

October 2019

The Capstone Quarterly

Summer vacations are over, the kids are back in school and routines are back in full swing. We hope you enjoyed whatever this Summer season brought you. In this newsletter, Bryce talks about the recent Equifax Settlement and what you can do if you were affected by the breach.

Bryce's Point of View



-By Bryce Pease, CFP®, Chief Investment Officer

Important information about your financial security

You probably remember that back in 2017, Equifax announced a data breach that exposed the personal information of 147 million people. As one of the three largest credit reporting companies in the United States, it remains one of the most significant and far-reaching cyber attacks in history, putting millions of names, addresses, birthdates, Social Security numbers, drivers' license numbers, and even some credit card numbers at risk.

In this day and age of hacking, scamming, and phishing, it's more important than ever that you take steps to safeguard your identity *and* your finances. Fortunately, I have some good news. Last month, Equifax finally agreed to a settlement with the Federal Trade Commission (FTC). The settlement includes up to \$425 million to help people affected by the data breach.

How do you know whether you are one of the people affected? Simple: visit <https://eligibility.equifaxbreachsettlement.com/en/eligibility> and type in your last name and the last six digits of your Social Security number. Then, this special website – which is operated by the settlement administrator, *not* Equifax – will tell you if you were impacted by the data breach.

Go ahead and do it right now. Then, come back to this letter if you were one of the people affected. I'll wait.

Still here? Okay. Just because you were one of the 147 million people I mentioned does *not* necessarily mean your identity was stolen or your finances compromised. It simply means that you need to take some simple precautions.

As part of the settlement, you can now file a claim for **FREE** credit monitoring and identity theft protection services. By filing a claim, you will receive up to 10 years of free credit monitoring. The free credit monitoring includes:

- At least four years of free monitoring of your credit report at all three credit bureaus (Equifax, Experian, and TransUnion) and \$1,000,000 of identity theft insurance.
- Up to six more years of free monitoring of your Equifax credit report.

Now, you may have heard in the news that you could claim a \$125 cash payment instead of free credit monitoring. That is no longer the case. Because so many people filed a claim, there just aren't enough funds available for people to receive a cash payment. But that's okay, because,

quite frankly, **credit monitoring and identity theft protection is MUCH more important and valuable.** Want to know what you can do with \$125? Buy some top-of-the-line basketball shoes or fill up your car with gas once or twice. Want to know what you can do with good credit and financial security?

A *lot* more.

If, on the other hand, you actually *did* have your identity stolen or your finances affected in some way, you can file a claim for a cash payment of up to \$20,000. Again, note that this is limited *only* to people for people who lost money or suffered identity theft, fraud, or some other harm from the breach.

In any event, as your financial advisor, I *strongly* recommend you take sixty seconds to visit <https://eligibility.equifaxbreachsettlement.com/en/eligibility> and then file a claim for free credit monitoring if necessary.

In the meantime, if you'd like more information about the data breach, the settlement, or how to file a claim, you can visit this handy website set up by the FTC: <https://www.ftc.gov/enforcement/cases-proceedings/refunds/equifax-data-breach-settlement>.

When it comes to reaching your financial goals, protecting your identity is just as important as saving and investing. Fortunately, even a few simple precautions can make a *big* difference. Please follow the instructions above and let me know if you have *any* questions or concerns about the security of your finances. I am always here for you.

Casey's Corner

-By Casey Morris, CFP®



Where's your spouse?

I don't mean, "Is your spouse at work?", or "Are they at the soccer field with the kids?". If you're married, is your spouse in the investment loop? Of the tasks to deal with after becoming widowed or divorced, financial responsibilities are among the most difficult. Being out of the loop about family finances is not necessarily gender-based. Many women (including myself) handle all the bill paying, putting money aside for savings and retirement, and keeping the important documents organized and stored safely. I find that generally one spouse takes on these responsibilities, but whoever it is needs to make sure their spouse is firmly in the loop.

In addition, if you have an elderly parent, perhaps widowed or divorced, keeping yourself in that loop is essential as well especially if you wish to be an heir and/or the administrator of their estate someday.

Here are some things to consider:

- Make available the names, phone numbers, and important information for key advisors including accountants, estate attorney, etc. – and Capstone Pacific!
- List where key documents are located: insurance policies, copies of the will, trust information, etc.
- Discuss the overall family financial situation frequently – I suggest at least monthly. Make sure you both have a good idea of where the family stands at all time.
- If possible, keep a list of online account passwords in a secure place that you both can access.

- Know where all banking and investments are held – this includes company sponsored plans like your 401(k), 403b, TSP, Simple IRA, etc.
- Know the details of payment arrangements from pensions, social security, etc.

To make your own list realistic, just ask yourself: If I were to die tomorrow in an accident, what would my survivors need to know to ensure the family could have an easier transition? If my spouse or parent died, would I know everything I'd need to?

Besides knowledge, being financially prepared can smooth the way. Even for a stay-at-home spouse, a life insurance policy can help costs like childcare that suddenly become necessary when that spouse dies.

No one likes to talk about death, but having that conversation ahead of time (and ongoing) can really ease the financial burden left behind. If you'd like our assistance or need a referral to an estate planning attorney, we'd be glad to help.

Finally...

We've added on a new team member! In our dedication to quality service for our clients, we've decided we need some help keeping in touch with our clients. Sean McConnell, a business student at Cal State Fullerton, will be helping around the office a couple days a week. He's interested in the investment management profession and wanting to gain some experience. If you happen to call in and Sean answers, feel free to welcome him to our team.

As always, if you have any questions about the markets, or about your portfolio, please let us know. We love to hear from you. Feel free to share this report with others that may be interested.

Sincerely,

The Team at Capstone Pacific

P.S. If you ever run across anyone who could use our services, we always appreciate it when you pass on our name.

Opinions expressed in this newsletter are general in nature, are not intended as investment advice tailored to any individual, do not represent the solicitation of a security, and are subject to change without notice. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's portfolio. Any securities mentioned in this newsletter are not a recommendation to buy, sell or hold. Capstone Pacific is not engaged in the practice of law or accounting. Please consult a qualified professional before making any investment, legal or tax related decisions. All information is based on sources deemed reliable, but no warranty or guarantee is made as to its accuracy or completeness. Capstone Pacific Investment Strategies, Inc. is registered as an investment adviser and only transacts business in states where it is properly registered, or is excluded or exempted from registration requirements. Registration does not constitute an endorsement of the firm by securities regulators nor does it indicate that the adviser has attained a particular level of skill or ability.