SMITH FINANCIAL GROUP

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Michael J. Smith

August Newsletter

Smith Financial Group offers more financial services than ever before!

While many of us have met through my work with 403(b) accounts you may not be aware of all the other financial tools that I use on a regular basis. For instance, Long Term Care insurance and Life Insurance are two areas where people have a strong need and I have access to some of the biggest and best companies in the business.

During this past year many of you have taken advantage of setting up a college savings plan for children and grand children. It's a great way to pass on the gift of education to the next generation as well as doing it in a tax friendly manner.

Many of you have asked me about ROTH IRA's and whether you should add one to your financial plan. ROTH IRA's can be a very powerful tool in retirement and give you more options and flexibility from a tax perspective. While funded with after tax dollars all proceeds from this account can come out tax free if you are older than 59½ years and have held the account for more than five years. This could be a very powerful tool if you already have lots of pre-tax income coming to you via retirement plans, pension funds, etc.

Also, remember that I sell both Securities (mutual funds, managed funds, etc) and non-Securities products (Annuities – Fixed, Indexed, Variable and Immediate). My goal is to take care of all your financial needs from start to finish. Whether we are focused on building, protecting or distributing wealth I have the expertise and ability to support you!

Why do I hear so much about Long Term Care?

Statistics show that at least 50% of us will spend time in a nursing home before we die. Since the average nursing home stay is 2 ½ years and can cost $50,000 to $60,000 per year that can represent a significant financial threat to a lifetime of saving for retirement. What is the best way to stop this financial threat? Long Term Care, or LTC for short.

Long Term Care insurance creates a pool of money that can help pay for nursing home expenses AND can be used to pay for home care as well. That's why one well known Financial Advisor calls it the "Anti-Nursing Home Insurance" – because a good LTC insurance plan allows you to move to home care as soon as possible. Long Term Care insurance basically builds a wall of protection between nursing home costs and the money that you've spent a lifetime accumulating.

I work most often with two of the best companies in the business for Long Term Care and we can definitely find a plan that fits your budget and physical condition. The optimum time to look at LTC insurance is between 50 and 65 years old and in pretty good health. Long Term Care insurance is an excellent way to make sure that you protect what has taken a lifetime to accumulate. Call and we can take a look at it today.

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Useful stuff

Life is filled with lots of challenges. On occasion I come across things, people, businesses and services that help make life a little easier for us all. If you find these useful, then good for you; if not, then thanks anyway.

Identity Theft – This has become a HUGE topic in the last 2 years as it has become one of the top personal crimes out there. Be cautious and be smart! Here are a couple of websites and ideas that can be very helpful and informative.

- Buy a shredder – Any office supply store will have these. Keep an eye out at Target and Walmart. I bought my shredder on sale at Target for $5 – what a deal!
- Order a credit report – Once a year you can order one for free directly from one of the big three credit bureaus. You can do it online or write to them directly
  - Equifax – (800) 685-111 – www.equifax.com
  - Experian – (888) 397-3742 – www.experian.com
  - Trans Union – (800) 916-8800 – www.transunion.com
- The Federal Trade Commission has an informational website at http://www.ftc.gov/bcp/edu/microsites/idtheft. It is a very good site to get up to speed on the law and what to do if you are the victim of identity theft.
- Work with firms experienced in Identity Theft Protection such as LifeLock.com, Identityguard.com or TrustedID.com. All have good track records and provide a very valuable service.

I hope this letter finds everyone healthy and happy. Please feel free to call if there is anything that I can do to help make your life better financially. I'm here to help.

Sincerely,

Michael Smith
Smith Financial Group
(512) 554-6086

1700 Cattle Drive, Cedar Park TX 78613 1-512-554-6086
mikes@smithfinancialgrouponline.com www.smithfinancialgrouponline.com