

Working Capital Solutions

Benefits for All!

Small businesses win big in tight times with top benefits

The competitive edge for your business in today's challenging environment may well be a comprehensive benefits plan. Attract and retain valuable employees with basic medical and dental coverage, as well as 401(k) retirement plans and life insurance. All are available from **Investor Services at State Bank.**

Business Retirement Plans range from the simple and easy **Simplified Employee Pension (SEP) Plan**, which allows direct deposits to employees' IRAs, to the sophisticated **401(k) Retirement Plan**, with flexibility in participation and contributions, typically for companies with 10 employees or more. In between are the **Savings Incentive Match Plan for Employees (SIMPLE) IRA**, which offers tax advantages and low cost relative to 401(k) plans, and **Qualified Plans (Profit Sharing and Money Purchase)**, which may offer greater flexibility and discretion in setting employee eligibility requirements.



Investor Services helps small businesses in other ways, too, such as maximizing income on excess cash through a **Goldman Sachs Cash Sweep Account**, which automatically invests balances in an institutional money market fund.

Business Insurance can especially enhance a company's staying power. Investor Services offers **Key Person Insurance** to protect the business in case of the sudden death of a key employee. Insurance is also available through **Split Dollar Arrangements**, which is life insurance that can be used to compensate key employees, allowing two or more parties who share or "split" the death benefit, premiums, and cash value. **Buy-Sell Arrangements** offer another option and protect the interests of business owners and help facilitate continuation of the business.

For some employees, nothing is as dear as good health insurance. Investor Services offers a full spectrum of **Group Health and Dental Plans (HMO/POS/PPO)**, providing optimum coverage at an affordable cost. Products include medical, dental, disability and long-term care plans. Managed health care programs are available on a fully insured or self-funded basis.

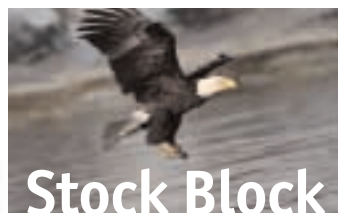
To learn more, or to have an experienced Investor Services representative evaluate your companies' needs, please call **800-721-3863** or email invest@statebanktx.com.

Coming Soon

Tablet PC is the buzz



Electrovaya, maker of Scribbler, is just one of many PC makers that will soon introduce Tablet PCs. Windows XP, touch-screen and handwriting recognition, and a size between laptop and palm can be yours for a little over \$2,000. See www.wired.com/news/technology.



Stock Block
Flying high again? A dreadful September gave way to the best October in a generation in the stock market. Technology and financial stocks have rallied, even as many "safe" stocks have tumbled. Now President Bush has led a stunning mid-term takeover of the Senate. The Fed has slashed interest rates to 1958 levels, too. Still, a lack of demand in many sectors is a nagging problem. Just as the summer bounce failed, the fall sprint looks labored. Will November's early surprises recharge the bull?

Not FDIC Insured · May Lose Value · No Bank Guarantee

Current Economic Indicators

(Source: Barron's)

	Latest Date	Latest Data	Latest Preceding Period	Year Ago
Durable goods produced	Sept.	180.0	180.8	176.1
Capacity Utilization %	Sept.	75.9	76.0	75.5
Gross domestic product	3rd qtr	+3.1	+1.3	-0.3
Industrial output	Sept.	140.5	140.6	138.5
Manufacturing	Sept.	145.1	145.4	142.9
Nondurable goods produced	Sept.	111.3	111.3	110.5
Personal income, (Bil. \$)	Sept.	9,026	8,989	8,771
Petroleum, daily runs, (Thous. bbls)	Oct. 25	14,384	14,221	15,075
Consumer spending, (Bil. \$)	Sept.	7,355	7,384	7,185
Personal consumption	3rd qtr	7,364.3	7,254.7	6,983.7
Retail store sales, (Bil. \$)	Sept.	302.46	306.03	258.61
Durable goods orders (Bil. \$)	Sept.	167.63	178.12	159.25
Factory orders, backlog, (Mil. \$)	Aug.	491.38	488.96	563.17
New factory orders, (Bil. \$)	Aug.	326.63	326.64	332.39
Nondurable goods orders, (Bil. \$)	Aug.	148.09	147.36	151.90
JOC-ECRI Industrial Price Index	Nov. 1	81.15	81.66	72.10
Consumer price index	Sept.	180.7	180.1	177.5
Producer price index (finished goods)	Aug.	138.6	138.5	141.1
Rate of inflation, %	Sept.	0.3	0.1	2.7
Employment Cost Index	3rd qtr	161.1	159.8	155.7
Initial jobless claims	Oct. 26	401,750	405,250	496,000
Unemployment rate, %	Oct.	5.7	5.6	5.4
New housing permits, (Thous. units)	Sept.	1,727	1,666	1,582
Consumer confidence (Conf. Board)	Oct.	79.4	93.7	85.3
Index of leading indicators	Sept.	111.6	111.8	109.2