UTAH'S RESOURCE GUIDE
FOR LIFETIME FINANCIAL SECURITY

Take Charge Of Your Future Now!

CONTENTS

Welcome to *Your* Financial Resource Guide for Utahns

This guide is to help you prepare for a lifetime of financial security. It will serve as an ongoing reference whether you are starting the process, making new decisions, reviewing your progress, or realigning your activities to assure that your future needs and goals are met. It will increase your financial literacy and help you to manage your resources wisely without providing specific recommendations for any one option or resource.

Why should You act now?

You should assume the responsibility to do everything in your power to prepare for an adequate and secure financial future. The time to start or review that preparation is now.

Lifetime financial security includes these elements:

- Current earnings from employment
- Individual savings, investments, and pension plans
- Access to adequate and affordable health and long-term care
- Social Security insurance

The Social Security program is an important "safety net," a part of your financial foundation. It was not designed or intended to provide for all of your future financial needs. In addition to Social Security, you will need to carefully plan, systematically save, prudently invest, and take advantage of opportunities to participate in retirement plans offered by employers. The ability to provide for health and long-term care costs may require significant resources. You may choose not to retire in a traditional way and instead continue to work in order to enhance your ability to meet your needs or lifestyle choices.

Utahns generally enjoy longevity and good health. Your financial resources must last as long as you do. You may face challenges if there is not enough money to deal with a health or personal crisis, investments don't work out, or pensions are inadequate or non-existent.

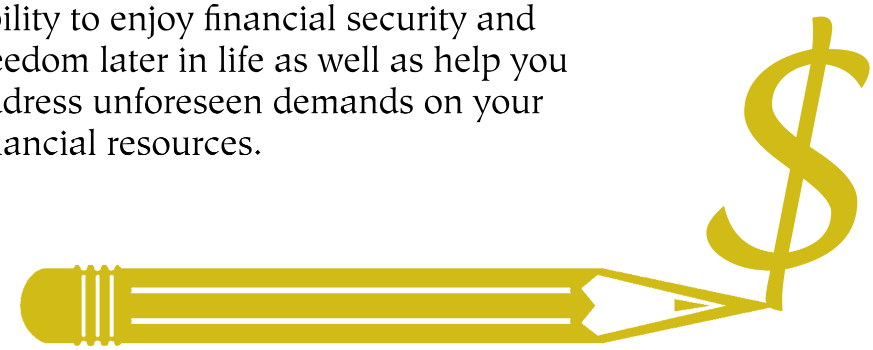
This resource guide will provide practical, unbiased, and fundamental information on topics related to saving, managing, and protecting your assets. It will also direct you to local and national resources that you may find helpful.

AARP Utah and the Utah Commission on Aging hope that you will benefit from this reference material each time you consider a decision along your financial journey. Please take the time now to prepare for and secure your financial future.

PLANNING FUNDAMENTALS

Financial planning is something anyone can do. It is essential, no matter how much money you have, to have a plan and to review it periodically. Learning to build, manage, and protect your assets over time will assist in your ability to enjoy financial security and freedom later in life as well as help you address unforeseen demands on your financial resources.

Financial planning begins with the collection and assessment of your personal financial information: assets and liabilities (net worth), income and expenses (budget), and a list of financial goals and objectives.



Evaluating Your Net Worth

Net worth is the best measurement of the current state of your financial health. Your spending, investing, and other financial decisions should be influenced by your net worth. It provides a benchmark about how well you are doing.

Your net worth is the total value of your savings and assets (what you own), minus the amount of your debt or liabilities (what you owe). It is the difference between your total assets and your total liabilities.

It is important to calculate your net worth at least once a year to make sure you are on track for your desired goals. Is your net worth positive or negative? Is it improving or getting worse? To increase your net worth you will need to develop good habits that minimize your expenses and debt, and maximize your ability to consistently and prudently save and invest.

Assets
- Liabilities
= Net Worth

Budgeting Your Income and Expenses

A budget is a snapshot of how and why money flows through your life. The process of creating a budget is a process of self-discovery that reveals how you live your life. To prepare your budget:

- *List your sources of funds including your income.*
- *List your expenses and uses of funds; e.g., fixed, variable, monthly, other.*
- *Evaluate the results:*
  - Do you have enough income for your expenses?
  - Are you able to pay bills on time?
  - Are you able to save and invest?
- *Rethink your options and goals.*
- *Adjust your budget to make progress towards your goals.*

Reviewing monthly expenses may reveal new and easy ways to save. *Three simple guidelines for reshaping your financial journey are:*

- Live within your means.
- Take care of your health, home, and basic living expenses.
- Adjust habits of consuming so you can put the money to better use.

Every time you reduce your costs, you give yourself more money to use for some other purpose in your life. Even if you do a simple budget, you'll still find places to save money. Most of all, you will know yourself a little better and feel more in control.

Budgeting Your Income and Expenses, cont'd

CREATE A RECORD-KEEPING SYSTEM

Maintaining an organized, easily accessible record-keeping system is a useful way to monitor a budget. Record keeping means keeping track of monthly and annual expenses. It also involves keeping track of the important legal, personal, and family documents that represent the rights and protections that you and your family can expect to have. Important documents that should be included are:

- Bank or credit union accounts
- Investment accounts
- Retirement accounts
- Credit card accounts
- U.S. savings bonds
- Insurance policies
- Tax records
- Real estate papers
- Legal and personal documents
- Professional directory of advisors, agents, accountant, attorney, etc.

DEBT MANAGEMENT

A primary financial goal should be to eliminate all of your consumer debt so that less money goes towards paying interest and more goes towards increasing your savings and investments.

The right kind and amount of debt may be necessary when purchasing items such as a home or an automobile.

Where possible, use tax-deductible debt (home-equity loan) instead of non tax-deductible (car loans and credit cards). High-interest, non tax-deductible debts are roadblocks to building net worth and should be paid off as quickly as possible with available resources.

When applying for a loan, shop around for the lowest interest rate and lender fees. Compare loan terms, the annual percentage rate (APR), and the closing costs. Carefully assess your ability to repay the loan on time.

Be informed and very cautious of the high costs and pitfalls of the easy-to-access, short-term "payday" loan outlets. Consider preferable alternatives for dealing with a cash flow crisis.

Your Goals and Objectives

Making wise decisions on how you make money, spend it, invest it, and protect it is critical to successfully completing your financial journey. Charting your course involves identifying goals and objectives that provide clear indicators as you progress and implement your plan.

Goals may include:

- Reducing your living expenses
- Reducing your taxes
- Reducing your debt
- Insuring and protecting against personal and property loss from illness or injury
- Saving for retirement and long-term care needs
- Saving for your children's or grandchildren's college education
- Conserving and distributing your estate to heirs or charity

Consider these questions to assist in your planning process:

Where do you want to be?

Knowing your long- and short-term goals means everything in money management. If you don't know where you want to be, you won't know how to get there.

- What are you planning for — car, home, retirement?
- What amount of money will you need to achieve that goal?

Where are you now?

To achieve your financial goal, it is critical to know the distance between where you are now and where you want to be.

- What is your starting point?
- How much money can you put toward your goal now?
- What barriers exist that prevent you from moving forward?

How much time do you have?

The relationship between time and distance plays a big role in planning.

- How far do you need to go?
- How much time do you have?

What financial vehicles are appropriate to help you arrive on time ?

Look for the financial vehicles that have the potential to help you reach your goals. Strategies include:

Preservation and safety of money: certificates of deposit, money market funds

Earning steady income: bonds and/or bond funds, rental properties

Growing more money: stocks and/or stock funds, real estate

Risk is a part of our daily lives. It is important to have adequate insurance protection so that you and your loved ones don't suffer heavy financial losses. Be sure you have all the insurance coverage you need and that you actually need all the coverage you have. If you don't understand your policies, seek an explanation from a reliable and trusted source.

Common forms of insurance include:

- Health insurance
- Long-term care insurance
- Social insurance programs: Social Security, Medicare, Medicaid
- Disability insurance
- Life insurance
- Auto insurance
- Homeowners insurance
- Liability insurance

As you review each policy, ask yourself these questions:

- Do I need this policy?
- Is the maximum coverage adequate for my situation? (e.g., increasing home values)
- Am I getting the best value for the premium I'm paying?
- Would I save money and still keep adequate coverage if I had a larger deductible?
- Should I compare similar coverage with another insurance company?
- Are there gaps in my coverage or situations that my policy wouldn't cover?
- Would I get a discount by having all my policies with the same company?
- Am I getting good and honest customer service through my agent or the company?

Health Insurance

All health plans are not equal. The best plan for you will depend on the health care you need, whether you have family members and what their needs are, and other personal factors. Features and options vary widely among the types of plans.

For most people, group health insurance is a better choice than individual health insurance. Some employers may pay a portion of the insurance premium. Group insurance usually costs less and offers more benefits. However, some people can't get group health insurance because they are self-employed, work for a company that does not offer a benefit, are no longer eligible for group coverage, or for some other reason must turn to individual health insurance plans.

TYPES OF HEALTH INSURANCE PLANS

Fee-for-Service Insurance: A fee-for-service insurance policy is a traditional kind of health insurance. It pays a part of each medical service you get, such as doctor visits or hospital stays. You pay the rest of the cost (co-pay). You can go to any doctor or hospital you choose. However, you usually pay a higher monthly cost for your insurance than if you were part of a managed care plan. Traditional health insurance is less common than it used to be.

Managed Care Plans:

In managed care plans, health insurance companies contract with doctors and hospitals to provide health care to their members. These doctors and hospitals make up the plan's network. In managed care plans, you may only have insurance coverage for the doctors and hospitals that are part of the plan's network.

■ **Health Maintenance Organization (HMO):** Your visits to the doctor are prepaid by the plan. You generally pay a small co-payment ($10-20) per doctor visit.

■ **Preferred Provider Organization (PPO):** This option allows you to use doctors and hospitals outside the plan network, but you usually pay more.

■ **Point-Of-Service (POS):** These plans combine characteristics of HMOs and PPOs. You choose a primary care physician who controls all aspects of care, including referrals to specialists. All care received under that physician's guidance is fully covered. Care received by out-of-plan providers is reimbursed, but you pay a significant co-payment or deductible.

Most managed care group plans have an "open enrollment" period each year. Open enrollment is usually a one-month period during which managed care plans must let people join, even if they have an ongoing, serious medical problem. You can sign up for a group managed care plan during an open enrollment period without having to prove medical insurability.

WHAT DOES MY HEALTH INSURANCE POLICY PAY FOR?

It is important to understand the coverage benefits and limitations of your health insurance policy. The answers to the following questions can help you compare both the cost and the benefits of the plans you are considering:

- How much will I have to pay each month (premium) for this plan?
- How much will I have to pay (deductible) before the plan begins to pay?
- Is there a limit for total deductibles paid in a plan year per family?
- How much will I have to pay (co-pay) for office visits to the doctor?
- Does this plan pay for preventive health care including routine medical checkups and shots, such as a flu shot, to prevent disease?
- Does this plan have rules for people who already have serious, chronic medical problems? Will these rules keep me from getting the care I need? If so, for how long?
- What services are covered by this health insurance? Will it pay for care at a hospital emergency room or urgent care center?
- Does it cover routine surgery, hospital stays, doctor visits, nursing home stays, home health care, and medical equipment and supplies?
- Does this plan cover visits to the eye doctor and the dentist?
- Does this plan cover prescription drugs?
- Does this plan pay for catastrophic medical costs?
- Is there a limit (stop loss) to how much I must pay out-of-pocket each year?
- Is there a yearly or lifetime limit to how much the plan will pay for medical costs?

INDIVIDUAL HEALTH INSURANCE CONSIDERATIONS

Many insurance companies offer health insurance plans to individuals. However, if you're over 50 years old, there may be a few barriers:

- It might be harder to find a company that will sell you a health insurance policy, especially if you have a serious medical problem.
- You might have to get a medical exam to prove you are insurable.
- Individual insurance usually costs more than group insurance.
- You might get fewer benefits than with group insurance.

OTHER SOURCES OF HEALTH INSURANCE

Association-Based Health Insurance: You might be able to get health insurance through a trade or professional association. Many professional, community, and religious organizations offer their members health insurance coverage at group rates. If you are a member of any trade or professional association, ask if it offers health insurance coverage. Review the list of coverage questions listed above. You can check with the Utah Department of Insurance about your rights under association-based health insurance plans.

High-Risk Pools: Utah has a high-risk pool health insurance program for people who have not been able to get health insurance because of a serious medical condition. High-risk pools are considered the last resort when all other attempts at getting health insurance haven't worked out. To get health insurance through a high-risk pool:

- You must have been refused health insurance coverage by at least one or two insurance companies, ***or***
- You could not find a health insurance plan with a monthly premium less than the monthly premium in the high-risk pool.

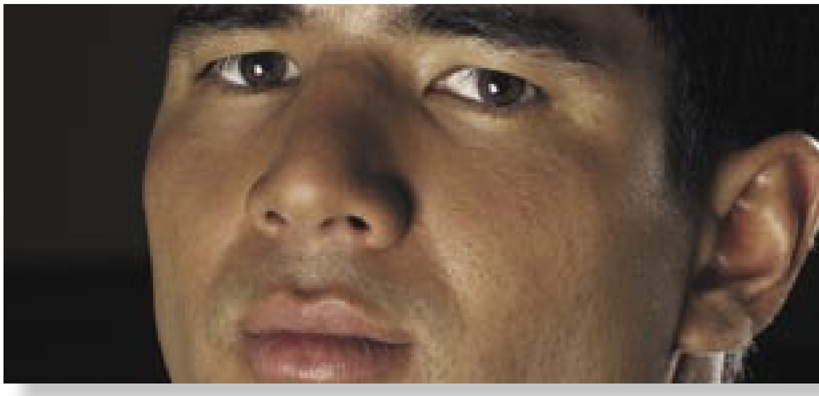
Health Insurance Brokers: If you are having a hard time deciding which insurance plan is best for you, you may want to talk to a health insurance broker. An independent broker may sell different kinds of health insurance (see Seeking Professional Advice). Be sure you understand how the broker is paid — whether you pay or the insurance company pays the broker a commission. If you decide to use a broker, make sure the broker will work in your best interest. Not all insurance products are available through a broker.

Other Types of Policies: There are other kinds of insurance policies that should not be mistaken for comprehensive health insurance. Specific disease policies, such as cancer policies, only pay for care of the specific disease. Hospital indemnity policies pay you a set amount of money for each day you are in the hospital. These policies may sound good but don't really help with your health care costs. You would be better off with other insurance options.

WHAT IF YOU LOSE YOUR GROUP HEALTH INSURANCE?

Most people under 65 get health insurance through their or their spouse's job. Most people 65 and older get their primary health insurance from Medicare (see Medicare). Group health insurance costs less than individual health insurance and might offer better benefits. For these reasons you want to keep your group health insurance for as long as you can. Even if you go through changes in your work or family life, there may be ways for you to continue your group health insurance plan. Each year, many adults under 65 lose their health insurance coverage for a number of reasons:

- An insured spouse dies.
- A separation or divorce from an insured spouse occurs.
- A dependent of an insured employee is no longer eligible under the plan.



- Work hours are cut back for an insured employee, or there is a layoff, change of employer, or early retirement (before age 65 and eligibility for Medicare).
- An insured becomes eligible for Medicare but spouse and/or dependents are not.

These are considered "qualifying events" that may allow individuals to continue their health coverage under a federal law known as COBRA.

COBRA: KEEPING YOUR GROUP HEALTH INSURANCE

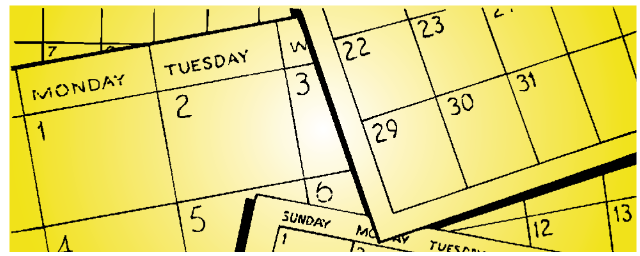
In 1985, Congress passed a law that gives certain workers and their families the right to keep their group health insurance for a time after they leave their employer's plan. That law is called COBRA, the Consolidated Omnibus Budget Reconciliation Act of 1985. COBRA protects workers and their families who have lost their insurance because of changes in their work or family life.

To get COBRA benefits you must meet certain conditions:

- Your health plan must be from an employer with 20 or more workers or from the state or a local government. Federal workers are protected under a law similar to COBRA.
- You or you and your family must have been covered by a group health plan before the changes in your work or family life took place.
- You must have lost your health insurance coverage because of specific changes or events in your work or family life. The kind of change determines if you can get COBRA benefits and how long you or your dependents can continue to be covered.

HOW LONG MUST COBRA COVERAGE BE AVAILABLE TO A QUALIFIED BENEFICIARY?

- Up to 18 months for covered employees, as well as their spouse and dependents, when workers would lose coverage because of a termination or reduction of hours.
- Up to 29 months is available to employees who are determined to have been disabled at any time during the first 60 days of COBRA coverage and applies as well to the disabled employee's non-disabled qualified beneficiaries.
- Up to 36 months for spouse and dependents facing a loss of employer-provided coverage due to an employee's death, a divorce or legal separation, or certain other "qualifying events."



THE COST OF COBRA

Usually you must pay the entire monthly premium for your group plan as your employer will no longer pay a share of the health insurance costs. Though you will pay more for your health plan under COBRA, it usually costs less than buying similar individual health insurance and provides more benefits.

You or your employer must complete the following steps within the listed deadlines for you and/or your dependents to be eligible for COBRA benefits:

- If you are fired, quit, have your work hours reduced (and therefore no longer qualify for group coverage), enroll in Medicare, or die, your employer must tell your health plan about any of these changes within 30 days.
- If you get your health insurance through your spouse's job and separate from or divorce your spouse, notify your spouse's employer about these changes in writing within 60 days.
- If your spouse and children have had health insurance coverage through your job and lose it through separation or divorce, notify your employer about these changes within 60 days.
- If your child has had health insurance through your job and is now no longer a dependent, notify your employer within 60 days.

Once your health plan has received this information, it must send you a notice within 14 days to confirm that you are entitled to COBRA benefits.

When COBRA benefits expire, you may be able to convert your group insurance to an individual insurance policy. This option may be less expensive than buying a new individual policy. In any event, it is important to try and maintain some health insurance coverage.

HIPAA: PROTECTING YOUR RIGHT TO HEALTH INSURANCE

HIPAA, the Health Insurance Portability and Accountability Act, is a federal law that gives you and your family certain protections when you are changing from one group health plan to another or from a group plan to an individual insurance plan.

HIPAA provides protections when changing from one group plan to another if you:

- Are in a group plan that is covered by HIPAA. Most plans are covered.
- Have had individual or group health insurance.
- Have a new job that offers group health insurance.
- Have not gone without health insurance coverage for more than 63 days between plans.

If you meet these conditions, HIPAA protects you in the following ways:

- Limits the waiting period to get care for a pre-existing medical problem that was diagnosed or treated during the six-month period before you joined the new health plan.
- Your new group health plan can't make you wait more than 12 months before covering your care for a pre-existing medical problem.
- Your new group health plan can't turn you down or charge you higher monthly premiums because of any past or present health problems or pre-existing conditions.

HIPAA provides for a special enrollment period within 30 days of the following events:

- Loss of the health insurance you had and you now want to join the group plan.
- Got married and you want your spouse to be covered under your plan.
- Have a new dependent whom you want to be covered under your plan.

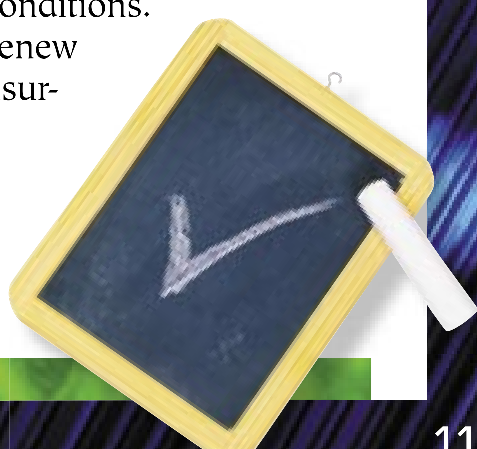
CHANGING FROM A GROUP PLAN TO AN INDIVIDUAL PLAN

You must meet the following conditions:

- You must have had at least 18 months of health insurance coverage as part of a group plan from an employer, union, or government plan.
- You must not be able to get Medicare, Medicaid, or be able to join a group plan.
- You must not have other health insurance.
- You must apply for new health insurance within 63 days of losing your previous coverage.
- You must have accepted and used up any COBRA extension of a group insurance plan.

If you meet these conditions:

- You are guaranteed the right to buy individual insurance, even if you have had past or present health problems.
- You do not have to wait to be treated for any pre-existing conditions.
- You usually can renew your individual insurance coverage.



Long-Term Care Insurance

Long-term care refers to the many services beyond medical care and nursing care used by people who have disabilities or chronic (long-lasting) illnesses. Long-term care insurance helps you pay for these services. A long-term care policy can help ensure that you make your own choices about what long-term care services you receive and where you receive them.

People are living longer these days. There are more years in which there is a risk of serious health problems that could literally drain your financial resources. Ordinary health insurance policies and Medicare usually do not pay for long-term care expenses such as those listed below. Medicaid, a federal/ state health insurance program, will only pay for long-term care if you've already spent most of your savings or other assets.

What does long-term care insurance typically cover?

- Help in your home with daily activities like bathing, dressing, eating, and cleaning.
- Community programs such as adult day care.
- Assisted-living services that are provided in a special residential setting other than your own home. These services may include meals, health monitoring, and help with daily activities.
- Visiting nurses.
- Care in a nursing home.

When is the right time to buy a policy?

Many people don't think about long-term care until they get into their 70s and 80s and their health begins to fail. At that age, you may be too high a risk for an insurer to cover you. If you do qualify, the premiums may be very high. Some long-term care policies have restrictions on age and health status. You may want to evaluate long-term care insurance during your middle-age years when you are likely to be eligible and premium costs will be lower.

Is a policy right for you?

Long-term care insurance is probably not for everyone, but with soaring health care costs and increased longevity, it may be a good idea to consider it. Your goals should consider asset protection, minimizing your dependence on family members, and control of long-term care service choices.

Long-term care insurance can be expensive and should be weighed against the cost of services it would cover, such as a nursing home facility, and what resources you have available to commit to this cost. You may not want to buy a policy if the cost of premiums will lower your standard of living or force you to give up other things you need right now or if you anticipate a decline in future income.

Be sure you consider:

- **Coverage:** You can choose long-term care policies that pay only for nursing home care or only for home care. You can also opt to purchase coverage for a mixture of care options that includes nursing home, assisted living, and adult day care. Some will pay for a family member or friend to care for you in your home.
- **Daily or Monthly Benefit.** The daily or monthly benefit is the amount of money the insurance company will pay for each day or month you are covered by a long-term care policy. If the cost of care is more than your daily or monthly benefit, you will need to pay the balance out of your own pocket.
- **Benefit Period.** Your benefit period determines the length of time you will receive benefits from your policy. You can choose a benefit period that spans from two to six years, or the rest of your life.
- **Elimination or Waiting Period.** During this period, you must pay all of your long-term care expenses out of your own pocket. This period could range from 0 to 100 days. The longer the waiting period, the lower your premiums will be.
- **Inflation Protection.** With health care costs rising to new heights every year, buying a policy without inflation protection is probably buying a policy that won't cover much of your expenses. There are two main kinds of inflation protection: the right to add coverage at a later date and automatic coverage increases.

- **Non-Forfeiture Benefit.** Policies with this benefit will continue to pay for your care even if you stop paying premiums while receiving care. This policy feature can add 10 percent to 100 percent to your premium.

A long-term care policy should:

- Clearly explain when you will be eligible for coverage and how it will be determined.
- Not require that you spend time in a hospital before receiving benefits.
- Be renewable as long as you pay the premiums.
- Allow you to stop paying premiums once you begin receiving benefits.
- Have one deductible for the life of the policy.
- Automatically cover pre-existing conditions if you disclosed them when you applied.
- Offers choices for inflation protection.
- Allow you to downgrade your coverage if you cannot afford the premium.
- Include coverage for dementia.
- Provide at least one year of nursing care and home health care coverage.
- Allow the right to cancel the policy within 30 days of purchase for a full refund.

Social Insurance Programs

SOCIAL SECURITY

The Social Security Administration was created in 1935 when President Franklin D. Roosevelt signed the Social Security Act into law. Social Security was designed to be a supplemental "insurance" to personal savings and retirement income. The benefits are payable to a worker through a formula that takes into consideration the amount of funds paid into the program, number of years worked, and age when benefits start.

Social Security expanded in 1939 to include retirement benefits for the spouse and dependents of a worker and death benefits for survivors of a worker. In 1956 disability benefits were added. Benefits may be available under an individual's Social Security account as well as that of his/her spouse's or parent's account.

Retirement Benefits:

Social Security benefits are based on earnings averaged over most of a worker's lifetime. Your actual earnings are first adjusted or "indexed" to account for changes in average wages since the year the earnings were received. Then your average monthly indexed earnings are calculated for the 35 years in which you earned the most. Through application of a formula to these earnings your basic benefit or "primary insurance amount" (PIA) is derived. This is the amount you would receive at your full retirement age that was originally set at age 65. Beginning with people born in 1938 or later, that age will gradually increase until it reaches 67 for people born after 1959.

A "Social Security credit" is the measure of a person's work under the Social Security program. A person's total covered yearly earnings are used to figure Social Security credits for both wages and net earnings from self-employment. A worker can receive a maximum of four credits for any year.

Survivors Benefits:

When a worker dies, certain family members may be eligible for survivors' benefits based on his/her record if the worker had enough Social Security earnings credits. For many survivor cases, the number of required earnings credits is based on the worker's age at the time of death. In general, younger workers need fewer earnings credits than older workers. However, no worker needs more than 40 earnings credits (10 years of work) to be fully insured for any Social Security benefit.

Social Security survivors' benefits can be paid to:

- A widow/widower qualifies for full benefits at full retirement age or reduced benefits as early as age 60. A disabled widow/widower may receive benefits as early as age 50.
- A widow/widower at any age if he or she takes care of the deceased's child under age 16 or disabled, who receives Social Security benefits.
- Unmarried children under 18, or up to age 19 if they are attending elementary or secondary school full time. A child can receive benefits at any age if he or she was disabled before age 22 and remains disabled. Under certain circumstances, benefits can also be paid to

stepchildren, grandchildren, or adopted children.

- Dependent parents at age 62 or older.
- A former spouse can receive benefits under the same circumstances as a widow/widower if the marriage lasted 10 years or more. Benefits paid to a surviving divorced spouse who is 60 or older will not affect the benefit rates for other survivors receiving benefits.
- In general, a widow/widower cannot receive benefits if they remarry before the age of 60 (50 if disabled) unless the latter marriage ends, whether by death, divorce, or annulment. However, remarriage after age 60 (50 if disabled) will not prevent payments on a former spouse's record.
- The amount of the survivor's benefit is based on the earnings of the person who died. The more he or she paid into Social Security, the higher the benefits will be. The amount a survivor receives is a percentage of the deceased's basic Social Security benefit. *The following provides the most typical situations:*
    - Widow or widower full retirement age or older - 100 percent.
    - Widow or widower age 60 to 64 - about 71 to 94 percent.
    - Widow or widower at any age with a child under age 16 - 75 percent.
    - Children - 75 percent.

Persons receiving widow/widower's benefits can switch to their own retirement benefits (assuming they are eligible and their retirement rate is higher than the widow/widower's rate) as early as age 62. In many cases, a widow/widower can begin receiving one benefit at a reduced rate and then switch to the other benefit at an unreduced rate at full retirement age. However, they will not be paid both benefits — they will be paid the higher of the two benefits.

Disability Income:

There is an application process involved to determine eligibility for Disability Income (DI). Benefits are available to participants who have a disability and meet certain medical criteria. Once a participant is receiving Social Security DI, there are limitations to the amount of money that participant can make without having to pay back some of the Social Security income. Participants on DI who work/earn more than the allowable limitations may be considered to no longer be disabled and may lose all of the DI proceeds.

SUPPLEMENTAL SECURITY INCOME

Supplemental Security Income (SSI) is a "needs-based" income designed to help people with limited income. While this program is administered by Social Security, the program is funded by general tax revenues, not Social Security taxes. It is designed to help aged, blind, and disabled people who have little or no income. It provides cash to meet basic needs for food, clothing, and shelter.

There is an application process required to determine eligibility for this program. Participants on SSI can earn a small amount of income above the SSI award, but repayment of income is required if maximums are met. Repayment can be at one-half the outside income to the full amount of the outside income, depending the type and amount of income earned.

MEDICARE

Medicare is our nation's health insurance program for people age 65 or older and for people under age 65 with certain disabilities and those with end-stage renal disease. Medicare was passed into law in 1965.

Traditional Medicare

- **Medicare Part A** — Hospital Insurance: This coverage helps pay for in-patient care in hospitals, including critical access hospitals, and skilled nursing facilities. It also helps cover hospice care and some home health care. A participant must meet certain criteria to receive these benefits.

  Most people do not have to make a monthly premium payment for Part A if they, or their spouse, have paid Medicare taxes while working. If you do not qualify for Part A premium for free, you may be able to buy it if you meet certain criteria.
- **Medicare Part B** — Medical insurance: This coverage helps pay for doctors' services and out-patient care. It also covers some other medical services that Part A does not cover such as some of the services of physical and occupational therapists and some home health care. Part B helps pay for those covered services and supplies when they are medically necessary.

  Participants pay the Medicare Part B premium each month. It is generally deducted automatically from the participant's Social Security check. In some cases, the premium amount may be higher if the participant did not sign up for Part B when he/she first became eligible. Questions can be addressed by the Social Security Administration.

Traditional Medicare does not cover custodial or long-term care.

Supplemental Medicare or Medigap Insurance

The original Medicare plan is available nationwide. It pays for many health care services and supplies, but it doesn't pay all of your health care costs. There are costs that you must pay, like coinsurance, co-payments, and deductibles. These costs are called "gaps" in Medicare coverage. You might want to consider buying a Medigap policy to cover these gaps in Medicare coverage.

A Medigap policy is a health insurance policy sold by private insurance companies to fill the "gaps" in the original Medicare plan. Medigap policies help you pay some of the health care costs that the original Medicare plan doesn't cover. If you are in the original Medicare plan and have a Medigap policy, then Medicare will pay its share and your Medigap policy will pay its share of your health care costs.

Supplemental Medicare or Medigap Insurance. cont'd

Currently, there are twelve standardized Medigap plans labeled 'A' through 'L.' Each plan, A through L, has a different set of basic and extra benefits. It is important to compare and select the plan that meets your needs. Although the plans are consistent regardless of the insurance company offering the Medigap policy, the premium charged may vary.

Generally, when you buy a Medigap policy, you must have Medicare Part A and Part B. You will have to pay the monthly Medicare Part B premium. In addition, you will have to pay a premium to the Medigap insurance company. As long as you pay your premium, your Medigap policy is guaranteed renewable; it is automatically renewed each year. You and your spouse must buy separate Medigap policies.

Medicare Advantage Plans

Medicare Advantage plans are a managed care alternative to traditional Medicare. Medicare Advantage plans include:

- Medicare Managed Care plans
- Medicare Preferred Provider Organization plans (PPO)
- Medicare Private Fee-for-Service plans
- Medicare Specialty plans

If you decide to join a Medicare Advantage plan, you will not need a Medigap plan. Medicare Advantage plans may offer more choices and extra benefits. You will still pay the monthly Medicare Part B premium to Medicare. In addition, you might have to pay a monthly premium to your Medicare Advantage plan for the extra benefits that they offer.

Medicare D — Prescription Drug Program

This voluntary program was signed into law as part of the Medicare Modernization Act of 2003 to help cover the high costs of prescription drugs. Participants must choose a plan to get this coverage and pay a monthly premium. If a participant has limited income and resources, this coverage may have little or no cost.

There are plans that cover prescription drugs only, keeping the rest of Medicare benefits as described in Part A and Part B.

Important: If a participant has prescription drug coverage through an employer or union, they should check with their benefits administrator to discuss available options.

Costs for Medicare Part D prescription drug programs vary depending upon financial situation and the drug plan chosen.

MEDICAID

Medicare and Medicaid are both types of health insurance, but they are not the same. Medicare is our country's basic health care insurance for eligible individuals age 65 or older or who have eligibility because of blindness or other disabilities.

Medicaid is managed by the state and provides health care insurance for qualifying individuals with lower incomes. It is a partnership between the federal and state governments. States must follow federal guidelines, but have the flexibility to determine some of the rules and benefits. *For instance, federal law requires states to:*

- Include certain groups of people, but they may also choose to include others.
- Cover certain types of services, but they are also able to add optional services.

Medicaid Eligibility:

Medicaid helps low-income persons of all ages pay for medical and long-term care. To qualify for Medicaid, you must meet the income and resource guidelines for Utah. Income includes money you get from Social Security, a job, pension, or other sources. Resources include some of the assets you own, such as a savings account. However, Medicaid doesn't count everything. Some things, such as your home and one car, are not counted.

Generally, you must be a U.S. citizen to qualify for Medicaid. However, emergency Medicaid is available, regardless of your citizenship status.

In some states, people whose incomes are too high to initially qualify for Medicaid can still qualify if their medical bills are high. Then Medicaid asks you to pay some of the bills in order to qualify for assistance. This is called "spending down" to Medicaid eligibility.

Medicaid Coverage:

Federal law requires states to provide nursing home coverage; also, states may elect to provide community long-term care services for individuals who are eligible for Medicaid and qualify for institutional care.

Medicaid must pay for some services, such as inpatient and outpatient hospital services, physician and certified nurse practitioner visits, laboratory tests and X-rays, nursing home and home health care, and certain screenings. It may also pay for services such as prescription drugs, clinic visits, prosthetic devices, hearing aids, dental care, eye exams, glasses, transportation for medical care, and medical services not covered by Medicare. It can also help pay some Medicare premium costs.

Disability Insurance

Disability insurance pays you a portion of your insured salary when illness or an accident prevents you from doing your job. You may already have disability insurance through your job. Check first to see how much coverage you have. Then, decide if you need more.

Coverage:

A typical policy covers 60% of your regular earnings. Disability benefits from your employer may include workers' compensation insurance for work-related injuries. For short-term illness, your employer may provide sick leave, short-term disability insurance, or both. For a longer illness, lasting six months or more, your employer may provide group long-term disability insurance.

Social Security provides long-term disability benefits based on your salary and the number of years you have worked. However, Social Security replaces only a limited portion of your salary, and the requirements to receive benefits are strict.

Policy Provisions:

Insurance company policies define "disability" differently. Be sure that the policy covers the situations you want it to cover. Make sure that your policy cannot be cancelled and that renewals are guaranteed as long as you pay your full premiums on time whether or not your health picture changes along the way. If a policy seems too expensive, consider one that offers lower premiums at younger ages and then increasing premiums as you age.

Social Security Riders:

If you are disabled, it will take a few months for your Social Security payments to arrive. You can purchase a "rider" to your disability policy that will provide you with income while you await your Social Security checks or in the event you don't qualify for the Social Security payments (for example, you don't expect to be disabled for an entire year). Note that many claims for Social Security disability benefits are initially rejected.

Life Insurance

If your spouse or partner died, would you be able to live comfortably on your own? If you died, would your family members have enough financial support? If not, you may want to consider purchasing a life insurance policy.

Purpose:

Life insurance provides money for your loved ones or anyone you designate as a "beneficiary" after your death. Life insurance proceeds might be used to pay debt, the cost of the funeral, estate taxes, provide cash flow for survivors' living expenses, future college tuition, or any other current or anticipated expense.

Kinds of Coverage:

There are **individual** and **group coverages**. You may be able to buy group coverage if it's offered by your employer, union, or association. Otherwise, you can buy an individual policy. Generally, group rates are less expensive; however a healthy person may be able to get a cheaper rate than group. Remember that group insurance may terminate when you retire or leave your employment.

Types of Policies:

- **Term insurance**: This policy only pays a death benefit if you die within a specific period of time or the term of the policy. Like auto and homeowner's insurance, term insurance only covers you during the time you're making payments. For this reason, it is initially less expensive than permanent life insurance.

There are four different varieties of term insurance:

- **Convertible** term insurance lets you convert the policy into a permanent one at any time. No medical exam is required at conversion, but premiums may go up.
- **Renewable** term insurance lets you sign on for a new term policy without a medical exam, although the premium may be higher.
- **Level** term insurance lets you pay the same premium every year for the length of the term and be entitled to the same amount of proceeds if you die during the term. If you want to renew it at the end, your premium may rise significantly, since you'll be older.
- **Decreasing** term insurance pays a death benefit that gradually decreases in value over time. Premiums usually remain the same throughout the term.

Permanent insurance:

This policy continues to cover you until you die if you have made timely payments and may provide a savings feature that builds up a cash reserve or cash value that you can use while you are alive. In fact, if there is enough of a reserve, you can use the cash to pay the premiums in times of tight finances or surrender the policy for its cash surrender value if your need for life insurance diminishes. The premiums for permanent insurance are initially more expensive than for term insurance. *There are a few varieties of permanent insurance:*

- **Whole Life:** Lets you pay a fixed premium for a fixed death benefit. There is a cash savings feature that, over time, provides you with a cash reserve.
- **Universal Life:** More flexible than whole life. It may let you change the amount of insurance as your needs change. Some changes may require a medical exam.
- **Variable Life:** Invests some of your premiums in stocks, bonds, and money market funds. The upside is that your investments may perform well, and provide a larger cash reserve. The downside is the risk that the investments will lose money, but a minimum cash value is seldom guaranteed. Most insurers guarantee a minimum death benefit, although it may not be what you had hoped to receive.
- **Variable-Universal Life:** Combines the premium and death benefit flexibility of universal life with the investment flexibility and risk of variable life insurance.

Auto Insurance

Auto insurance premiums are based on many factors:

- Your age
- Where you live: volume of cars, accident rates
- Number of miles you drive/commute each year
- Type of car
- Age of the car
- Recent driving record: accidents, traffic tickets
- Credit history
- Other drivers on the policy, their ages, and driving records

Cost isn't everything.
Don't simply settle for the lowest-cost insurance. While cost is critical, the cheapest coverage may not provide the proper coverage for you and your car.
Keep your credit score up.
Insurance companies may use your credit score in determining the risk you pose as an insured motorist. This may affect the premium you pay.

Policies generally provide coverage for the following:

- **Liability:** This coverage pays damages due to bodily injury and property damage to others for which you are responsible. If you are sued, it also pays your defense and court costs. Consider carrying high enough liability limits to safeguard your possessions from a lawsuit.
- **Collision:** This coverage pays for a covered car that is damaged by collision with another object or by upset of the car. A deductible is required. You may want to carry a higher deductible to lower your insurance premium.
- **Comprehensive:** This coverage pays for a covered auto that is stolen, or damaged by causes other than collision or upset. For example, damage caused by fire, wind, hail, vandalism, flood, or glass breakage is covered.
- **Uninsured and Underinsured Motorist Coverage:** Uninsured coverage pays bodily injury damages when an insured is injured in a car accident caused by another person who does not have any liability insurance; underinsured coverage pays when the limits carried are less than the amount of the insured's damages.
- **No-Fault, Medical, or Personal Injury Protection:** This coverage provides for reimbursement of necessary medical expenses which may extend to additional coverages such as lost wages, childcare, and other important incurred expenses.
- **Other Optional Coverages:** For additional cost you can get coverage for auto towing, car rental while your auto is being repaired, and other features.

Homeowner or Renter Insurance

If you own a home, it's a good idea to buy insurance that will pay for repairing and replacing your home if it's damaged or destroyed. Renters should buy insurance to protect their furniture and other personal property.

Main Types of Coverage (at a minimum, your policy should cover the following; some may only apply to homeowner's insurance):

- **Dwelling:** This covers damage to your house and any outbuildings such as detached garages and storage sheds. Renters don't need this coverage. If you're an owner, be sure to raise the coverage as the value of your home increases.
- **Personal property:** This covers household items, including furniture, clothing, and appliances that are damaged, stolen, or destroyed.
- **Liability:** This protects you against financial loss if you're found legally responsible for injury or property damage to someone else. Typically, you can buy up to $1 million in coverage.
- **Medical payments:** This covers medical bills for people who are injured on your property. It also pays for some injuries that happen away from your home such as your dog biting someone.
- **Loss of use:** This covers living expenses if your home is too damaged to live in during repairs. The common policy coverage is up to 20% of the amount for which your house is insured, but you may be able to buy higher coverage.

Exclusions:

Standard policies don't cover earthquakes (or even earth movement), flooding (if you're in areas prone to flooding), damage to landscaping from wind and hail, termites, and wear and tear from normal use. There may be other exclusions as well. Please read the exclusion section of your policy to know what situations apply. You may want to consider a supplemental policy for a particular liability, such as an earthquake, hurricane, or flood.

Keep up to date:

Be sure to reassess your coverage annually and increase your coverage to account for rising home values and adequate

Homeowner or Renter Insurance, cont'd

replacement coverage for your dwelling and personal property. It is also wise to inventory the valuables in your house, documenting with photos if possible. Keep this inventory updated and in a safe place.

Keep your credit score up:

Insurance companies may use your credit score in determining the risk you pose as a homeowner or renter. This will affect the premium you pay.

Know your home's claim history before you buy:

Companies are now including a home's past claim history when considering all the factors that determine your policy's premium. If the previous owners put in a lot of claims, you may pay higher premiums or be denied coverage.

Take advantage of discount offers:

Insurers may offer premium discounts if you take steps to reduce the chances of a loss. *Discounts will vary and may apply to:*

- Impact-resistant roof and/or noncombustible roof.
- Personal property marked with an identifying number — an inspection is required.
- Age of house and premises in good condition.
- Good claims experience for three consecutive years.
- Other policies with same company or group.
- The house insured to full replacement cost.
- Home security devices, fire extinguishers, burglar, fire, and smoke alarm systems.

Other residential-type policies:

- **Renter.** A landlord's insurance does not cover a renter's personal property. Renter insurance covers your belongings, provides liability protection, and pays extra living expenses if a fire or other disaster forces you to move temporarily from your rented home.
- **Condominiums.** Condominium insurance is similar to renter insurance and also covers damage to improvements, additions, and alterations to the interior of the condominium unit.
- **Townhouses.** Townhouses may be insured by either an individual homeowner's policy or an association master policy. If a townhouse is owner-occupied and the townhouse association does not have a master policy on the building, you can purchase a homeowner policy on your individual unit. If the association has a master policy, you might still want to get a separate tenant homeowner policy to insure your personal property.
- **Mobile homes.** Policies are designed to meet the needs of mobile home owners, covering physical damage to the home, contents, and personal liability.

Umbrella Liability Insurance

One major lawsuit and you could lose it all — your savings and investments, even part of your future income. Even if you have insurance that covers your home, auto, and other property, you may still want or need an umbrella policy. This policy spans over all your other property-related policies providing excess coverage once coverage under one of those policies runs out. Because it's possible to suffer huge financial losses in liability lawsuits and other related situations, more and more people are taking advantage of umbrella policies.

Umbrella policies offer two valuable benefits:

- They tend to cover a wider range of insurable situations, referred to as perils, than primary insurance policies.
- They provide additional coverage once your primary policy's coverage runs out.

The more property and money you have to protect, the more likely that an umbrella policy may be right for you.

Floater Policies

Floater policies cover personal property even if it's moved from its main location. So if you own something particularly valuable that you take with you on occasion, you might consider a floater policy.

There are two types:

- Scheduled policies name the actual items, such as a musical instrument.
- Unscheduled policies cover certain types of items or possibly all your moveable items, such as home office equipment.

Savings Accounts and Certificates of Deposits

Savings is the process of setting aside a portion of current income for future use and to accumulate financial resources accumulated over a period of time.

Savings is also related to investment in that it gives you an opportunity to increase the productivity of your resources. To accumulate financial resources, it requires that you abstain from consuming your entire income and make your savings available for investment.

The purpose of saving is to have money available when you need it for:

- **Emergencies**: Car repairs, loss of job, or medical emergency. It is a good practice to set aside enough money to cover basic living expenses for a minimum of three and preferably six months.
- **Purchases**: Down payment on a home, car, furnishings.
- **Investments and Retirement Funding**.

Principles of Disciplined Saving

- **Pay yourself first**: You earned it — you deserve the first cut.
- **Save automatically**: Take advantage of offers by your employer to have a portion of your paycheck automatically deposited into a savings or 401(k) plan.
- **Save 10% of your paycheck**: Start lower and work up to it.
- **Understand the power of compound interest**: Thanks to the power of compounding, the more money you save, the faster it grows. That's because you earn interest not only on what you save, but also on the interest generated.

Illustration of the Rule of 72

How long will it take for your investment to double with compound interest? Using the Rule of 72, divide 72 by the interest rate you expect to receive. For example, if your earnings vehicle earns 6 percent interest, then your money will double in 12 years.

INTEREST RATE EARNED	TIME FOR INVESTMENT TO DOUBLE
3 %	24.0 years
5 %	14.4 years
7 %	10.3 years
10 %	7.2 years
12 %	6.0 years

SAVINGS FACTORS TO CONSIDER

Important factors in choosing the place to save are:

- **Access:** How quickly can you access your money? How "liquid" is it?
- **Safety:** How safe is your money?
- **Earnings:** How much money will you earn?

COMMON SAVINGS VEHICLES

■ **Savings Accounts:** The simplest vehicles for protecting your savings. Banks and credit unions make loans with your savings money and then share with you the interest they earn. You will generally earn small amounts of interest, but you will have instant access to your money (e.g., after business hours with an ATM card).

Savings accounts are very safe. Accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to $100,000 per account. Savings at most credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) for $100,000 per share account.

■ **Money Market Accounts:** Similar to savings accounts. Money market accounts tend to pay higher interest than savings accounts and are covered by the same insurance as savings accounts, depending on whether you're with a bank or a credit union. Options may include linking the money market account to your checking account.

When you open a money market account, you're agreeing to let your financial institution make very short-term loans (often overnight) in the "money market." Big companies and other institutions often borrow large amounts of money for brief times in order to cover an immediate need for cash.

■ **Certificates of Deposit (CD).** A certificate of deposit, or CD, is a special type of deposit account that typically offers a higher rate of interest than regular savings accounts or money market accounts. In exchange for receiving higher interest, however, you tie up your money for a set length of time, generally one month to five years. If you withdraw your money early, you pay a penalty. Therefore, you sacrifice quick access in favor of earning more interest.

The most common place to buy a CD is at a bank or credit union, but you can also get them at brokerage firms.

Annuities and Insurance Company Savings Products

Annuities are long-term financial investment contracts sold by insurance companies. They are designed to be a source of retirement income. You can select from a variety of payout options: monthly, quarterly, or annual payments that start immediately or some time in the future.

- **Tax treatment:** Annuities are tax-deferred, not tax-deductible. Your money accrues interest without incurring current taxes. However, when you do start drawing from the annuity, you will pay taxes on the interest. In addition, if you are under age 59½ and make a withdrawal, you will pay a 10% penalty.
- **Length of payment:** You'll need to determine if you want payments for as long as you live, for as long as both you and a survivor live, or for a fixed time. The longer the time the insurance company must make payments, the less each payment would be.

PURCHASING AN ANNUITY

Payment options can be one lump sum or several over time.

Single premium annuity:
You pay one lump sum and if you later wish to invest more money, you need to buy another annuity.

Flexible payment annuity:
You make ongoing contributions anytime you want.

ANNUITY GROWTH

- **Fixed Annuities:** Earn a guaranteed amount for a fixed period of time. Once the time has expired, the company sets a new rate that may be higher or lower than the original rate. Generally, the annuity has a guaranteed minimum rate. Your risk for a fixed annuity is lower, but the payout may be less. Sometimes the attractive introductory rate doesn't last long and you may get locked into a lower interest rate.
- **Variable Annuities:** Linked to the stock market's rise and fall so the amount you earn changes. The money you earn will fluctuate the same way that the underlying investments in stocks, bonds, or mutual funds do. Some "equity indexed" annuities may have a guaranteed minimum rate; others may not give you a specific rate of return.

Important: Variable annuities may not be advisable for those already retired or near retirement. Their purpose is for retirement savings to grow tax-deferred over an extended period of time.

ANNUITY PAYOUT OPTIONS

- **Single Life Annuities:** Provide you with a monthly, quarterly, or annual income for as long as you live. The payments are calculated based on your predicted life expectancy. If you die before reaching your life expectancy, the insurance company keeps the extra money. On the other hand, if you outlive your life expectancy, the company pays the extra cost.
- **Life or Period Certain Annuities:** Make payments to you all your life or for a fixed number of years, whichever is longer. For example, if you arranged for ten years of payments and you die before the ten years, your beneficiaries inherit the rest of the money. If you live longer than ten years, you get payments for your entire life. However, if you die in the eleventh year, your beneficiary gets nothing.
- **Joint and Survivor Annuities:** Make payments all your life and that of your beneficiary. The size of your check determines how much you choose to leave for the beneficiary. The more you leave for your beneficiary, the smaller your check will be while you are still alive.

Research and Compare:

Make sure the reputation of the insurance company is sound, that you understand the costs, commissions and surrender charges, and that the products meet your needs and goals.

CASH VALUE LIFE INSURANCE POLICIES

Cash value life insurance is a long-term life insurance policy that in addition to providing a benefit upon the death of the insured, accrues cash value over time. This cash can be used to pay future premiums or serve as a form of savings.

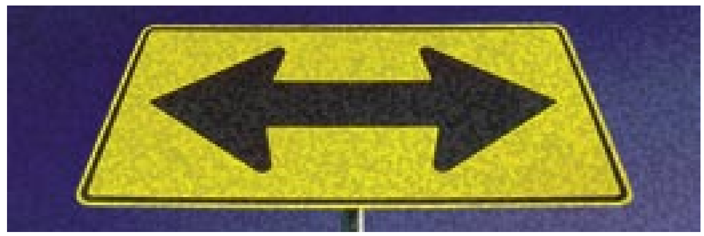
The benefits of having a cash value life insurance policy are that you can borrow against your cash value or draw it out by surrendering your policy (subject to a surrender charge) if needed.

Cash values may earn a minimal guaranteed amount with additional value added with certain companies and types of policies, depending upon the performance of the underlying company's investments and management performance (see section on Permanent Life Insurance).

Employer Retirement Programs and IRAs

Employers may sponsor programs designed to help you save for retirement. Popular retirement accounts include Individual Retirement Accounts (IRAs) and work-based plans, such as 401(k) accounts.

INDIVIDUAL RETIREMENT ACCOUNTS (IRAS)



Individual Retirement Accounts, or IRAs, are special accounts with tax advantages to help you save for retirement. There are two types of IRAs:

Traditional IRA:

Allows you to save money without paying taxes until you withdraw it. The money you put into the IRA can lower your taxable income, and it grows tax-free while it's in the IRA account.

- **Who can contribute:** Anyone who earns income is eligible for an IRA. You can have an IRA and a retirement plan at work, but you may not be able to deduct your IRA contributions on your tax return.
- **Contribution limits:** Annual contributions are limited to a scheduled annual contribution maximum.
- **Loans and withdrawals:** You can't borrow from your IRA. Any other withdrawals prior to age 59½ may be subject to income taxes and a 10% IRS early withdrawal penalty, with a few exceptions.
- **Taking distributions:** When you reach age 59½, you can begin withdrawing money for any reason without a tax penalty, but your earnings will still be subject to income taxation.

Roth IRA:

A variation of the traditional IRA. There are differences in the tax advantages and who can open a Roth IRA. The most attractive part of Roth IRAs is that your money is withdrawn without paying federal taxes.

- **Contribution rules:** Unlike traditional IRAs, you can't deduct contributions to a Roth IRA from your income taxes. Instead, you contribute money that has already been subject to taxation. No matter how old you are, you can keep contributing money to a Roth IRA as long as you earn income.
- **Contribution limits:** Annual contributions are limited to a scheduled annual contribution maximum.
- **Penalties:** There is no early withdrawal penalty on the money you contributed to a Roth IRA. However, there may be a penalty for withdrawing earnings from the Roth IRA – unless you meet the same exceptions that apply to traditional IRAs. In addition you may withdraw money without penalty to pay health insurance premiums after losing your job.

EMPLOYER RETIREMENT ACCOUNTS

As traditional pensions are becoming less common, more and more employers are offering workers the opportunity to save with retirement accounts. A 401(k) plan is an example of a work-based retirement account. Common types of plans include:

- **401(k) plans** – private companies
- **457 plans** – public and non-profit sectors
- **403(b) plans** – education and non-profit sectors

Make the Most of Your Retirement Account at Work

- **Sign Up:** Decide to sign up for your employer's retirement plan. Instead of that money coming home in your paycheck, it goes directly into your retirement account.
- **Contribute and reduce your income taxes:** The money you put in the retirement account is taken out of your pre-tax wages and not taxed in the year it goes into your account. It will be taxed in the year it is withdrawn.
- **Contribute the maximum:** Know the maximum amount you can contribute for your plan, and contribute as much as you can.
- **Play catch-up:** There are special rules to encourage people to catch up on their savings. If you're at least 50, you can put extra money in your retirement account in addition to the regular contributions. Contribution amounts are adjusted each year.
- **Take advantage of the match:** Most employers will match a certain portion of the savings you put into an account. This is free money that will help you reach your retirement goals. Don't pass it up.
- **Make good investment choices:** Your employer chooses which investments are available in your plan. Try to pick those investments that match your goals. Spread your investments around to reduce your risk. Be an informed investor.
- **Don't put all your money in company stock:** Recent business scandals point out the importance of not putting all of your money in your company's stock.

EMPLOYER RETIREMENT ACCOUNTS, cont'd

Vesting: The period of time that you are required to work for your employer before you are entitled to the full pension benefit.

Penalties: There are limitations on withdrawing money from these plans. You may be required to pay a 10% penalty on the amount distributed, plus the taxes on that money. Situations that allow you to avoid the 10% penalty include:

- You're at least age 59½
- Death
- Disability
- Qualified Domestic Relations Order (QDRO)
- You're older than 55 and no longer an employee
- You're under 59½, leave your job, and take substantial, equal withdrawals based upon your life expectancy
- You have medical expenses not covered by insurance that exceed 7.5% of your income

Borrowing: Employer-based retirement plans may permit you to borrow the money in your account within certain guidelines. Try to avoid borrowing from your retirement account unless you must; it takes away from your goal of building a nest egg for retirement.

TRADITIONAL EMPLOYER RETIREMENT PLANS

- **Defined Benefit Pension Plans:** A defined benefit pension plan is where your employer puts money aside for you, manages it, and guarantees you a specific amount of money for life upon your retirement. The total amount of your pension depends on how long you have worked for the company and how much money you've earned over the years.

- **Cash Balance Plans:** More employers are offering or converting their pension plans to cash balance plans. Your employer deposits a pay credit and an interest credit in your account each year. The pay credit is related to your salary, not your age or years of service. There are no investment decisions to make, an employee doesn't make contributions, and when you retire, you receive your money as a lump sum or an annuity. If you are vested and leave your job, often you can receive the annuity prior to retirement age. Investment risks and rewards on plan assets are borne solely by the employer.

  Cash balance plans can be beneficial for younger employees. That's because benefits are not based on the length of your employment and age. Cash balance plans are less attractive to mature workers for the same reason—age and longevity on the job are not rewarded.

TRADITIONAL EMPLOYER RETIREMENT PLANS, cont'd

- **Profit-Sharing Plans:** Employers may sponsor a retirement plan that is funded as profits are declared in any given year. The formula for the contribution is usually from 0-15% of "compensation" and that amount is credited to the employee's account subject to restrictions like a vesting schedule.

- **Pension Benefit Guaranty Corporation (PBGC):** A government agency, protects and insures pensions for those plans where employers have made contributions to the insurance fund. If your plan doesn't have enough money to pay your benefits, the PBGC will pay the benefits accrued within limits. You may not get the full pension that you expected.

SMALL BUSINESS PLAN OPTIONS

If you own or are part of a small business, you may be eligible for these retirement plans:

- **Keogh Plans:** Keogh plans are for self-employed workers. Owners of the business can use the Keogh to establish tax-deferred retirement plans for their employees. There's a limit to how much of your income and the amount of money you can put into a Keogh plan each year.

- **Simplified Employee Pension (SEP):** These plans are designed for small businesses that don't have other pension plans. SEPs are tax-deferred retirement accounts. Business owners put money into their employees' SEP account. The employee then manages the account by investing the money.

- **Savings Incentive Match Plans for Employees of Small Employers (SIMPLE):** Businesses with 100 or fewer employees can establish SIMPLE plans. Employees put a portion of each paycheck into an Individual Retirement Account (IRA). The employer matches that contribution. Employees then get to decide where to invest the money. They also get to keep their IRA accounts when they change jobs.

Leaving a Plan

What happens to your money if you leave your job? A retirement plan account may be portable, depending on the type of plan and your level of vesting, which means you're free to take your money with you. *When leaving a company, you generally have three options:*

- Take cash.
- Leave the money in the employer plan.
- Roll over the money to another retirement plan.

Weigh your options very carefully and avoid the temptation of using your retirement money for current expenses rather than for the future as it was intended.

Investment Fundamentals

INVESTING

Investing is when you direct some of your savings or income into an asset that is expected to produce earnings at a later time. Setting goals is important to being a successful investor. If you're investing, you're making decisions for the longer term. You buy something because you believe it's valuable now or likely to become more valuable over time. Investing success depends on the goals you set and whether you achieve them.

Investment Strategies: *There are three main strategies involved in investing. They are often employed in combination with one another depending on your objectives:*

- **Protection:** Assets where the principal has the least exposure to risk of loss. Suppose you've saved enough for a down payment on a home and you want to be sure the money will be there when you need it. The best strategy is to put your money in the safest possible place while you look for the right home to buy.

- **Income:** Assets that generate current income. Suppose you want a regular, predictable stream of income to go along with the income from your day job. One strategy may be to lend your money to borrowers by investing in bonds or bond mutual funds, earning income from the interest payments.

- **Growth:** Assets that emphasize capital or principal growth. Suppose you'd like to pay for as much of your new baby's college education as you can. One strategy may be to become a part-owner in companies through a stocks or stock mutual funds. If the companies do well and shares of their stock increase in value over time, you could sell your shares for a profit and use it for the tuition.

THREE ASSET CLASSES

There are general classes of financial products that match the three main investment strategies. When employing a certain strategy, look for vehicles that align with the asset class. *Classes do overlap but generally align as follows:*

Strategy		Asset Class Examples
Protection	>	Cash
Income	>	Bonds
Growth	>	Stocks

ASSET ALLOCATION PLANNING

Allocation planning is finding the balance of stocks, bonds, and cash equivalents that will help you reaching your financial goals. Getting your asset allocation right accounts for about 90% of all investment success, far more than picking the right stock or bond. That's good news, because it simplifies the investing process to focus mostly on investing in the correct categories, and not on the specific stock, bond, or fund within each category. Plans don't have to be perfect from the beginning and should be adjusted from time to time to recognize different needs at various stages of your life.

Investment Types

MONEY MARKET FUNDS (See section on Mutual Funds)

Money market funds or money market mutual funds differ from money market accounts:

- Money market mutual funds require opening an account with a mutual fund company directly or through a bank or brokerage firm.
- Although they are considered safe, money market funds are not insured by the FDIC.
- Immediate access to money may be limited (unless tied to an ATM).
- Money market funds may pay higher interest than money market accounts.
- They can be used for savings, but are designed mainly to function as temporary "parking places" for your investment money.

BONDS

When you buy a bond, you become a lender. The bond issuer is the borrower. The bond issuer might be a company, a city, a state, or a federal government agency. It may borrow for short periods to manage cash flow or to cover operating costs or for longer-term goals, such as to build new facilities, infrastructure, or to pay for new technologies.

Bonds are a good choice if you're looking to earn a steady income with the potential to beat inflation. They are sometimes referred to as "fixed income" securities, as they pay you interest based on a fixed rate for a specified period of time.

Earnings:

The amount that you earn will be based on the bond's face value, coupon rate, and yield.

- **Face Value or Par Value:** The value of the bond at maturity, the date when the loan is paid off. A common face value is $1,000 per bond. The actual market price of a bond may be higher or lower than the face value. A bond's market price can fluctuate over time depending on a variety of factors, including investor demand, interest rate movement, the bond's maturity date, and the creditworthiness of the issuer.

- **Coupon Rate:** Refers to the interest that will be paid based on the face value of the bond. A bond with a face value of $1000 and a 7% coupon will pay $70 a year in interest. Interest may be divided into quarterly, semiannual, or annual payments.

BONDS, cont'd

- **Yield:** If you purchase a bond at face value, your coupon rate and actual earned yield will be the same. However, bonds are often sold at higher or lower prices than their face values. As a result, your actual yield can be different from the bond's coupon rate. Buying a bond at a discount, or less than its face value, results in a higher yield than the stated coupon rate. In contrast, buying a bond at a premium, or more than its face value, results in a lower yield than the stated coupon rate.

Safety:

Risk is related to the borrower's creditworthiness and ability to repay the loans. Major services, such as Moody's and Standard & Poor's, rate the creditworthiness of bonds. Ratings are based primarily on the credit history and current status of the issuer. The ratings use a letter system with A, for example, for higher quality through C, for lower quality.

Higher-risk bonds are commonly labeled "junk" or "high yield" to indicate low credit confidence of a borrower and the higher risk of your principal not being repaid. Higher-risk bonds usually project a higher interest rate.

One of the safest investments is with bonds issued by federal government agencies. Repayment is guaranteed by the full faith and credit of the United States government.

- **Tax Treatment:** Depending on the type of issuer and your state of residence, the interest you receive from a bond investment may be taxable or tax-exempt. Generally speaking, all corporate bonds are taxable. Municipal and state bonds are typically tax-exempt if you live in the same state where the issuer is located. Federal government bonds are not federally taxable but may be taxable at the state and local levels.

- **Interest Rates and Pricing:**

When rates rise, bond prices tend to fall, and when rates fall, bond prices tend to rise. If interest rates rise, newly issued bonds will pay higher interest than the bonds you may currently own. The older bonds will be worth less and may sell at a discount. If interest rates drop, newly issued bonds will pay lower interest than the bonds you may own. Then the older bonds will be worth more, and may sell at a higher price. If you hold a bond to maturity, you will not face these price changes.

Interest rates can also influence an issuer's decision to pay off the bonds early. Just as you can pay off a mortgage at any time without a penalty, many bond issuers have the ability to "call" in the bonds early. Typically, if interest rates drop significantly, a "callable" bond will be redeemed to allow the bond issuer to eliminate high-interest debt and borrow again at a lower interest rate.

BONDS, cont'd

Bond Term:

Time factors in to how much risk you are exposed to and how much interest will be paid. In general, the longer you're asked to lend your money, the higher the risk and therefore the higher the interest rate you can expect to earn. *Three time-based categories include:*

- **Short-term bonds** (generally under 2 years)
- **Intermediate-term bonds** (generally 2-10 years)
- **Long-term bonds** (generally more than 10 years)

Managing Bond Risk:

Holding a variety of bonds with different maturity dates helps minimize risk. As with stocks or most types of securities, you generally want to avoid holding a large bond position with a single issuer or type of bond. Bond mutual funds can also reduce risk because they invest in a pool of many bonds. Research the borrower and carefully assess ability to pay.

STOCKS

When you buy shares of stock, you own a piece of a company, sharing in its successes or failures along the way. Stocks represent ownership and are often called equities. *As a shareholder or an owner you can earn money in two ways:*

- **Dividend** distributions of a company's profits
- **Appreciation** from increased value in the share price

Companies may pay dividends quarterly, semiannually, or annually. Shareholders may be able to choose to receive cash payments or reinvest their dividends in additional shares of the company. Some companies reinvest their earnings in order to stay competitive and may be less likely to pay regular dividends but may offer more potential for price appreciation over time.

Investment Considerations:

Shares of stock are available for trading on a stock exchange every business day. They should be viewed as a long-term proposition as the stock price generally reflects how well a company is performing. In the short run, a stock's price can be affected by market factors that may have little to do with a company's long-term prospects.

Although you will want to "buy low and sell high," it is difficult and risky to time the market. Investors purchasing individual stocks should consider companies in which they have a clear understanding of the business model, have faith in the company's products and management team, and believe that the company has strong prospects for continued success.

STOCKS, cont'd

Stock Categories and Associated Characteristics:

- **Market cap (or size):** from nano, to micro, small, midsize, large, and mega.
- **Growth vs. value:** growth potential vs. offering an attractive value
- **Ownership risk:** from emerging companies to well-established names
- **Geography:** by country, or by region (or foreign and domestic)
- **Sector:** such as natural resources, transportation, or many others
- **Industry:** such as entertainment, biotechnology, and many others

Company Size:

Market capitalization refers to the total value of the company's stock represented by the share price multiplied by the total number of issued shares of stock.

- **Nano-cap:** under $50 million
- **Micro-cap:** $50 million to $300 million
- **Small-cap:** $300 million to $2 billion
- **Mid-cap:** $2 billion to $10 billion
- **Large-cap:** $10 billion to $200 billion
- **Mega-cap:** over $200 billion

Risk and Rewards:

Stock ownership involves risk that can vary widely depending on the individual company in which you invest. Smaller companies tend to have a higher level of risk and may experience wider swings in share prices, while larger, more established companies tend to have less risk and may experience less volatility in share prices.

Any company, large or small, faces the potential of having significant business problems, going bankrupt or even ceasing operations. If a business collapses, which happens at times to even the largest companies, your investment could become worthless. Diversify your holdings.

MUTUAL FUNDS

A mutual fund is a pool of money that is professionally managed for the benefit for all shareholders. As an investor in a mutual fund, you own a portion of the fund, sharing in any increases or decreases in the value of the fund. A mutual fund may own stocks, bonds, cash, a combination of these assets.

Advantages:

Mutual funds offer a number of advantages, including:

- **Diversification:** A mutual fund spreads your investment dollars around a variety of securities. Diversification tends to lower the risk of losing money and may lower volatility.
- **Professional Management:** A good mutual fund investment manager will search out the best possible returns consistent with the fund's strategies and goals.
- **Cost-Efficiency:** Pooling money with other investors creates collective buying power that may help you achieve more than you could on your own, including a large variety of investments and the benefit of professional money managers.
- **Liquidity:** With some limitations, most fund shares can easily be sold for cash at least once a day at a fixed price.

Buying Shares:

Shares may be purchased through a registered broker or firm and may or may not carry a sales charge. There are reputable, high-performing funds in both categories. Because sales charges impact your return, they should be included as part of your analysis.

- **No-load funds:** Charge no (or a very low) sales fee or commission to purchase or sell shares..
- **Load funds:** Charge a sales fee or commission for purchases. Some funds charge the fee when you buy shares, others charge when you sell them.

Payments into a mutual fund can be made by:

- **Lump sum:** Invest any amount at one time as long as you meet the minimum requirements of that fund. Some funds have no minimum for opening an account or no minimum for additional share purchases.
- **Automatic investment:** Most funds offer plans that allow you to transfer set amounts on a regular basis automatically from your bank account or paycheck.

Dollar-Cost Averaging:

Making regular investments in a mutual fund, such as $100 every month, allows you to take advantage and level the impact of the ups and downs of the market. Over time, the average ***cost*** of your fund shares should be lower than the average ***price*** of the fund shares during the same period.

Share Price:

Calculated daily based on the value of the assets owned by the fund:

- **Net Asset Value (NAV):** Calculated by adding the total value of all of the securities in the fund, subtracting expenses, and dividing by the number of shareholder shares.
- **Daily Valuation:** The value of the stocks or bonds owned by a fund can change daily, so the value of the fund also changes. A fund is required by law to adjust its price once every trading day to provide investors with the most current NAV.
- **Investment Value:** Take the value of one share (NAV) and multiply it by the number of shares you have in the fund. You can own a fraction of a mutual fund share.

Earning Money:

Mutual funds can provide you with earnings in three ways:

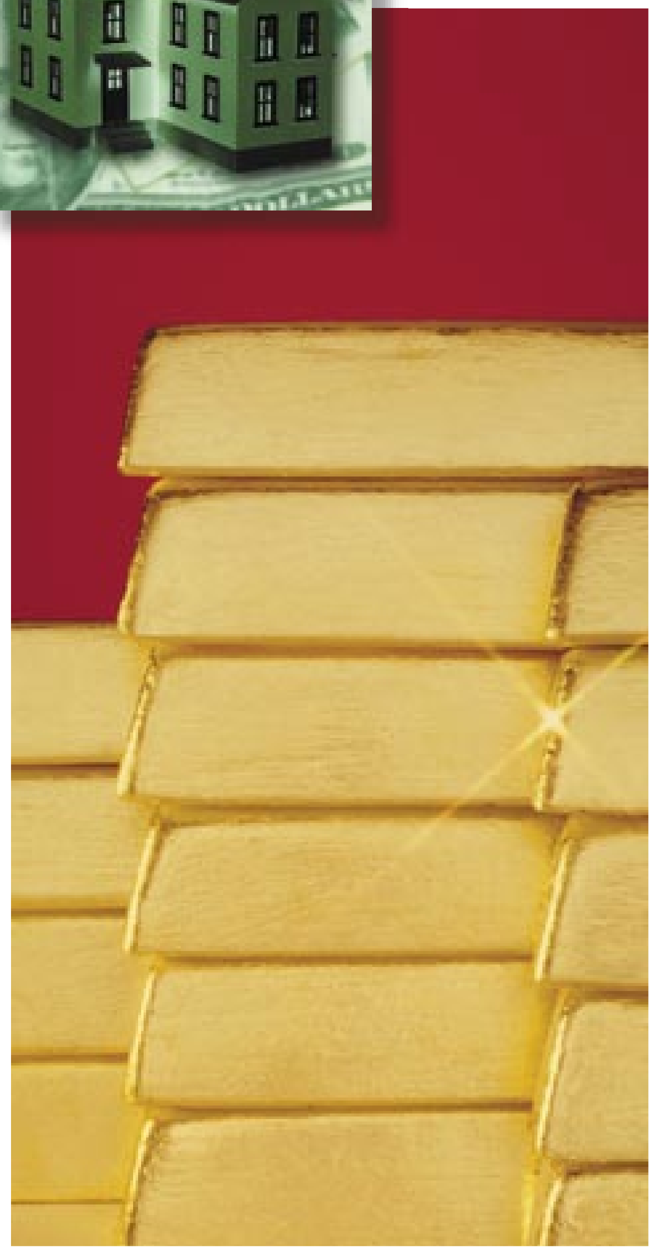
- **Appreciation:** The value of a fund share can appreciate, or go up in value. It can also go down in value (depreciate).
- **Dividends:** If a fund receives stock dividends, bond interest, or other investment income, it distributes those earnings to shareholders as outlined in its prospectus.
- **Capital Gains Distributions:** When the fund manager sells securities at a profit, the fund earns capital gains. Funds are required to distribute these gains to the shareholders at regular intervals. Your gains can be reinvested in more fund shares, held as cash, or distributed to you.

Choosing a Mutual Fund:

Be sure you understand what you want for your money (protection, income, growth), then look only at the funds that aim for the same thing.

- **Review the Prospectus:** Regulations require fund sponsors to provide a prospectus about the fund offering that must be updated annually. It covers all of the important elements such as the history, management, financial condition, performance, expenses, goals, strategies, types of allowable investments, and policies.
- **Performance:** Tells you how much it has increased or decreased in value in each of the past 10 years against a relevant industry benchmark with information about how the market segment has performed as a whole.
- **Average Annual Return:** Funds must report their average return on a yearly basis to openly disclose the history of the best and worst performing years.
- **Fees and Expenses:** Tells you if a fund charges a sales charge or is a "no-load" fund, meaning that there is no up-front sales charge. All funds charge management fees and expenses, which are described in the prospectus.
- **Independent Rating Services:** Companies such as Morningstar, Lipper, and Barrons provide a rating or ranking of a fund based on its performance relative to its broader peer group, as well as an opinion about a fund's management team and operations. Subscriptions to a service may provide access to a wide range of information, tools, and services.

Other Investments



Real Estate:

Investments in real property, improved or unimproved, can offer the opportunity for asset appreciation and, in some cases, rental income. *The most common types of real property assets and possible sources of gain include:*

- **Own Your Own Home:** Capital appreciation
- **Rental Properties:** Capital appreciation of and net rental income by buying properties like apartments, homes, and commercial buildings
- **Raw Land:** Capital appreciation by holding land for future sale or development

Real Estate Investment Trust (REIT):

A REIT is a public company that owns and manages real estate properties (apartments, shopping malls, and office buildings). You may gain capital appreciation and earn income by buying shares of a REIT stock.

Commodities:

Includes investments in gold, silver, oil, farm products and produce, and foreign currencies. Investments in commodities are very speculative because their future demand is difficult to predict. Prices of commodities are driven primarily by supply and demand, e.g. oil prices will go higher if there is a shortage. Commodity information is available at the Chicago Mercantile Exchange (CME) and Chicago Board of Trade (CBOT).

Collectibles:

Includes baseball cards, coins, stamps, dolls, antiques, etc. Collectibles may increase in value and could be sold for a profit; they can create a loss through damage, theft, or wear and tear.

Managing Investment Risk

Investing contains a number of risks to consider, including:

- **Principal Risk:** The loss of money or capital invested is the most obvious and feared risk of investing.
- **Inflation Risk:** The loss of buying power. Investments must increase in value at least at the same pace as prices increase or you'll lose purchasing power.
- **Shortfall Risk:** Failure to achieve investment objectives may be the result of setting unrealistic goals or buying the wrong investments.
- **Market Risk:** The potential to gain and lose value. The price of any investment is likely to rise and fall over time. If you invest for longer periods of time, market risk may lessen, because over the long term, most investments tend to rise in price. Market risk can place investors at a significant disadvantage if they are forced to sell at a time when prices happen to be down.
- **Foreign Exchange or Currency Risk:** Investments in foreign assets include a risk for the exchange rate between your home currency and the foreign currency. The exchange rate fluctuation may offset any investment gain.
- **Halo-Effect Risk:** Sometimes investments in an industry affect the others in that industry. Because they are linked in the minds of investors, an investment could rise, but it could also decline.

Managing investment risk is your responsibility. It is your money. Educating yourself, monitoring your investments, and knowing the professionals you are dealing with, will go a long way to help ensure your financial success. *Tips for managing investment risk include:*

- **Learn the Basics of Investing:** Alleviate fear and uncertainty by learning how the stock market and other investments work. Courses on investments are offered through local colleges or other learning institutions.
- **Find the Right Investment:** All investments aren't good for all investors. Review your personal financial situation and investment goals and select investments that are more suitable for you.

Managing Investment Risk, cont'd

- **Research Materials on the Investment:** The prospectus and other financial documents and articles will tell you the pros and cons, values and risks.
- **Understand the Investment:** Invest in what you know and have researched rather than relying on someone's knowledge or recommendation.
- **Establish Your Personal Risk Factor:** Suitable investments are available for every level of risk. Consider your age, education, investment experience, personal wealth, and prospects for future employment.
- **Take Your Time:** Avoid the impulse to act quickly because you might miss an opportunity. There will always be opportunities. Don't be pushed into a decision that you don't understand or that doesn't fit your goal profile.
- **Know the Professionals:** If you seek advice, know what form of compensation your professional receives for services. Ensure that the investment professional has your best interest in mind and has the appropriate licenses and credentials. Check for past problems or any disciplinary action against that person.
- **Understand the Fee Structure:** Fees and expenses reduce your returns over time in all types of financial products.
- **Monitor the Investments and Advisors:** Once you invest, keep track of how your investments are doing. Check prices periodically, and continue to look for information on the investments. Read account statements or reports from your broker or investment firm, keep in close contact, and keep them accountable to you.
- **Diversify to Reduce Risk:** Spread investments among different asset classes such as stocks, bonds, and cash equivalents, as well as companies and market sectors.
- **Rebalance to Stay on Track:** Markets change. Rebalancing helps maintain your target asset allocation consistent with your goals and risk profile. It helps account for changes in your life, economy, and to lock in profits already earned.
- **Keep it Simple:** Too many choices can be overwhelming, difficult to manage and properly diversify, and track to be on target to your goals. Owning a few simple, well-chosen investments may be the best course.

Retirement Planning

WHEN TO CONSIDER RETIREMENT

Deciding when to retire is an individual assessment with many issues involved. No set of circumstances is the same for everyone. There are several factors to consider such as your financial resources, work opportunities, health, housing, and lifestyle.

Consider these questions:

- Are you ready financially and emotionally to quit work?
- How much money do you have for retirement?
- How much money will you need to pay bills in retirement?
- Do you still have a mortgage and other debts to pay off?
- Do you want to relocate? What is the cost of living where you plan to live?
- What kind of leisure, travel, and recreation do you hope to enjoy?
- How much should you budget for medical and long-term care?
- Have you taken a realistic account of your life expectancy?

Taking the time to estimate what retirement will cost you by using a retirement calculator tool will help you in your planning. These tools can be found on several of the websites in the appendix.

MANAGING MONEY IN RETIREMENT

Financial decisions leading up to and throughout retirement are very important if your money is to last as long as you do. *You may outlive your financial resources for several reasons, including:*

- Savings and investments were less than planned.
- Pensions were non-existent or less than projected.
- Expenditures and withdrawals were more than planned.
- Medical and long-term care expenses consumed more resources than anticipated.

The following issues should be part of your analysis if you are to maximize your resources during the later years of your life.

- **Social Security Decisions:** The "normal" retirement age for Social Security increases slightly each year moving closer to age 67. You can start receiving Social Security at age 62, but if you do, you will only receive 80 percent of what you would have if you waited until your "normal" retirement age. If you wait until age 70, your monthly benefits will be even higher.
- **Deferring Social Security** benefits for as long as possible increases the monthly benefits. However, if there is an opportunity to invest your payments, starting at age 62 may allow you to invest a smaller amount of money over a longer period of time.
- **Inflation:** Estimating inflation in the future is difficult but needs to be monitored and planned for in order to avoid shrinkage of your purchasing power and to maintain your expected standard of living.
- **Withdrawals of Principal:** It is important that you try to live off income from your assets and/or current earnings and minimize the withdrawal of assets to less than 5% each year.
- **Protection of Principal:** It makes sense to take less investment risk during your retirement years, so choose carefully should you decide to maintain investments in stocks and bonds as you attempt to maximize your return prudently.
- **Asset Withdrawal Priorities:** If you have the option to choose which assets to withdraw from first, try to preserve as long as possible those that are tax-deferred and earning higher interest rates.
- **Allow for Unknown Health Costs:** You cannot guarantee your health. It is essential that you consider the possible alternatives and consequences of health and long-term care for you and your partner or spouse.
- **Continuation of Employment:** More people are working past traditional retirement age. Many will work to supplement living expenses. There are many other compelling reasons to continue gainful employment, including learning new skills, maintaining sociality, continuing productivity, flexible work environment and telecommuting opportunities, and sustaining good mental and physical health.
- **Charitable and Planned Giving:** If you are in a position to do so, you can begin a program to give away money to individuals and family members as well as qualified charitable organizations. Individual nontaxable gifts (currently $12,000) may be given to anyone without paying taxes. Larger income-producing assets can be donated to charities where you can keep the income during your lifetime. These types of gifts can maintain your cash flow while reducing potential federal estate tax liability. Plan carefully before giving money away to be sure that you won't have a shortage of funds.

Estate Planning

You have the right to decide how you want your property distributed at the time of your death. Estate planning allows you to direct how your assets will be divided and distributed among beneficiaries designated by you in estate planning documents. Estate planning documents also allow you to appoint a guardian for a minor or disabled child. Usually included in the term "estate planning" is planning for incapacity; in other words, planning for how your affairs, both financial and medical, will be handled if you become unable to manage your own affairs. Powers of attorney for health care and finances, in addition to trusts, can be used to plan for incapacity.

Intestate Succession:

Utah law directs how your property will be distributed after your death if you have no will or trust. The law distributes property in the way the legislature thought most people would want their property distributed. For example, if you have no will and you are married, your surviving spouse inherits everything, unless you have children from another relationship who are not the children of your surviving spouse. If you have no living spouse, your children inherit in equal shares. If no relative can be found, the estate goes to the Utah State Schools Fund. If the legal default is not what you want, you need a will or trust. In addition, if you have a disabled child or spouse, you should consult an attorney about the need for a will or trust.

Estate Planning, cont'd

Wills:

A will lets you designate who gets your money, personal property, real estate, and other assets after your death. You can also name in your will a guardian for a minor child, disabled adult child, or disabled spouse. You do not have to use an attorney to make a simple will, but if your circumstances are complicated (for example, you have a disabled child or you have children from a different marriage) you should consult an attorney.

Trusts:

Trusts can be used for estate planning. A trust is a legal entity that holds assets. A trustee is appointed to manage the trust assets according to the terms of the trust. A living trust can be used to manage assets during your life, then distribute your assets to your beneficiaries after your death. A testamentary trust is created through a will and can be used to manage funds and distribute your property to beneficiaries with greater control than a will typically permits.

Most people do not need a trust. Trusts may be useful, however, if you are in a non-traditional relationship, if you have children who are not the children of your spouse, when you have a disabled child or spouse, or when you have a taxable estate. Trusts can complicate matters when not done correctly. You should use an attorney to create a trust.

Jointly Titled Bank Accounts and Property:

Many people use joint titles on bank accounts and property as an informal estate-planning technique. While not wrong, this approach is risky. It lacks the formal instructions and legal protection offered by a power of attorney, will, or living trust. Jointly held property among spouses is common and rarely a problem. In contrast, adding an adult child or other relative or friend on the title as co-owner of your bank accounts or home could lead to loss of

those assets. It can also interfere with the fair and intended distribution of your assets after your death, because a co-owner of jointly titled property typically has no legal obligation to share that property after your death. If you choose this approach, do so with great care and with the understanding that it is very risky outside of a marital relationship.

Planning for Incapacity

Selecting a Fiduciary:

A fiduciary is a person or business that you or a court appoints to manage your money or other assets. Professional fiduciaries who most often serve in this role include attorneys, certified public accountants, and bank trust officers. Make sure that a professional fiduciary has the appropriate credentials and experience to serve in the role. Get references from prior clients, and check the professional's affiliations with reputable professional organizations. Make sure you understand the cost of using a professional fiduciary before you appoint one. A friend or family member you appoint to manage your financial affairs is also a fiduciary.

Select fiduciaries very carefully. Choose a fiduciary you trust, whether a family member, friend, or professional. Confirm that the fiduciary you wish to appoint is willing to honor your preferences about how to use your assets before you appoint the fiduciary in a planning document.

Fraud can be committed by a fiduciary. Fiduciaries have access to your money and other assets. A fiduciary – whether a spouse, child, close friend, or licensed professional – must be absolutely trustworthy. The selection of the wrong fiduciary could result in the loss of your money and property, sale of your home, or loss of financial support for your spouse or children. Change your planning documents if your appointed fiduciary becomes unavailable or if you question your fiduciary's ability to reliably and honestly manage your affairs.

FINANCES

Financial Powers of Attorney:

A financial power of attorney is a document that gives your appointed agent the power to manage your finances. Your agent is a fiduciary. All adults should have a financial power of attorney that appoints an agent to manage their financial affairs in the event that they lose the ability to manage their own affairs. Failure to have this document in place prior to incapacity – even temporary incapacity – could result in the need for a

costly and public guardianship and conservatorship court proceeding.

A power of attorney is a very powerful document. Consider using a private attorney or a Legal Services attorney who provides services to low-income individuals to create your power of attorney. Forms, such as those found on the Internet or distributed by other individuals or businesses, may not allow your agent to act on your behalf when necessary or may give your agent more power than is necessary to meet your objectives.

Your power of attorney should give your agent only the power needed to achieve your objectives. For example, you can choose to have the agent's power become effective only after a physician certifies that you have lost the ability to manage your own affairs (called a "springing power of attorney"). You can include language in your power of attorney that instructs your agent to involve you in making decisions to the greatest extent possible, even if your abilities are impaired. Your power of attorney should state that the use of your money to benefit anyone but you is a crime, unless the document specifically allows the agent to use your assets to benefit someone else.

Living Trusts:

A living trust is a legal entity that you can create to hold your assets. The trustee who is appointed is a fiduciary. In a trust, you name a trustee to manage the assets owned by the trust according to your instructions on how you want those assets managed. Typically, you or you and your spouse would serve as the trustee of a living trust while you are able to serve. A successor trustee is the person who takes over management of the trust when you are no longer able. The trustee can only manage assets that are owned by the trust. A living trust can be a useful tool to manage your financial assets and pass those assets on to designated beneficiaries after your death.

Trusts can, however, be expensive to create. In addition, if not well-drafted, a trust can expose you to the loss of control over your assets. Transferring assets into a trust could make you ineligible for government programs.

Use an attorney to prepare a living trust, and avoid irrevocable living trusts. Be suspicious of anyone who advises you that everyone needs a living trust. Even if you have a living trust, you still need a financial power of attorney to assure that assets that are not owned by the trust can be managed in the event of your incapacity.

Planning for Incapacity, cont'd

HEALTH CARE PLANNING

Advance Health Care Planning

As part of planning for incapacity, you should think about your health care and end-of-life care wishes, and you should complete an Advance Health Care Directive. You can find Utah's Advance Health Care Directive forms at hospitals, your Area Agency on Aging, the Utah Medical Association, or on the Web at http://www.hsdaas.utah.gov.

A law passed in 2007 changed Utah's forms; make sure any form you complete after January 1, 2008, is titled "Utah Advance Health Care Directive." Living wills or powers of attorney for health care documents signed before January 1, 2008, remain in effect, but you are encouraged to complete the new form, which offers more choices, encourages the appointment of a health care agent, and gives more information to your health care provider.

Experts say that the best way to get your end-of-life wishes honored is to name a person you trust as your health care agent in your advance directive. Get permission from the person you want to name as agent before you appoint that person, and make sure your agent understands your wishes and is willing to carry them out.

You can also record specific preferences about end-of-life care in your advance directive. It may be helpful for you to talk to your doctor about end-of-life decisions that you or your agent may face, especially if you have a life-threatening or life-limiting illness. Only after you have thought through your choices should you record your preferences on an advance directive form.

It is not necessary to hire a lawyer to complete an advance directive. If you need help, look for a trained advance care planning facilitator if you need help. After you complete your advance directive, you should discuss your wishes with those family members you have not appointed as agent. If your family members disagree with your wishes, they may make it hard for your agent to honor your wishes. Family members who have talked to you about your wishes are more likely to support your agent. You should also discuss your end-of-life wishes with those who might be with you in an emergency, such as family, friends, or neighbors.

When Planning is Not Enough

If you appoint health care and financial agents prior to becoming incapacitated, you should not need a guardianship or conservatorship. If, however, you did not appoint an agent, if your appointed agent cannot serve in that role, or if other complicating factors create the need, a court-ordered guardianship and/or conservatorship may be necessary.

Guardianship: A guardian is appointed by a court after a hearing that establishes the need for a guardian. A court may give a guardian the power to make decisions about your medical care, housing, and other routine decisions. For individuals with few assets, a court may also give the guardian the power to manage your finances. The guardian must make annual reports to the court with respect to the care and status of the ward. Generally the guardian is a family member, if one is available and willing to act. Utah law allows you to nominate a guardian in a written document or as part of an Advance Health Care Directive or Power of Attorney for Health Care.

Conservatorship: A conservator is a court-appointed manager of the financial affairs of an incapacitated individual. It is similar to a financial power of attorney except that the conservator has more legal authority to act on behalf of an incapacitated individual. A conservator is required to keep detailed records of his or her financial management and file an annual accounting with the court which is open for review of interested persons, such as family members. Utah law allows a person to nominate a conservator in a written document or as part of a Financial Power of Attorney.

Consumer Protection

IDENTITY THEFT

In this rapid information age it is important that everyone be aware of the importance of protecting their personal information. One reason this is so important is the dramatic rise of identity theft in this country. Unheard-of as recently as ten years ago, it is now the fastest-growing crime in America, with over 10 million victims a year.

How does it happen?

Identity theft occurs when someone uses your personal information without your permission to commit fraud or other crimes. While you can't entirely control whether you will become a victim, there are steps you can take to minimize your risk.

Utah's Office of the Attorney General recently launched a section of its Web site as a "one-stop shop" for reporting identity theft and learning how to prevent it. The site is **www.idtheft.utah.gov** and is called I.R.I.S. (Identity Theft Reporting Information Service). It provides a wealth of information as well as a means by which enforcement authorities at the local, state, and federal level will be notified if you are an identity theft victim.

The attorney general's Web site offers some steps to take to help protect yourself.

- Carefully review every credit card and bank statement for unauthorized charges. Limit the number of credit cards you hold.
- Burn or shred, with a cross-cut shredder, any mail or financial papers with your personal information on it. Never recycle them.
- Destroy all receipts, shipping slips and bills that use your credit card number.
- Never leave transaction receipts at ATM machines, on counters at financial institutions, or at gasoline pumps.
- Stop credit card companies from sending pre-approved credit card applications and "convenience checks" to your house by calling 1-888-5OPTOUT or visit **https://www.optoutprescreen.com**. They are ticking identity theft time bombs.
- You're entitled to one free credit report from each credit reporting company each year. Take advantage of the offer and review it carefully at least every year and before making a major purchase. To request your report online, go to **www.annualcreditreport.com**, or call 1-877-322-8228.

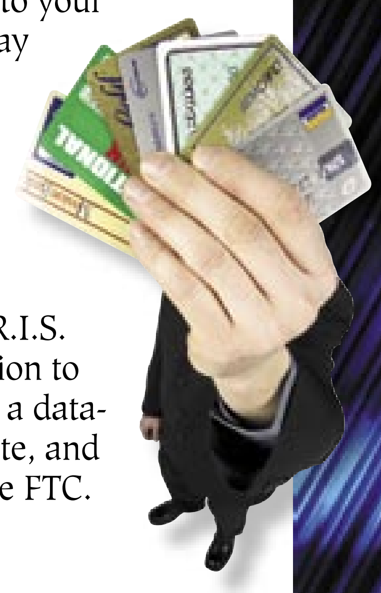
IDENTITY THEFT, cont'd

- Challenge companies that ask for personal information, such as your phone number at a checkout line.
- Delete any e-mail that asks for personal information.
- Hang up on any phone solicitor who seems to be fishing for personal information. Register online with the National Do Not Call system at **www.donotcall.gov** to keep unwanted telemarketers from calling.
- Never use your Social Security card for identification and don't carry it with you.
- Watch for your monthly financial statements and bills. If you don't get them when expected, contact the sender.

Most of the time, you can't prevent an ID theft incident from occurring, because two-thirds of the time it is the result of a data breach at some company. So be prepared, and be organized. Save paper bank records for a year, at least. You'll need them to prove your account balance in the event of an ID theft incident.

If you think your identity has been stolen, here's what to do:

1. Contact the fraud departments of any one of the three consumer reporting companies to place a **fraud alert** on your credit report. The fraud alert tells creditors to contact you before opening any new accounts or making any changes to your existing accounts. You only need to contact one of the three companies to place an alert. The company you call is required to contact the other two, which will place an alert on their versions of your report, too. Once you place the fraud alert in your file, you're entitled to order free copies of your credit reports, and if you ask, only the last four digits of your Social Security number will appear on your credit reports.
2. Close the accounts that you know or believe have been tampered with or opened fraudulently. Use the **ID Theft Affidavit** when disputing new unauthorized accounts. This document can be found on the attorney general's identity theft Web site **(www.idtheft.utah.gov)** or on the Federal Trade Commission's (FTC) website at www.ftc.gov.
3. File a report with your local police or the police in the community where the identity theft took place. Get a copy of the report or, at the very least, the number of the report, to submit to your creditors and others that may require proof of the crime. The I.R.I.S. website will be available to automatically file reports with the relevant offices and will walk you through the process.
4. File your complaint with I.R.I.S. which will use the information to pursue your case, maintain a database of cases across the state, and report the information to the FTC.



Seeking Professional Advice

If you would like a comprehensive financial plan to secure your future, you may benefit from the expertise of a professional advisor. Many financial planners or advisors call themselves by similar names, including investment advisor. However, these planners don't all provide the same services, are not regulated the same, and don't always get paid in the same way. Be sure to ask planners in advance about their services and fees.

The following are suggested guidelines for choosing a financial advisor:

- **Financial advisors or planners often belong to a professional organization**, meaning they should abide by the organization's code of professional responsibility. Several professional associations and organizations are listed in the Resource Appendix. Be advised, however, that these organizations have no force of law; violation of securities laws must still be prosecuted by the Utah Division of Securities, the Utah Insurance Department, the National Association of Securities Dealers (NASD), or the Securities and Exchange Commission.

- **Recognized Professional Credentials & Designations:** These designations may be an indicator of an individual's commitment to education, high professional standards, practitioner knowledge, ethics, experience, and continuing education. Although there are several designations an individual can obtain through training and examination, it is not necessarily a guarantee that the planner has the expertise, skills, or range of knowledge required for your particular needs. It is important for you to understand the requirements of the designation or credential and the underlying institution that bestows it to help you assess its relative value or merit.

WHICH PROFESSIONAL IS RIGHT FOR YOU?

The good news is that you have plenty of choices when it comes to working with a financial professional. However, before you reach for the phone book or start asking friends for referrals, it's wise to first spend some time considering your financial goals and needs, and the way you might enjoy and benefit from working with a professional. Your answers to the following questions can point you in the right direction.

What financial issues do I need help with?

Your answer to this question will help you to narrow your search. Some financial professionals will work with you to identify your life goals, develop and implement an investment plan, and provide ongoing advice. Others will assist you with very specific concerns, such as choosing the most advantageous 529 college savings plan, purchasing a long-term care policy, or developing a retirement savings plan for your small business. Once you decide exactly what you need help with, you can match your needs to the expertise and experience of a financial professional.

- **Financial Planners:** These professionals generally take a broad view of your financial affairs and function in the role of your personal chief investment officer. The most comprehensive financial planners assess every aspect of your financial life, including your savings, investments, insurance, taxes, retirement, and estate planning. Financial planners can work with you to identify your financial goals, develop a plan to meet those goals, and regularly review your progress.

- **Investment Advisors:** As the title implies, investment advisers focus more specifically on managing your investments. Of course, this is not to say that investment advisors don't provide financial advice. In fact, some investment advisors are financial planners. The majority, however, are focused on providing you with investment advice and are compensated on an annual basis by a percentage of the assets they manage for you. Investment advisors are required by law to uphold a fiduciary duty to you; i.e., they must place your financial interests ahead of their own. For example, they are not allowed

WHICH PROFESSIONAL IS RIGHT FOR YOU? cont'd

to recommend an investment that does not have your best interests at heart versus their potential for a large commission. A Registered Investment Advisor (RIA) is a company regulated by the Securities and Exchange Commission (SEC), or by the state of Utah for smaller firms. Individual "Investment Adviser Representatives" (IAR) must be licensed by the state. A "Financial Advisor" is an unregulated title and is not required to have a fiduciary duty toward his or her clients.

- **Stockbrokers:** These professionals have acted traditionally as intermediaries between buyers and sellers of stocks and bonds, and generally were compensated by commissions. However, today there are brokers who, while they still earn their living on commissions, also provide financial planning services. Of course, the flip side is also true. Advisors can call themselves financial planners and do little more than sell investments.

- **Insurance Agents:** Insurance agents can help you with your insurance needs, from property and casualty insurance to life insurance and annuities. In addition, they can help you sort out health insurance and long-term care options, as well as offer overall risk management strategies.

- **CPA/Accountants:** A CPA is a professional licensed by a state to offer a variety of accounting services, such as simple tax preparation, financial audits, business valuations and succession planning for small businesses.

- **Estate Planning and Elder Law Attorneys:** These lawyers can draft estate planning documents and can develop strategies that enable your favorite charities to make the most of your gifts. If you have substantial assets, these attorneys can also develop wealth-transfer strategies to ensure that your estate passes to your heirs in the most tax-efficient manner.

WHICH PROFESSIONAL IS RIGHT FOR YOU? cont'd

How Do I Pay For Services?

Financial professionals charge for their services in numerous ways. Before you hire any financial professional, make sure you understand how that person gets paid and that it matches how you want to pay. *Below are some of the ways many financial professionals are paid:*

- A percentage of the value of the assets they manage for you
- An hourly fee for the time they spend working for you
- A fixed or retainer fee
- A commission on the products they sell
- Some combination of the above

Each compensation method has potential benefits and possible drawbacks. For example, some people think that an hourly fee removes incentives for recommending products on which the planner/adviser might receive a commission, or that a percentage of assets under management may influence the amount of your investment portfolio. Others may argue that paying a percentage of your assets may be more affordable and give the planner/adviser more incentive to grow your account. It's worth doing research into which compensation method is best for your individual needs, though having a highly competent and trustworthy financial professional working for you is likely more important than how they are paid.

Am I comfortable with brand names or independents?

As you begin your search, there will be company names you recognize and have seen advertised. In addition to benefiting from the company's big advertising budgets, financial professionals who work in the branch offices or local outlets of major financial services firms have first-rate marketing materials to educate you on various products and services and sophisticated technology to analyze and report on your portfolio. On the flip side, big companies can be impersonal, and corporate mandates can drive sales of proprietary products.

Conversely, independent financial professionals, those who are self-employed and unaffiliated with major companies, are unencumbered by corporate policies and may have more flexibility in terms of their product offerings. Yet, while you benefit from their independence and greater attention, these advisors often do not have the impressive resources, in terms of research and support, of the larger firms.

WHICH PROFESSIONAL IS RIGHT FOR YOU? cont'd

The Process

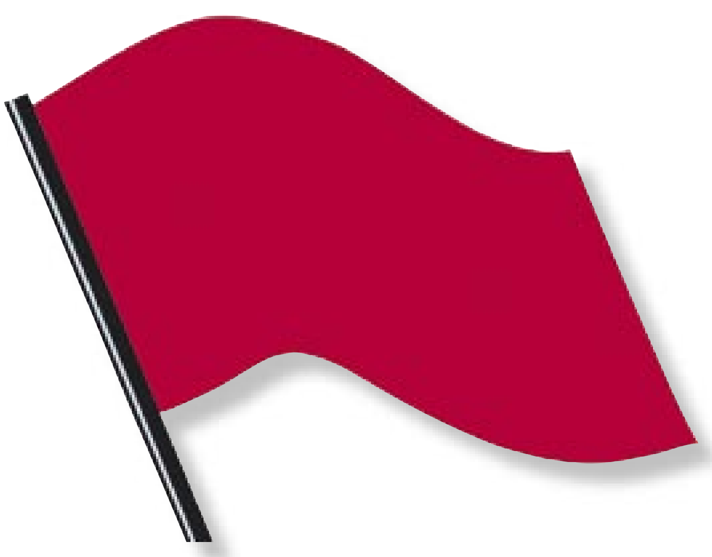
Regardless of which professional you need and decide to employ, it's important to interview several candidates before making your final decision. Remember that while a financial professional may have all the right qualifications and expertise on paper, it is also important to have a personal connection. You need to select someone you can be honest with and respect. Once you have a final list of candidates, you can check on their qualifications and records using the resources listed in the appendix. *But always ask any financial professional the following:*

- What are your credentials?
- Are references available?
- How are you paid?
- Can I have a written estimate?
- What's your specialty?
- How will we settle disputes?

Any professional who refuses to answer your questions or makes you feel uncomfortable is not someone you should be trusting with your money. You should fully understand the nature and scope of the relationship and be at ease and knowledgeable about the decisions you are making about your financial future.

Consumer Tips

GENERAL CONSUMER PROTECTION



Although deceptive, abusive or unfair tactics will vary depending on the goods or services you are buying, there are certain general warning signs that may indicate that someone is trying to scam you. Being a careful consumer can save you a lot of aggravation and prevent con artists from taking your money. According to the Utah Division of Consumer Protection, some catch phrases are red flags for fraud.

Every day, consumers are bombarded with offers, coupons, contests and other marketing devices over the phone, through the mail, on television and radio and through the Internet. Most are legitimate. Some are not. Perpetrators of scams try to mimic well-known products and promotions with minor changes that can help you to identify which offers or prizes won't live up to your expectations.

GENERAL CONSUMER PROTECTION TIPS, cont'd

Samples of pitches to avoid:

- **"You are a guaranteed winner of one of five valuable prizes!"** This scheme entices you to fork over big bucks to buy chemically inert vitamins, cheap home-security alarm systems or water purifiers, or to contribute to a bogus charity before you get the booby prize, which is of little or no value.

- **"This chain letter is perfectly legal."** Most everyone receives this pitch sooner or later, but does anyone really get rich by participating? No. Once you've paid for copying, postage and a mailing list, this is one of life's biggest losers. Besides, chain letters that ask for money are usually illegal lotteries or pyramid schemes.

- **"Stuff envelopes at home and earn BIG $$$!"** If it were this easy, we would all be home stuffing envelopes! Typically, the swindler making this offer is going to sell you a "plan" to do exactly what he's doing—advertising for suckers to send money for useless information. Save your money.

- **"Your humble assistance is highly solicited in transferring millions of dollars, available from the Nigerian National Petroleum Co., to share with your good self. All we need is your bank account number."** This fraud, once aimed at business owners, now targets consumers. Send your account numbers and money will be stolen from your account by bank drafts.

- **"You've been selected to receive a fabulous vacation!"** Notice nothing is said about winning a vacation. You have to pay for it, and you will encounter a nightmare of scheduling problems, shabby hotels, nonexistent cruises and fly-by-night airlines. Worried about losing your luggage? How about losing your shirt?

- **"You've won 10 million dollars! All you need to do is send us money to cover taxes and handling."** You never have to pay money to receive lottery earnings. It is a sure sign of fraud.

PREDATORY LENDING

It is important to remember that there are some lenders outside of the legitimate industry that may charge excessive fees, include unfair loan terms in your contract, or misrepresent the interest rate you will pay, or other material terms of the contract.

These "predatory lenders" sometimes will structure a loan to make it unaffordable so that they can eventually foreclose on your house. Although such lenders are found mostly in the sub-prime industry, some will target homeowners with considerable equity in their homes but little cash flow for repairs or upkeep.

PURCHASING FINANCIAL PRODUCTS

- Research and prepare for any purchases you intend to make. Shop and compare products and service providers.

- Never pay agents in cash. If you do not use checks, you can use money orders.
- Write the check or money order directly to the underwriting company.
- When you receive your product or purchase verification, review it right away to be sure it covers what you paid for.
- Contact the government agency that oversees product vendor practices in Utah if you have questions about companies, agents, product language or provisions, or regarding the way you're being treated.
- Understand any clauses that let you cancel your purchase within a certain number of days after you've signed and paid for it.

Index of Resources

List of organizations and agencies are provided as suggestions for further consideration. They are not listed as an endorsement of service or product.

AARP
Information, advocacy, services for people aged 50+
www.aarp.org
888-687-2277
601 E Street NW
Washington, DC 20049

AARP Utah
Information, advocacy,community service
www.aarp.org/ut
866-448-3616
6975 Union Park Center, Suite 320
Midvale, UT 84047

A.M. Best Company
Insurance industry information and research
www.ambest.com
908-439-2200

America Saves
Financial information and savings campaign
www.americasaves.org
202-387-6121

American Academy of Estate Planning Attorneys
Legal education and resources
www.aaepa.com
800-846-1555

American Association of Individual Investors
Investment information and research
www.aaii.org
800-428-2244

America's Health Insurance Plans (AHIP)
Health insurance industry information and advocacy
www.ahip.org
202-778-3200

Association for Advanced Life Underwriting (AALU)
Life insurance planning information
www.aalu.org
800-894-0222

Bankrate.com
Financial information and research
www.bankrate.com

BenefitsCheckUp
Public and private benefit programs eligibility
www.benefitscheckup.org

Bloomberg.com
Investment information and research
www.bloomberg.com

BusinessWeek.com
Investment information and research
www.businessweek.com/investor

Centers for Medicare and Medicaid Services (CMS)
Medicare information and insurance
www.medicare.gov
800-Medicare
800-633-4227
877-486-2048 TTY

Chicago Board of Trade (CBOT).
Investment exchange
www.cbot.com

Chicago Mercantile Exchange (CME)
Investment exchange
www.cme.com

Choose To Save
Financial information and research
www.choosetosave.org

C.L.U.E. Reports
Consumer information
www.choicetrust.com
866-312-8076

CNN Money.com
Investment information and research
www.cnnmoney.com

Consumer Federation of America
Consumer information and advocacy
www.consumerfed.org
202-387-6121

Disability Law Center
Advocacy and protection for people with disabilities
www.disabilitylawcenter.org
800-662-9080
800-550-4182 (TTY)
205 North 400 West
Salt Lake City, Utah 84103

Dow Jones
Investment information and research
www.marketwatch.com

Eldercare Locator
Caregiving information and services for older americans
www.eldercare.gov
800-677-1116

End-of-Life Care Partnership
Coalition of resources for end-of-life issues
www.carefordying.org
348 East 4500 South, Suite 300
Salt Lake City, Utah 84107
801-892-0155
800-677-1116

Equifax
Credit bureau
www.equifax.com
800-525-6285
P.O. Box 740241,
Atlanta, GA 30374-0241

Experian
Credit bureau
www.experian.com
888-397-3742
P.O. Box 9531,
Allen, TX 75013

Federal Long-Term Care Insurance Program
Federal employee long-term care insurance
www.opm.gov/insure/ltc
800-582-3337
800-843-3557 TTY

Federal Reserve Bank of San Francisco
(Utah is in the twelve federal reserve district)
Financial Information and Research
www.frbsf.org
801-322-7900

Health Care Coach.com
National help law program
Health Care Information and Advocacy
www.healthcarecoach.com

Insurance Information Institute
Insurance information and resources
www.iii.org
800-331-9146

Investopedia
Investment information and research
www.investopedia.com

Kiplinger
Financial information and research
www.kiplinger.com

Life and Health Foundation for Education
Insurance information and resources
www.life-line.org
202-464-5000

Medicaid – Utah Department of Health
Medicaid information and insurance
www.utah.gov/medicaid
800-662-9651

Moody's Investors Services
Investment information
www.moodys.com
212-553-0300

Morningstar
Investment information and research
www.morningstar.com

Motley Fool
Investment information and research
www.fool.com

MSN Money
Financial information and research
www.moneycentral.msn.com

NASDAQ
Investment exchange
www.nasdaq.com

National Association of Health Underwriters (NAHU)
Health insurance industry information and advocacy
www.nahu.org
703-276-0220

National Association of Insurance and Financial Advisors (NAIFA)
Financial services industry information and advocacy
www.naifa.org
877-866-8432

National Association of Personal Financial Advisors (NAPFA)
Fee-only planners information and resources
www.napfa.org
800-366-2732

National Association of Securities Dealers (NASD)
Securities information and regulation
www.nasd.org
800-289-9999

National Council on Aging (NCOA)
Resources for older Americans
www.ncoa.org
202-479-1200

National Credit Union Administration
Federal agency that charters and supervises federal and most state chartered credit unions
www.ncua.gov
703-518-6300

National Endowment for Financial Education
Financial information and research
www.nefe.org

National Institute of Health
Medical information and research
www.nih.gov
301-496-4000
301-402-9612 TTY

National Network of Estate Planning Attorneys (NNEPA)
Legal information and research
www.nnepa.com/public
800-638-8681

New York Stock Exchange Group (NYSE)
Investment exchange
www.nyse.com

North America Securities Administrators Association (NASAA)
State securities agencies information and advocacy
www.nasaa.org
202-737-0900

Pension Benefit Guaranty Corporation (PBGC)
Corporate pension plan government insurance
www.pbgc.gov
202 -326-4000

Railroad Retirement Board (RRB)
Railroad workers information and benefits
www.rrb.gov
800-808-0772
312-751-7139
312-751-4701 TTY

Reuters Stock Information
Investment information and research
www.reuters.com/investing

Securities and Exchange Commission (SEC)
Securities information and regulation
www.sec.gov
800-732-0330
202-942-8088
202-551-6020 TTY

SmartMoney.com
Financial information and research
www.smartmoney.com

Social Security Administration
Information on retirement, disability, survivors insurance
www.ssa.gov
800-772-1213
800-325-0778 TTY

Standard & Poor's Insurance Ratings Service
Investment information
www.standardandpoors.com
212-438-1000
212-438-2000

TransUnion
Credit bureau
www.transunion.com
800-680-7289
P.O. Box 6790
Fullerton, CA 92834-6790

U.S. Agency for Healthcare Research and Quality (AHRQ)
Health care information and research
www.ahrq.gov
301-427-1364

U.S. Department of Labor
Financial planning information
www.dol.gov/ebsa
www.mymoney.gov
866-444-3272 (publications)
866-487-2365
877-889-5627 TTY

U.S. Department of Treasury
Government securities – direct purchase
www.treasurydirect.gov

Utah Division of Aging and Adult Services
Home and community based services for older Utah residents
www.daas.ut.gov
801-538-3910
120 North 200 West, Room 325
Salt Lake City, Utah 84103

Utah Attorney General
Consumer information and protection
www.attorneygeneral.utah.gov
801-366-0260
800-244-4636

Utah State Capitol
East Office Building, Suite 320
Salt Lake City, UT 84114-2320

Utah Adult Protective Services
Assisting vulnerable and elder adults in need of protection to prevent or discontinue abuse, neglect, or exploitation
www.daas.utah.gov
www.daas.ut.gov
801-538-3910
120 North 200 West, Room 325
Salt Lake City, Utah 84103

Utah Department of Health
Health information and services
www.health.utah.gov
801-538-6101
801-538-9936 TTY
888-222-2542
Cannon Health Building
288 North 1460 West
Salt Lake City, UT 84114-1012

Utah Health Insurance and Information Program (HIIP)
Health care insurance information
www.daas.utah.gov/hiip_contact_list.htm
800-541-7735

Utah Department of Human Services
Social services and information
www.dhs.utah.gov
801-538-4001
800-662-3722
120 North 200 West
Salt Lake City, Utah 84103

Utah Department of Insurance
Insurance information and regulation
www.insurance.utah.gov
801-538-3800
801-538-3826 TTY
800-439-3805
State Office Building, Suite 3110
Salt Lake City, UT 84114-6901

Utah Division of Consumer Protection
Consumer information and regulation
www.consumerprotection.utah.gov
801-530-6601
800-721-7233
Utah Department of Commerce
160 East 300 South
Salt Lake City, Utah 84114

Utah Division of Securities
Securities information and regulation
www.securities.utah.gov
801-530-6600
800-721-7233
Utah Department of Commerce
160 East 300 South
Salt Lake City, Utah 84145-0808

Utah Department of Workforce Services
Employment information and services
www.jobs.utah.gov/edo/information/dwsdefault.asp
801-526-9675

Utah Legal Services
Legal services for low-income assistance
www.uls.state.ut.us
254 West 400 South, 2nd Floor
Salt Lake City, UT 84101
801-328-8891
800-662-4245 (outside of Salt Lake City)

Utah State Bar Association
Legal information, regulation, advocacy, research
www.utahbar.org
801-531-9077

Utah Saves - United Way of Utah
Financial information and savings campaign
www.utahsaves.org
800-350-9899
801-736-8929

United Way of Salt Lake
175 West Temple
Salt Lake City, UT 84101

Utah State University Extension - Debt Education Program
www.extension.usu.edu/finance
801-468-2846
2001 S. State St. #S-1200
Salt Lake City, UT 84190

Yahoo! Finance
Financial information and research
www.finance.yahoo.com

Acknowledgements

This project was a collaboration between AARP Utah and the Utah Commission on Aging.

AARP Utah is a trusted source of information and provides our members as well as other citizens of Utah the ability to make informed decisions that will enhance the quality of their lives. Our staff and volunteers are dedicated to positively impacting our communities through advocacy, educational outreach and community service in the areas of economic security, health and supportive services, and livable communities. We are at the forefront in tackling issues such as lifetime financial security, affordable and accessible health care, older workers, fraud, ID theft and predatory lending. Our flagship volunteer programs, Driver Safety and Tax Aide, and our growing involvement in Utah's Ombudsman program offer valuable services as well as volunteer opportunities statewide.

AARP Utah
6975 Union Park Center, Suite 320, Midvale, UT 84047
Toll free: 866-448-3616; Fax: 801-561-2209
www.aarp.org/ut

The Utah Commission on Aging was created by the Utah State Legislature in 2005 to:

- Increase understanding of the needs of Utah's aging population and how these needs may best be met;
- Study and report on the projected impact of the aging population on society and state government;
- Identify and recommend specific policies, procedures, and programs to respond to the needs and impact of the aging population; and
- Facilitate coordination of the functions of public and private entities concerned with the aging population.

The Commission is completing its work through the efforts of its 21 members and Special Committees comprised of individuals from the private and public sectors who are working to achieve the Commission's statutory obligations.

Utah Commission on Aging
Center on Aging, University of Utah
10 South 2000 East, Room 594
Salt Lake City, UT 84112-5880
(801) 581-7554
www.aging.utah.edu

<u>**Commission's Financial Security Workgroup**</u>
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Kent Alderman
Becky Allred
Mark Barlage
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Pat Jones
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AARP[SM]

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