



Protecting A Lifetime Of Memories

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Insurance Pro Shop

"Where your Retirement Dreams Become Reality"



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Protecting Yourself from Identity Theft

We have all heard stories about people who have been hurt by others assuming their identity and wiping out their bank accounts. You might have wondered about how likely that is to happen to you. The answer may startle you. Each year, on average, one person out of every twenty will be a victim of this type of crime*.

Known as "identity theft," it involves the unauthorized use of your name, Social Security number or other identifying information—such as your bank account or credit card number—to commit fraud or other crimes. Although identity theft wasn't caused by the Internet or the dawning of the information age, the Internet and the computers connected to it have made this kind of crime easier and more profitable than ever before. Although senior citizens seem to be more at risk, in part due to their generally more trusting ways, virtually

anybody can be a victim.

Once an identity thief has obtained your credit card number, he or she usually uses it to start spending right away. Typically, these thieves purchase expensive products they can re-sell easily on the "street," such as stereos and computers.

Since you probably won't know you are the victim of identity theft until your monthly credit card bill arrives, the thief may have thirty days during which to reach your credit limit. To make things worse, the identity thief may change your mailing address on the credit card company's records. In that case, it could take months before you realize there's a problem—and only then because you got a call from a bill collector! It isn't just your credit card that can be abused, however; the thief may negotiate car loans,

...continued on top of page 2

Interesting Facts:

-The Amazon Jungle provides about 15% of the Earth's new oxygen

-The common Black Ants and Wood Ants have no sting, but they can squirt a spray of formic acid. Some birds put ants in their feathers because the ants squirt formic acid which gets rid of the parasites.

-Roy J. Plunkett of New Carlisle, Ohio invented Teflon in 1938.

Is a Brokered CD in your Future?

There is no question about it. As we age we become more conservative in lots of ways; one of those ways is in the investment risks we are willing to take. Often that means our stock and bond portfolios are replaced by savings vehicles.

A certificate of deposit your broker may suggest to you—appropriately called a *brokered CD*—typically offers higher rates than a traditional CD, and the broker may even promise you the ability to avoid withdrawal penalties for cashing out early. Since the broker receives fees from the issuing bank, he or she will probably tell you that no fee or commission will reduce your investment. But, before you purchase that brokered CD, you need to get all the important information.

Brokered CDs are issued by banks, not a broker. Typically, the bank issues a "master CD," and brokers sell interests in it to you and me. These CDs generally have a longer holding period before they mature, are more complex and typically expose investors to more risk than traditional CDs.

Premature withdrawal penalties are avoided because—instead of requesting a withdrawal of your money from the issuing bank—you sell your CD in a secondary market, i.e., a market in which investors purchase investments from other investors, that is maintained by the broker. Sometimes, however, paying a withdrawal penalty may be better for you. Let's look at why.

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Tax Planning

It's always a good idea to periodically check your stock and bond portfolios to see if your investment allocations need rebalancing and to identify gains or recognize losers whose time is up.

Before making any changes, however, be sure to consider the tax ramifications.



Need More Income? Call now for your **FREE** report... Retirees Guide to 'A Worry Free Retirement'

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DO YOU KNOW?

Seniors save through Rx drug discount card.

An independent analysis of the Medicare-approved drug discount cards found the average savings to participating seniors is more than \$1,200 on average.

The Lewin Group, a nonpartisan economic analysis firm, examined 150 prescription drugs used most often by Medicare recipients and found the discount cards generated savings of nearly 20 percent off the retail price of those drugs.

"Despite some of the unfortunate misinformation going around, this new report, and others like it, show that seniors who don't sign up for the Medicare approved drug discount cards are leaving money on the table," Sen. Larry Craig, R-Idaho, the chairman of the U.S. Senate Special Committee on Aging said Wednesday.

Craig also urged seniors with questions about the program to call 1-800-MEDICARE, a hotline operated around the clock to help seniors match their needs to the available discount cards.

For More information on the Medicare Prescription Card, Please contacts our office or the Medicare hotline.

Source <http://www.aarp.org>

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Protecting Yourself from Identity Theft

purchase cell phones and obtain many other products and services—all in your name.

Although everybody is at risk, you can use some simple measures to protect yourself from identity theft:

- Remove all identifying information not used regularly from your wallet or purse.
- Give no personal information to others unless absolutely necessary, and don't have it printed on your checks.
- Make a list of the numbers of those credit/debit card numbers you carry, and put it in a safe place.
- Shred pre-approved credit offers or other mail containing personal information you receive.

You can also stop receiving pre-approved credit offers by opting out. Just call 1-888-5OPT-OUT (1-888-567-8688) to prevent the national bureaus from releasing your name on the lists used to promote these offers.

You can learn more about identity theft and what you can do if you become a victim by going to the following Websites:

*Based on a 2002 Federal Trade Commission survey of 4,057 adults.

The Federal Trade Commission

<http://www.consumer.gov/idtheft/index.html>

The U.S. Department of Justice

<http://usdoj.gov/criminal/fraud/idtheft.html>

The Victims Assistance of America, Inc.

Is a Brokered CD in your Future?

Usually, your desire to sell your CD is motivated by a spike in interest rates. Since your 6% CD isn't very attractive to other investors when they can get one paying 8%, the broker will have to sell it at a discount; this reduces the funds you can expect to receive. Furthermore, your broker will charge you a fee for his or her services. After discounts and fees, you might have gotten more if there were a premature withdrawal penalty. Also, your broker is not required to maintain a secondary market for your CD.

Sometimes brokered CDs contain a call feature allowing the bank to redeem them at par. When thinking about investing in a callable CD, you need to consider that the call feature only works in the bank's favor. And, callable CDs are only called when their stated interest rate is high compared to other interest rate options—leaving you with only lower interest rate

vehicles in which to invest.

You should consider purchasing a callable CD only if you:

- Require an FDIC-insured investment
- Are willing to assume the call risk in order to obtain higher returns, and
- Expect that interest rates will remain steady or increase slightly over time

Although brokered CDs involve higher risks they also provide some benefits. The key to investing successfully in these products is to do it with your eyes wide open.

For More information on brokered CDs, Please contact our office today!

877-297-4608