accompanies this time of year!

You will notice that I have made a small change in the newsletter. I have decided to add a section that will highlight a few local events that will be taking place each month. I hope you will find this helpful when planning your calendar. I look forward to your feedback!

I would like to thank everyone who submitted answers to our question last month. The winner of the drawing for the October newsletter question is (not drawn yet). Congratulations, xxx!

This months drawing will be for a \$25 gift certificate to Red's Shoe Barn in Dover. And the question is...

What is a graduated repayment plan? [Click here](#) to submit your answer by email. Good luck!



**Aztec Financial Group**  
**[www.aztecfcg.com](http://www.aztecfcg.com)**

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## **Interesting Facts!**

When most of us think of the origins of Thanksgiving Day, we think of the celebration that occurred between the settlers and Indians after that first successful harvest in Plymouth. In truth, however, this day was not referred to a day of thanksgiving.

The American Thanksgiving has its origin in the faith practices of Puritan New England. To the Puritans, a true "thanksgiving" was a day of fasting, prayer and pious humiliation, thanking God for His special Providence. Auspicious events, such as the sudden ending of war, drought or pestilence, might inspire a thanksgiving proclamation.

It was not until the 18th century that the Thanksgiving celebrations we know today began to take shape.

## **Local Events!**

**Dover Holiday Parade:** December 1st from 3:00 to 5:00 pm. For information on this and other holiday events in Dover go to:  
<http://dovernh.chambermaster.com/events/calendarcatsid/3>

**Country Jamboree:** November 22 at 7:00 pm at the Rochester Opera House. For detail on this and other events at the Opera House go to:  
<http://www.rochesteroperahouse.com/index.html>

**Mah Jongg:** Every Saturday at 10:00 am at the Portsmouth Public Library. For details on this and other events at the Portsmouth Public Library go to: <http://www.eventkeeper.com/code/events.cfm?curOrg=PRTSMTH>



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## Payback Time: Facing Student Loans



It takes four years, on average, to graduate from most colleges and universities. During that time, students can amass some hefty debts. For many people, the degree is worth the burden of accumulated debt. However, these questions remain: How should the debt be repaid? And, are there any plans that can help make "payback" easier?

Today, there are plans available that offer flexible payment schedules. Students applying for a Federal student loan now can choose a graduated repayment plan that will allow them to make smaller payments upon graduation and larger payments at a later time when they may be earning more money in the working world.

Students also have the choice of an income-contingent repayment plan. This plan requires them to pay a fixed percentage of their postgraduate income above the poverty level of a single person, which is \$11,490 (Department of Health and Human Services, 2013), toward their student loan.

A third choice is an extended repayment plan that offers monthly payments and allows graduates to extend their loan payment schedules up to 25 years.

### Consolidation Offers Flexibility

There is also good news for students who are already debt laden. Under the Student Loan Reform Act of 1993, existing loans can be consolidated with a direct loan from the government. This plan offers a more flexible repayment schedule while interest rates remain the same.

To be eligible for this plan, student loan recipients need to ask their original lender for an "income sensitive" repayment option. This plan adjusts the monthly payments for the loan's capital, but not the interest, to annual income. If the original lender will not agree to this option, the student may then be eligible for a direct loan from the government.

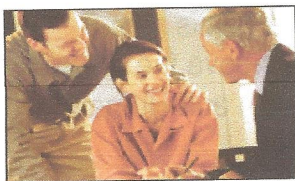
Two advantages of a direct government loan are as follows: First, the monthly installment payments of principal and interest are contingent upon income. Because the payments are withdrawn from wages, there will be less paperwork. Second, as wages increase, the percentage withdrawn from pay will also increase, allowing the loan to be paid off more quickly and with less accrued interest.

For students who need to borrow for the current school year, direct loans (and the income-adjusted repayment plan) are also available if they're attending one of the schools participating in this plan. Parents may also be able to obtain a Direct PLUS loan for up to the entire cost of their children's college education.

For more information regarding Federal student aid programs, contact the Federal Student Aid Information Center at 800-433-3243, or check them out online at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

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## Making Life's Transitions: Determine Your Financial Staying Power



Some life transitions, such as a career change or wedding are planned. Others, such as a job loss or divorce, can be sudden and unexpected. One common thread that accompanies all transitions, however, is the concern about whether you will have enough money to maintain your lifestyle. This concern may be exacerbated by not knowing exactly when the transitional period will be complete. While the goal of finding a new job (in the case of job loss) or landing a first job in a new field (in the case of a career change) is clearly defined, it is the timing of achieving the goal that can cause financial anxiety.

One way of dealing with this problem is to determine your financial staying power. This exercise allows you to project how far your financial resources will carry you. While there may always be a certain amount of financial worries, by knowing how much time you have before additional resources will be needed, you can better concentrate on accomplishing your goal.



The process begins by examining how much it costs to maintain your current lifestyle. To do this, you will need to review your check book or online account and credit card receipts to find out where your money has been going. Don't forget those cash expenditures and frequent ATM stops that you make on a daily basis.

Once you have an idea of your average monthly expenses, you can compare them to the financial resources you have committed to the transition. This will include cash on hand; any reliable cash inflows, such as a spouse's salary; investment income or rental income; alimony or child support; a severance package or unemployment compensation, if applicable; and any investment assets you can liquidate in the event of a shortfall.

After recording your current expenses, you may project a modified spending plan. You can modify your current spending by noting areas where you can cut your budget without seriously compromising your lifestyle. Such modifications might include doing some things on a less frequent basis or seeking less expensive alternatives for some of your current habits.

Now that you have recorded the expenses of your modified spending plan, you are ready to further hone your plan into a "bare bones" budget. This third level of spending reduces your cash outflows to only those that are necessary, such as those for housing, food, transportation, etc.

At this point in the process, you have the information you need to decide how you will allocate your resources. You may choose to customize your plan, allowing you to continue funding your current lifestyle for a number of months, switch to a modified spending plan if you find that you need more time, and implement your survival budget if an unexpected obstacle prevents you from achieving your transition objective within the planned time frame.

Life changes can be challenging, but you can ease the financial pressures by planning at the outset how you will allocate your resources during the time of transition. By determining how much it will cost you to get from point A to point B, you can decide whether your transition plan is financially feasible or if modifications are necessary.

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## **Competitive Intelligence: Strategies for Success**



In today's rapidly evolving marketplace, businesses that once relied upon traditional networks to supply them with clients and customers are now forced to become more aware of the competitive landscape in which they operate. Increasingly, market researchers are seeking out intelligence that can enable them to better understand their external competitive environment, including information about rival firms, industry trends, regulatory changes, and the demands of potential and existing clients.

### Gathering Research

As practiced by most market researchers, competitive intelligence (CI) gathering is not akin to cloak-and-dagger corporate espionage. Instead, researchers generally adhere to accepted legal and ethical guidelines while trawling publicly available resources for clues about future developments in the industry. The data is then mined and analyzed in an effort to assess the implications of those developments for the individual organization. In the course of collecting CI, a marketer examines published materials available through sources such as the Internet and court records, and he or she may interview or network with industry experts, clients, and people familiar with competitor firms.

An obvious place to start when gathering CI is online. Trade journals and industry association websites are sources of potentially useful material, as are business and general newswires. While these news services will likely synthesize much of the market information of interest, you may also want to seek out more diverse online sources that provide updates on industry developments less widely reported. Depending on your business, these sources may include filings with the Securities and Exchange Commission (SEC), public record search services, market research services, government agency websites, and legislative monitoring services.

Networking is an invaluable source of knowledge about competitors. Gossip overheard at an industry event or conference can provide insight into rival firms that is not available in published form. Meeting with others in the industry, either formally or informally, also allows you to ask questions and probe for information that is of particular use to your firm. Even a casual conversation with a staff member from a rival firm can alert you to potentially important changes in the organization and in the



industry as whole. It is also possible to network online through blogs, discussion groups, and e-mail.

### Analyzing Data

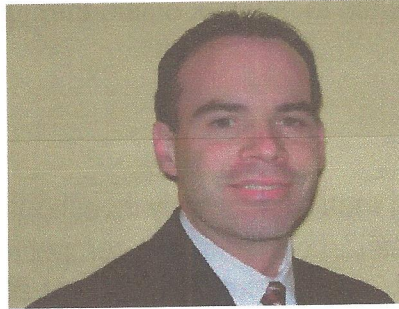
Competitive intelligence is about more than simply investigating rivals; the objective is to create a more successful organization relative to competitors. However interesting, the information gathered will only prove valuable if you are able to place it in a context relevant to your own company's market position. Information must be translated into "actionable" intelligence that can be applied directly to business planning and development. An analysis of the data collected can result in recommendations for new initiatives or changes in strategic direction, such as adjusting pricing structures or enhancing services.

When a business is able to predict more accurately which practice areas are likely to generate more or less business in the future, its leaders will be able to make more effective decisions about how to allocate resources. CI can also be useful in determining whether offering a particular product or service that appears to be in demand constitutes a sound business decision given market saturation levels. While conducting competitive intelligence research requires some investment of resources, gaining a more thorough understanding of the competitive environment can help you avert some costly mistakes and anticipate a market for services that may not yet exist.

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