

# Happy New Year 2010!



## *Dillard Financial Solutions, Inc.*

**Safe Retirement Planning**  
*"Guiding your Money to Safety"*

**1st Quarter 2010**

We would like to wish you—each and every one of you a Happy and Prosperous New Year. Both Steve and I have enjoyed all of the opportunities that have brought us together in 2009. We are even more excited about what is in store for you in 2010, guaranteeing great returns on your money. We are proud to know that in economic times such as these that you all have fixed guaranteed products that will provide a high return above and beyond what most people can find in products.

We would like to thank everyone who came to our Christmas Social. We enjoyed the fellowship with our friends and clients, both old and new. We are already looking forward to our first annual 2010 Dillard Financial Solutions, Inc. summer picnic.

The New Year is a time for goal setting. It is our goal to give you, our clients, the best possible service and to provide you with safe and secure portfolios. There are changes in the financial world for 2010. We have enclosed some of them in our newsletter. We welcome your questions and suggestions as the New Year rolls in.

Hope you all have a wonderful 1st quarter.

God Bless You,

*Steve and Teresa Dillard*



Steve & Teresa Dillard

*"For God has not given us a spirit of fear,  
but of power and of love and of a sound mind." 2 Timothy 1:7*

# *Military Member of the Quarter*

CMSgt Fred Drummond



CMSgt Fred Drummond is the 20th Security Forces Squadron Security Forces Manager, 20th Fighter Wing, Shaw AFB, SC. He is the principle advisor to the 20th Security Forces Squadron Commander on all base security, morale, and welfare issues, as well as the effective utilization and management of 208 Security Forces airmen directly supporting the 20 FW, HQ ACC, and USCENAF. He is also responsible for the development and implementation of Force Protection Policies and procedures for the security of vital 20 FW assets and personnel.

# *Clients of the Quarter*

Edith Ramirez and Linda Fisher



Edith and Linda are sisters that own a boarding and trail-riding horse farm in Ridgeway, SC. They enjoy horseback riding, bible studies and each other's close company. Linda has two children, Debbie and Mark.

## MONEY FACTS:

- "In God We Trust" was first printed on coins in the Civil War, but didn't make it onto all coins until 1955.
- Nearly half the bills printed by the Bureau of Engraving and Printing are one dollar bills.
- If you have a damaged bill and you have more than half, you can bring it to a commercial bank to be replaced.



## Why choose National Ethics Bureau licensed agents?

### In Today's Financial World... TRUST IS A MUST.

Now, more than ever, there is an increased need to know who you can trust in the financial services industry. By choosing an approved member of the National Ethics Bureau™, you will gain the added assurance of knowing that you are working



with an advisor who has successfully passed our Ethics Check System™ and has agreed to maintain our membership standards.

[www.ethicscheck.com](http://www.ethicscheck.com)

The National Ethics Bureau™ (NEB) is a membership organization of financial professionals who have successfully passed a comprehensive series of background checks and have agreed to maintain NEB membership standards. All members are admitted into NEB's online national registry, where consumers can view a member's approval status and professional profile. NEB is not a financial designation, nor does it sell or endorse any financial products.

All NEB members have successfully passed our annual seven-year background checks for criminal, civil and business violations.

The background check includes:

- Criminal Background Check*
- Professional License Check*
- Accredited Designation Check*
- Civil Background Check*



# Christmas Social 2009

*We would like to thank* everyone who joined us for the Christmas Social during the holidays. We had a wonderful time visiting with you all and hope that you had an enjoyable evening. We've included some of the highlights from the social.



**The Staff of Dillard Financial Solutions, Inc.**  
Steve Dillard, Toby Horton, Lee Folderman, Teresa Dillard & Glynn Ward  
(Not pictured: Don Beard, John Foran & John Holladay)





# Dessert Contest

Our dessert contest was a resounding (and delicious) success! Several of our clients brought beautiful and tasty desserts to sample and enter in the contest.



Above right: Teresa & Edith Ramirez, the runner-up winner of the dessert contest with her Coconut Cake. Edith proudly displays her prize!



## Putting Contest



Above: The winning dessert: "Not Your Mama's Banana Pudding" by Mildred Krause

Below: Teresa Dillard & Mildred Krause. Mildred's winning dessert was rewarded with a Walmart Gift Card!





# Kershaw County Show Choir

We were treated to a lively singing and dancing performance by the Kershaw County Show Choir. This performing group is comprised of 16 middle and high school students from the Kershaw County area. These students rehearse and learn their shows in their spare time with no financial funding or assistance from the school districts. For more information about the Show Choir, please contact Victor Jowers at (803) 425-0335 (home) or (803) 432-8433 (work).



## Prizes Galore!







# Good Friends & Good Times

---





# Word Search

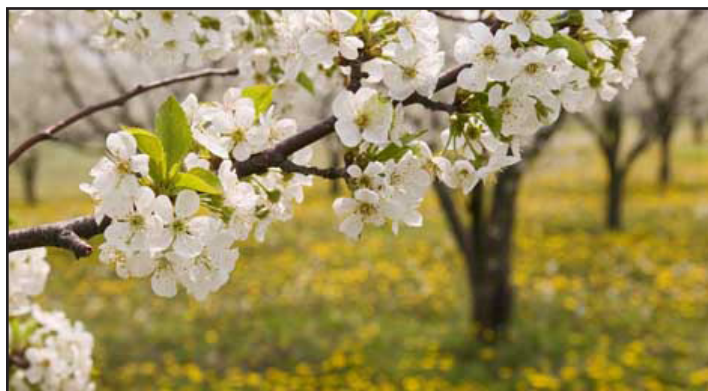
H	N	O	I	T	I	T	E	P	M	O	C	X	A
U	L	L	V	T	U	Z	E	O	D	S	V	R	E
R	A	W	H	E	D	R	I	E	A	P	R	I	L
R	T	G	O	L	N	D	T	L	L	A	D	N	A
Y	I	H	N	S	A	S	I	L	Y	I	E	S	C
F	N	O	E	R	U	V	A	O	E	G	N	P	S
O	O	S	S	R	E	B	I	R	V	I	R	E	N
R	I	T	T	D	E	D	M	R	M	A	U	C	N
B	H	O	R	S	E	S	L	A	D	O	B	T	O
I	S	C	A	R	L	E	T	O	R	N	R	B	I
D	U	B	A	L	E	I	G	S	N	I	E	R	N
A	C	H	I	E	V	E	Y	N	N	A	N	L	U
A	S	H	E	S	P	T	D	E	D	I	S	E	B
R	E	G	A	L	L	I	V	S	O	U	N	D	S

Achieve  
 Alive  
 April  
 Armor  
 Array  
 Ashes  
 Avoid  
 Baseball  
 Beads  
 Beside  
 Blend  
 Inspect  
 Latin  
 Linen  
 Nanny  
 Older  
 Ovens  
 Peach  
 Radio  
 Reeds  
 Reins  
 Rival

Burned  
 Competition  
 Cushion  
 Devil  
 Fight  
 Forbid  
 Ghost  
 Hills  
 Honest  
 Horses  
 Hurry  
 Scale  
 Scarlet  
 Shared  
 Sounds  
 Submarines  
 There  
 Trusted  
 Turtle  
 Union  
 Villager  
 Vitamin

# Sudoku

Fill the grid with numbers 1 to 9 so that every row, every column and every 3x3 box contains the digits 1-9, without repeating any numbers. Solution on page 6.



	8			3		7		2
			2		4		5	6
	5	2			3		4	
			6		1			
	1		9			6	8	
7	4		5		9			
5		6		8			1	3



# 7 THINGS TO KNOW

## ABOUT THE 2010 ROTH IRA CONVERSION RULES

*Remember when 2010 seemed like light years away? Well, the New Year's ball has dropped and 2010 is now upon us. As we welcome a new decade, we still linger with uncertainty within the financial realm. With estate planning and sunset provisions in question, uncertainty surrounds us.*

*One thing is certain though, the Roth IRA 2010 conversion is here. Though many are still left confused about the rules and guidelines, we are here to help. What does the 2010 Roth IRA conversion really mean? Let us answer that. Whether you are looking to convert Traditional IRA's or 401k's, here is a look at seven things that you need to know about the 2010 Roth IRA conversion rules.*

### 1. **Rules on Income Limits.**

Whether you are filing as an individual or married filing joint, the adjusted gross income level of \$100,000 will become nonexistent for the Roth IRA conversions of 2010. For higher wage earners, this is a prime opportunity to convert money into the Roth IRA to allow your money to have tax-free growth at retirement.

### 2. **You don't have to wait until 2010.**

For wage earners that make less than \$100,000 adjusted gross income, you can actually convert now. With the market being down as it is, this might be an excellent time to convert since you will be paying less income tax on the lower account value. By waiting until 2010, and if you are able, you may be having to pay a higher tax bill with market appreciation. If you convert too soon, you can always do an IRA recharacterization by October 15th of the year you convert.

### 3. **2010 is the year but not the year the tax is due.**

While 2010 is the actual year that you will be able to convert, the income to be claimed can be deferred until 2011 and 2012. Expecting a vast majority to take advantage of this, the IRS has set up special provision on how the tax will be paid. The IRS has granted you the option to claim 50% of the conversion amount as income in 2011 and the remaining 50% in 2012. Keep in mind that this is only in 2010. After 2010 the taxes will all be paid in full the following year going forward.

If you elect to pay the tax over the two year period, keep in mind that the tax rate is determined for that year only. Example: In 2011 you will pay the tax based on your tax bracket for that year. If your income were to somehow sky rocket in 2012, then you will be paying more in taxes that year for the conversion.

### 4. **You can save taxes now.**

Knowing that the event is just around the corner, and if you know that you are going to convert in 2010, it might make sense to go ahead and start accumulating the tax money now. Since you will be taxed at ordinary income levels you can get a sense of what the tax bill will actually be at

the time of conversion. So why not add a little extra to your emergency fund to insure that you have enough to pay the tax bill for this exciting event?

### 5. **Convert but Can't Contribute**

Just because the conversion limit of \$100,000 AGI is lifted, doesn't mean that the income restrictions are lifted for new contributions into the Roth. If you're over the phase out limits of the Roth IRA contribution, you will not be able to contribute new money to the Roth. There is a backdoor approach to this and that allows you contribute to a non-deductible IRA and then right immediately afterwards convert it to a Roth IRA and avoid all taxable consequence. It's a nice loophole that still allows you to continue to contribute to the Roth and benefit from the tax-free money.

### 6. **Convert Traditional IRAs and Old 401(k)s.**

The 2010 conversion is not limited to just your traditional IRA. If you have any old 401(k)s or any other retirement plans from a previous employer, those will also be allowed to convert as well. Might be a good idea to convert them all.

### 7. **What's the Cost Basis?**

If you have an old 401(k) that you have rolled over into an IRA, the question might be what do you use as the original tax basis? In the face of the 2010 conversion or any conversion in general the basis, or the amount that you will be taxed on, is the amount of the account at the time of conversion. For example, if you had an old 401(k) that was worth \$45,000 and rolled it over into an IRA, and now that IRA is only valued at 25,000, the 25,000 is the amount you'll use for your basis. If you elect to do the conversion at 25,000 and then as the year goes by and the account drops more, the option might be able to do what's called an IRA recharacterization.

\*Restrictions, penalties and taxes may apply. Unless certain criteria is met, Roth IRA owners must be 59 1/2 or older and have held the IRA for 5 years before tax-free withdrawals are permitted.

\* You need to talk to a professional in this area to review your personal needs to see if it is right for you.



# Happy Birthday



Jan 1st	Glynn Ward	Feb 5th	Shirley Bergeron
Jan 6th	LaVerne Crawford	Feb 6th	Luella Goff
Jan 7th	Delaney Scott	Feb 7th	Gladys Timmons
Jan 8th	Carol Rogers	Feb 22nd	Keith Irvin
Jan 9th	Nicholas Frost	Mar 2nd	William Miles
Jan 18th	Nicholas Bosiak	Mar 2nd	James Enochs
Jan 23rd	Brianna Scott	Mar 3rd	Bernadette Hartley
Jan 24th	Henry Byra	Mar 26th	Barbara Jolley
Jan 28th	Cathy Cook	Mar 27th	Timothy Smith
Jan 29th	James Frost	Mar 27th	Perry Pettiford
Feb 1st	Edwin Boyd		

## It's Time for Basketball!

### 2010 Clemson Basketball Schedule

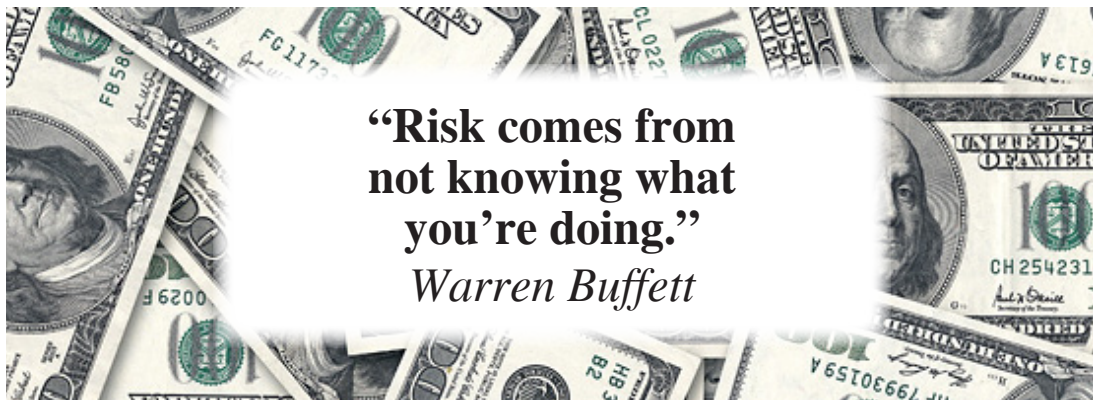
1/3	@ Duke
1/9	Boston College
1/13	North Carolina
1/16	@ North Carolina State
1/19	@ Georgia Tech
1/23	Duke
1/26	@ Boston College
1/31	Maryland
2/6	@ Virginia Tech
2/10	Florida State
2/13	Miami
2/20	Virginia
2/24	@ Maryland
2/28	@ Florida State
3/2	Georgia Tech
3/7	@ Wake Forest

### 2010 Carolina Gamecock Basketball Schedule

1/2	Baylor
1/5	Longwood
1/9	@ Auburn
1/13	LSU
1/16	Vanderbilt
1/20	@ Ole Miss
1/23	@ Florida
1/26	Kentucky
1/30	Georgia
2/6	@ Tennessee
2/10	Florida
2/13	@ Georgia
2/17	@ Arkansas
2/20	Tennessee
2/25	@ Kentucky
2/27	Mississippi State
3/3	Alabama
3/6	@ Vanderbilt

### Sudoku Solution from page 4

4	8	5	1	3	6	7	9	2
1	3	7	2	9	4	8	5	6
2	6	9	7	5	8	4	3	1
6	5	2	8	7	3	1	4	9
9	7	8	6	4	1	3	2	5
3	1	4	9	2	5	6	8	7
8	9	1	3	6	2	5	7	4
7	4	3	5	1	9	2	6	8
5	2	6	4	8	7	9	1	3



**“Risk comes from  
not knowing what  
you’re doing.”**  
*Warren Buffett*



# Need directions?



Let us show you  
our fixed annuities!

- Guaranteed lifetime income
- Access money in as little as 30 days
- Short 10 year contracts
- No upfront sales charges or fees
- Provides security in troubled times
- Upscale gains like mutual funds - but with no loss

*We can help you find your way to a secure future!*

*Call now for a free consultation.*

*Steve or Teresa Dillard*

*(803) 499-6623*



# *Upcoming Educational Events*

---

Educating you on the new Roth IRA Conversion:  
How to provide tax-free income for life



*January 26th, 11:00am*

*Bonefish Grill - Harbison  
Columbia, SC*

*February 2nd, 6:30pm*

*Rusty Anchor  
at the Lighthouse Marina  
Chapin, SC*

You and a pre-retiree or retiree guest are invited to attend one of our educational events regarding your financial future and preserving your retirement dollars. Dinner is complimentary. Call for more details and to reserve your seat for this informative event!

**R.S.V.P. (803) 499-6623**



*Dillard Financial Solutions, Inc.*

## 2010 Client Referral Contest

**"The Road to Success"**

### Refer a new client and win!

This contest is open to all current clients of Dillard Financial Solutions, Inc. Refer as many people as you like - the more you refer, the more chances you have to win!

Refer a pre-retiree or retiree to our agency and you will be entered into a monthly drawing for gift certificates and dinner vouchers or one of the (3) grand prizes that will be given away at our summer picnic in June.

For every individual or couple that takes advantage of our free, no obligation financial consultation, you, our client, will receive one ticket toward our monthly drawings and a chance for the grand prize drawing in June of 2010 at our summer picnic. Should one of

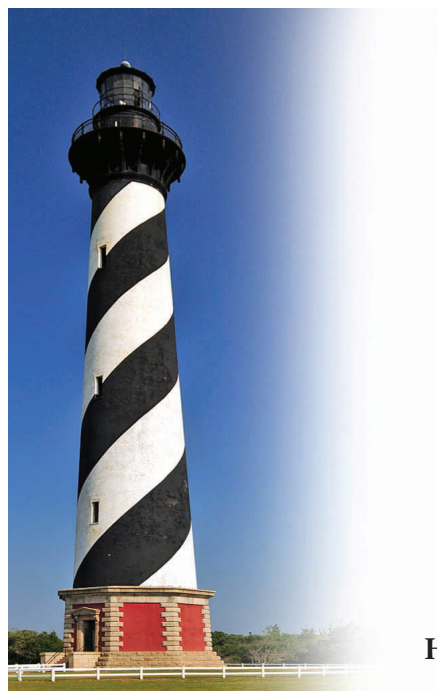
your referrals become a new client of Dillard Financial Solutions, Inc., you will be given a second ticket for even greater odds at winning.

It is a contest that will keep everyone talking!

All monthly drawings will be held on the last working day of each month and winners will be notified by phone. Odds of winning depend on the total number of entries received. Referrals who have attended the Dillard's seminars in the past are not eligible.



## Give us a call today! (803) 499-6623



*Dillard  
Financial  
Solutions, Inc.*

**Safe Retirement Planning**

**Phone: (803) 499-6623**

**Fax: (803) 499-3174**

**Toll Free: (800) 692-7643**

**Email: [dillardfs@aol.com](mailto:dillardfs@aol.com)**

**[www.dillardfsinc.com](http://www.dillardfsinc.com)**

**2381 Hwy 441, Suite C  
Sumter, SC 29154**

**Harrington Bldg, 7588 Woodrow St  
Irmo, SC 29063**

*Guiding Your Money to Safety*