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NAPFA Conference Highlights



**William "Bill"
Morrissey, CFP®**
President

Firm Update

We have been completing our transition to TD Ameritrade and are quite pleased with the additional services they offer which will allow us to be more responsive and offer better service to our clients. They offer excellent practice support that will allow us to be more efficient in our firm.

We are excited to announce we have an intern this summer from Texas Tech, one of the top financial planning graduate degree programs in the country. Her name is Kelice Sanders and she will be here until mid-August. She has been getting immersed in all aspects of our firm and is from Dallas. She has never been to the Northwest before so this is quite an experience for her. She has been doing well and has hit the ground running!

We are also excited about our updated website, new branding

of all our marketing materials, and digital presence in social media. We have been working with Crystal Butler of Crystal Marketing Solutions who has been assisting us with all our marketing and digital support. She has done a great job so check out our website!

Bill attended the National Association of Personal Financial Advisors Conference in San Diego in May. There were a lot of great sessions. One was on behavioral finance and investor decision making that explains why investors react a certain way and make investment decisions. Another session took a fresh look at the latest on reverse mortgages.

On A Personal Note

I am looking forward to taking my summer vacation and will be enjoying most of it on San Juan Island. I also will probably fly up to Parksville to see my brother and possibly to Campbell River on Vancouver Island. My wife Sharon and I are looking forward to having our four children [Travis, Stephen, Erika, and Nils] in late July for a family reunion. We are very much looking forward to this!

Protecting Yourself Against Cyberattacks

How vulnerable is your data?

25% of Americans were cyberhacked between March 2014 and March 2015.

The American Institute of CPAs announced that alarming discovery in April, publishing the results of a survey conducted by Harris Poll. Disturbing? Certainly, but the instances of pre-retirees being victimized were even greater; 34% of adults aged 55-64 reported having their data stolen or compromised within that period.¹

Small businesses are also commonly victimized.

While identity theft has eroded consumer and employee trust in Target, Sony, Home Depot, Anthem and Wells Fargo, they will survive; a small business with limited IT resources may not. Symantec says that 30% of all targeted cyberattacks occur against firms employing fewer than 250 workers. The National Cyber Security Alliance

says that the average small business that gets hacked has a 60% chance of closing its doors within six months.²

Hackers will not put your household out of business, but they can steal the assets within your checking account or your workplace retirement plan in seconds. They can also take your Social Security number, email address, annual income data and more and sell it or retain it to hurt you in the future.

Cyberattacks within the financial world are especially frightening.

Bank and brokerage accounts are respectively insured by the FDIC and SIPC, yet that insurance only protects a customer or client in cases of institutional failure. It does not cover cybertheft.³

How can you strengthen your online defenses against cyberthieves?

One way to do that is through two-factor authentication, or 2FA.

Corporations are starting to realize the vulnerability of a username-password combination. Given that so many usernames are derivations of real names, and given that many passwords are still mentally convenient, a hacker can access such accounts with relative ease.

If a company installs another security factor beyond the username-password combination – such as a voiceprint audio I.D. or a one-time numeric code texted to your phone to permit account access – hacking an account becomes much harder. This two-factor authentication may become the norm in the near future.

Too many Americans use simple passwords, sometimes at multiple websites. (Did you know that “password” is one of the most commonly used passwords?) Fortunately, free software has emerged to generate random passwords for different accounts. High net worth households are discovering Norton Identity Safe, RoboForm, LastPass, Dashlane and other apps capable of creating super-strong passwords.⁴

Aside from using stronger passwords, avoid falling prey to the classic mistakes. When you use free Wi-Fi at a coffeeshop or airport or make a bid at an online auction site of questionable origin, you are taking your chances. The same goes for opening mystery email attachments and sharing private data on websites lacking the HTTPS protocol.

Will cybersecurity improve in the coming years?

A widely adopted 2FA standard may make online theft much harder to pull off. Other defenses are being touted, some with more merit than others. Using a fingerprint as a password sounds good, but has a crippling drawback: you can change a password, but try changing your fingerprint. Some consumers are getting new EMV-equipped credit and debit cards that rely on microchips rather than magnetic strips; many of these are not the chip-and-PIN cards common to Europe, however. Instead, they are chip-and-signature cards. The second security factor is simply you signing your name. Cybersecurity analysts believe that while the chip-and-signature cards are better than the old technology, they fall short of chip-and-PIN cards.⁵

True cybersecurity may prove elusive, but personal vigilance and password management software are good steps toward building a better defense against cyberattacks.

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Citations.

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▲ Continuous Improvement

Bill Morrissey attended the **NAPFA Conference in San Diego May 12-15.**

“ This event was both interesting and entertaining. It was great to see colleagues and attend informative sessions. There were a few sessions that stood out for me. The Gen-Savvy Financial Advisor went through characteristics of each generation and how they like to communicate. One was on behavioral finance and investor decision making that explains why investors react a certain way and make investment decisions. Another session took a fresh look at the latest on reverse mortgages. ”



Being in sunny San Diego for a business conference was wonderful. The view was amazing looking onto the harbor, but not so great when visiting the Old Shoreline Police Station at Seaport Village.



The FPA Retreat was not all work and no play. The event was at a winery outside of Atlanta and we were able to tour the vineyards and sample some of the wines.

Tammy Prouty attended the **FPA Retreat in Braselton, GA April 20th-23rd.**

“ There was a very interesting session on Life Satisfaction in Retirement by Professor Michael Finke with Texas Tech University. They did a study in 2012 called the Health and Retirement Study and the question was, “What Makes Retirees happy?” and “How does Wealth Affect What We Do in Retirement?” They found that money doesn’t provide satisfaction in retirement, but activities do. People with higher wealth watch less TV and are more physically active and healthy. Satisfaction in retirement also is found in people with positive relationships. People with good relationships with their spouse or children tend to be happier. They also found that financial literacy declines after age 49. ”

GET TO KNOW US: What is your favorite sport?



Bill Morrissey

I am an avid swimmer. I also enjoy kayaking out my front door to go see the seals sunbathing on a big rock around the point from our house on San Juan Island. They are quite entertaining and very inquisitive! Hiking is another activity I enjoy. This picture is of my youngest son, Stephen, and I hiking in American Camp, our national park, on San Juan Island.



Tammy Prouty

My husband and I love to play golf, especially when we travel. The beautifully maintained courses and challenge of the game is what keeps us coming back. It is a social sport that you can do well into your eighties! The picture is of Sean and I golfing in Port Townsend.



Sandy Erps

I am more into activities than sports. I enjoy bike rides, hikes, kayaking, and most favorite of all, traipsing around and snorkeling in the warm waters of Hawaii. IF I have to pick a sports team - Seattle Seahawks - Go Hawks!



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