



ADVICE & COUNSELSM

N E W S L E T T E R

Protecting Your Financial Security

Discounts, Rebates and Gimmicks

If you're in the market for a big-ticket item, whether furniture, home appliances, a computer or camera, it no longer simply entails a trip to a local retailer. You are likely to comb newspaper circulars and research products and prices on the internet to find the best deal.

To lure customers, manufacturers and retailers offer discounts, rebates and other appealing come-ons. Yet, as attractive as the deal may appear, it pays to be wary. (And remember, if you really don't need the item, no matter how much the savings – it's still no bargain!)

Sometimes to get the sale price you must buy more than one item. Again, do you need two or are you buying them for the discount?



Perhaps you are enticed by a rebate. Unlike actual price discounts, with rebates the merchant will charge you full price, add on sales tax, and give you a form to claim the rebate. Then it's up to you to complete the form, attach a proof of purchase from the package, and send in a receipt (many demand the original receipt) within the required time frame.

Next you have to watch the mail carefully. Anywhere from 6 - 10 weeks later, a check is supposed to arrive. The rebate often comes as a post card or in an envelope with an odd return address, and likely resembles "junk mail." That's because the rebate processor hopes you throw away the check so it can pocket the rebate.

Some firms offering rebates seem to make a practice of not paying until a follow-up request (or two or three!) is made. They may ask for more information, such as product serial numbers, a photocopy of the manual, or a copy of the receipt. If you sent in the original receipt, chances are you will be unable to provide the information and the rebate request will be rejected. That's one of the reasons an estimated 40% of rebates go unredeemed, saving the offering companies billions of dollars each year.

If your purchase decisions are influenced by rebates, here is some advice for taking advantage of the potential savings they promise:

- Send in the rebate immediately so you don't miss the often tight deadline.
- Read the instructions and follow them exactly.
- Print all information legibly (even attach an address label or business card).
- Include a letter stating that the submission is complete with all requested information within the required time frames.
- Make a copy of the items you send in, including the letter; rebate coupon, original store receipt, UPC codes, the product's serial number, and even the envelope.
- Note on your calendar the date you expect the rebate. List the phone number to call if you do not receive it in a timely manner.

If you feel you have been victimized, take action! File a complaint with the Federal Trade Commission at www.ftc.gov or 1-877-FTC-HELP. Contact the Better Business Bureau as well as the product manufacturer and the retailer.

When weighing purchase options, factor in the hassle and uncertainty of rebates or gimmicks. If it doesn't work for you, then pass on it.

Inside

LTC Insurance.....	2
Copyrighting Works.....	3
Lessons from Golfer Greg Norman.....	3
Sad Mother's Day.....	4

Protect Your Family with Long Term Care Insurance

Thanks to increased longevity, more Americans are finding themselves in need of long-term care. The Federal Agency for Health Care Policy and Research estimates 42% of those who reach 70 will eventually need some form of long-term care, whether at home or in a facility. While Medicare may pay up to 120 days of skilled nursing care in a person's lifetime, you are on your own thereafter.

Even a short incapacity can cost a great deal. One of the ways to protect yourself or a family member from such costs is through long term care (LTC) insurance. But LTC insurance does not make sense for everyone, nor are

all forms of LTC insurance alike. Here are some factors to consider.

- Does LTC insurance make sense for you? Millionaires are able to pay for any care they'll need without coverage. People without income and assets may qualify for LTC benefits under the government's Medicaid program. LTC insurance makes most sense for those in the middle: who have assets they want to protect and pass on, who want to maintain independence, not be a burden on others, and who can afford the LTC insurance premium without hurting savings or lifestyle.
- At what age does it make sense to buy LTC insurance?

Usually in one's 50s and 60s, when relatively young and healthy. LTC insurance is often unavailable or unaffordable for those with serious health conditions.



□ What waiting period should you choose before benefits kick in? The longer the waiting period, the lower the premium. A waiting period of at least 90 days and up to 6 months often makes the most sense.

□ How long should benefits last? The longer the potential benefit period, the higher the premium. The extra cost is often worth it to cover incapacities of relatively long duration, such as those from Alzheimer's.

□ Choose an appropriate dollar amount. LTC policies typically pay a fixed amount per day, rather than the actual costs you incur. Remember, even if you become disabled, some types of income, such as pension and Social Security payments, will continue.

□ Get an inflation protection provision. You'll be able to elect to have the amount of coverage you select, and the premium you pay, gradually increase with inflation.

□ Know exactly what is covered. You will want a policy to kick in if you are impaired either mentally or physically, and if you can no longer perform at least two activities of daily living (for example, feeding, bathing, clothing yourself). Also, be sure you would be covered for skilled, intermediate, respite and custodial care, either in a nursing home or in your own home.

Alcohol – How Much is Too Much?

Doctors have been debating the health consequences of "moderate drinking." What defines "moderate" drinking? The National Council on Alcoholism and Drug Dependence says for **Women:** no more than one drink per day; and **Men:** no more than two drinks per day. (No, you can't defer a week's drinks and then binge.) One alcoholic drink is either 12 ounces of beer, 5 ounces of wine, or 1.5 ounces of 80-proof spirits.



Deciphering the medical experts' advice about the harm or benefit of an occasional drink can be confusing. While moderate drinking may ward off heart disease and diabetes and help lower total cholesterol levels, recent research shows that excessive drinking

increases the risk of certain forms of cancer, and can lead to liver disease, high blood pressure, stroke, and injury. Alcohol consumption also adds to your total calorie intake.

Of course, many people should avoid alcohol, including pregnant and breastfeeding women; anyone with a family history of alcoholism; children and teens; those at risk for breast cancer; those with health conditions such as ulcers or who are on medications that may interact with alcohol; people driving or operating machines.

If you choose to drink, do so with a meal. For those who don't drink – don't worry – the benefits do not seem to outweigh the risks.

Copyrighting Your Work

Q I have written a children's book as yet unpublished. How do I protect my rights?

A As soon as you put your words in writing, whether for a speech or a book, on a napkin or in an email, you automatically get a "common law" copyright that gives you some protection.



Those words you wrote (they can be literary, musical, dramatic, etc.) immediately belong to you and you have the legal right to reproduce them, distribute them, perform or display them in public. You also have the right to stop others from using them.

To get greater protection, you can register your work with the US copyright office. The trouble is, a copyright only covers the words, not the ideas. (The framers of the Constitution wanted to reward creation but protect the free flow of ideas and information.)

So if someone takes your ideas and creates her own original work, that's allowed. For example, there have been copyright infringement lawsuits over the best-selling thriller, *The Da Vinci Code*. In such cases, courts have to decide if the author created a new independent work or merely plagiarized.

Before going into specifics about your book, you might ask for a confidentiality agreement. See www.FreeAdvice.com and www.copyright.gov for details.



Golfer Greg Norman Excels on the Course and in the Boardroom

While most duffers are cleaning their golf clubs and practicing their swings this time of year, golf professional Greg Norman is sharpening his pencils.

Known as the "Great White Shark" because of his hobby diving off the shark-infested coast of his native Australia, Mr. Norman began golfing at age 15. When he turned pro at 20 he had been earning only \$38/week at a golf shop. His decision to be a professional golfer was a disappointment to his father, who had hoped that his son would follow in his footsteps as an engineer. In the ensuing 30 years Mr. Norman, now 50, won 86 tournaments and became the first person in the PGA Tour history to reach \$10 million in career earnings.

Long before he reached that mark, Mr. Norman decided he didn't want to have to depend solely on his golf winnings to provide for his family. He knew there would always be someone younger, more attractive and more talented coming down the pike and he recognized that endorsement deals had a limited life. Early on he started studying business and carefully researching alternatives.

He looked for business opportunities in fields where he could feel good about the product and what he was doing. One of his initial endeavors was a venture that designs leisure clothing sporting a

colorful shark design.

When he blew a six-stroke lead and lost at the 1996 Masters Tournament -- billed as one of the worst sports "chokes" in the past 25 years -- many thought his golfing career was over. It wasn't, thanks to his determination to bounce back. It helped knowing he still had his business career.

Today, the profits from Mr. Norman's business enterprises dwarf his golf winnings. Among his ventures is a respected line of Australian wines bearing his name. He applies his international pro golf tour experience to design golf courses. Another Norman-owned company builds homes situated on golf courses. He is writing a business advice book for would-be entrepreneurs.

Lessons: 1) Don't assume that because you have been doing one thing that's all you can do. Mr. Norman is a famed golfer but he's found even more success as a business person. **2)** Mistakes happen. Mr. Norman handled the loss at the Masters professionally and learned from his experience. **3)** Drive and determination -- the "never give up" mentality -- are just a few keys to success. **4)** In golf and in business Mr. Norman takes the time to think through all the alternatives before acting. You also need to take the time, and do all research necessary, before making any investment decisions or undertaking other significant endeavors.

Make Cleaning Easier

Here is some advice from pros on making the most of your spring cleaning efforts:

- Buy a cleaning apron or tool belt to hold cleaning products and tools. A bucket or plastic carrying caddy also works.
- Clean from top to bottom, dusting first, then later mopping and vacuuming.
- Allow cleaning products to set for a few minutes after spraying to reduce your workload.
- Sprinkle baking soda over carpeting to reduce musty odors. Simply vacuum after an hour or so.
- Open the windows as you work to inspire you and keep you from inhaling all that dust!
- Clean one room or closet at a time. Don't get distracted and start on another project.
- Wash curtains and blinds and vacuum mattresses at least annually.
- Be ruthless when deciding what to keep and what to toss. A clutter-



free room looks better and leaves less to dust next time.

- Carry extra garbage bags for those items that need to be put away, in addition to those that will be thrown away.
- If you don't get joy or use from the item or haven't worn the outfit in years – then find another home for it. To help with future purging, put a piece of paper or masking tape on the hanger or clothing tag with a “decide by” date a few months from now. If you haven't worn it by the end of the season, then get rid of it. Donations to qualified charities are tax deductible.

Consolidate Student Loans

If you or a family member are currently attending college and have outstanding student loans-- take note. June 30th is the deadline for current “in school” borrowers to consolidate loans and take advantage of relatively low interest rates.

On July 1st, most federal student loans with variable rates will have the rates reset – probably at a higher rate than you're now paying. After that date, college students must wait at least six months following graduation to consolidate outstanding loans.

If you consolidate loans before June 30th, you may be able to lock in lower rates and extend the terms of the loan. (Those still enrolled in school or who have just graduated generally receive preferred rates.)



Mother's Day Without Mom

For many of us, Mother's day is a sad reminder of a mother or grandmother who is gone. Whether this is your first Mother's Day without mom, or even it's been years since she passed away, many people find the May holiday painful.



No matter what our age, mothers represent our youth. She may have been the one who took care of us and provided unconditional love – or so we wished. For many, the bond never ends; with a mother later becoming a friend, confidante, or advisor.

Even if you've become a parent yourself, the Mother's Day holiday may bring a twinge of sadness recalling good and bad times with someone who is no longer around. To make the most of Mother's Day:

- Spend it with people you love.
- Recall your mother in a positive light, no matter how fraught the relationship or sad the loss.
- Know that a bit of your mother lives on in you and your offspring.
- Celebrate your mother by telling stories and sharing photos with other family members.
- Write in a journal or a poem to express your feelings about mom.
- Don't be angry with others or feel jealous of those who still have their mothers.
- Accept a “surrogate” mother in your life – a mother-in-law or favorite aunt or neighbor.
- Reach out for help if you need it to deal with your feelings of guilt or sadness. It is okay to be sad.

Sources used in this issue include: Nat'l Council on Alcoholism and Drug Dependence, WebMD, Wall St. Journal, Business Week, Medicare Rights Ctr., N. England Journal of Medicine, New York Times, Prevention, Cabin Life.

The Advice & Counsel Newsletter is provided free of charge to select clients and account holders. The companies offer the newsletter as a service and do not take responsibility for materials published herein.

Advice & Counsel Newsletter is published by Advice Publications LLC, c/o Advice Company, 2330 Marinship Way, PO Box 1739, Sausalito, CA 94966. (415) 331-1212; E-mail: publish@adviceco.com.

The articles abstracted and this newsletter are for general informational purposes only and not intended as professional legal, financial or tax advice. You should consult with a knowledgeable professional for your personal situation.

©2006 Advice & Counsel Newsletter. All rights reserved.

Publisher.....Gerry H. Goldsholle, J.D.
Editor.....Suzanne G. von Lengerke
Associate Editor.....Mary A. Martin
Associate Editor.....Lydia Winkeller