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**CPA FINANCIAL PLANNERS OFFER TIPS TO AMERICANS
ON SAFEGUARDING SAVINGS AND INVESTMENTS**

New York (Sept. 18, 2008) – CPA financial planners associated with the American Institute of Certified Public Accountants advise a calm approach to American investors concerned about the safety of their savings and investments amid the present financial crisis.

With some money market funds reporting losses, CPA financial planners across the country are counseling their clients this week in the wake of Wall Street's turbulence on the necessary steps to protect their assets. The first rule is not to lock in losses through panic selling.

Below are tips from five CPAs who hold the AICPA's Personal Financial Specialist (PFS) credential.

Lyle Benson, CPA/PFS, L.K. Benson and Co., Baltimore, Md., suggests:

- Doing nothing is often the best action to take. If your overall asset allocation has been in line with your goals and risk tolerance, you will make it through.
- Focus on your broader personal financial planning situation. What are your cash flow needs and do you have sufficient cash reserves? What rate of return do you need to achieve in order to meet your goals and how has the recent market drop possibly changed this?

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- Control what you can in your situation. Can you reduce spending in any areas to put less of a burden on your investment assets? Are you able to increase your income or perhaps work a bit longer than you had planned to offset the impact of lost portfolio value?

Michael Eisenberg, CPA/PFS, Eisenberg Financial Advisors and Los Angeles member of the AICPA National CPA Financial Literacy Commission, says:

- Be careful with CDs. If your account value exceeds \$100,000 and the bank fails, you may not get all the excess back. If you have more than \$100,000, consider using more than one bank.
- Review all of the companies you invested in and think strongly about why you picked those companies. If the shares were \$40 and are now \$20 you may want to hold onto them and ride it out, if the firm has a strong business plan and the fundamentals are sound. You may even want to consider purchasing more shares at the "discounted" rate.

Brent Lipschultz, CPA/PFS, JD, LL.M., principal, Eisner, LLP, N.Y., N.Y. and member of the AICPA Personal Financial Planning Executive Committee, advises:

- Review overall asset allocation to make certain you are not overexposed to particular market segments. For example, if you hold mutual funds, make certain that the top holdings do not overlap. Many funds have significant exposure to the financial services sector.
- Review life insurance coverage and pay particular attention to those companies that have strong balance sheets. Be careful not to surrender a policy, as securing new coverage will require underwriting.
- Cash values in separate account products are generally given full protection from general creditors under state insurance laws. Equity index policies are considered General Account products for this purpose.

Alan Rothstein, CPA/PFS, Asset Strategies Inc., Avon, Conn., advises:

- The limit on the amount protected in one or more retirement accounts is \$250,000. Remember, however, that FDIC insurance applies only to deposit accounts, not to any securities held in an IRA or other retirement account.

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- You cannot increase your protection by simply opening more than one account in your name at the same bank, for example, splitting the money between a checking and a savings account, or opening accounts at different branches of the same bank. However, deposits that represent different categories of ownership may be independently insured. For example, a joint account qualifies for up to \$100,000 of coverage for each person named as a joint owner of the account.
- Most brokerage accounts are protected by the Securities Investor Protections Corp. SIPC limits are \$500,000 for securities, of which, \$100,000 can be cash. Many brokerages carry additional private insurance to extend coverage beyond SIPC limits.

Ted Sarenski, CPA/PFS, CFP, DB&B Financial Services, LLC, Syracuse, N.Y., says:

- Your local bank is probably safer than a national bank, as it most likely did not get into subprime loans.
- Regional medium-sized banks are the riskiest because they don't have access to the Federal Reserve.
- People didn't consider the risks of fixed income securities. The only fixed-income vehicle that doesn't have risk is a Treasury bill.

The PFS credential is available exclusively to CPAs who specialize in personal financial planning and are members in good standing of the AICPA. Their knowledge and experience encompass such planning disciplines as investment, estate, risk management and personal income tax. More than 4,000 CPAs currently hold the PFS credential.

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