



## LONG TERM CARE PLANS

Most people do not plan for their eventual long-term care. Sometimes it is because they quietly think this need will never be there. Sometimes it is because they just don't think about it. If you want to protect your assets, you need to make plans well before the need might arise. Here are a few tips to consider.

First, Medicare will NOT pay for your long-term care. If you are in the hospital and need up to 100 days of rehabilitation in a rehab center, then it very likely will cover that expense. Nothing more.

Medicare will NOT pay expenses incurred in an assisted living center.

Medicare will NOT pay for many at-home services, though a few are covered.

Medicaid is a joint federal/state program originally designed to provide help to the poor. Costs and individuals needing assistance have increased dramatically and many more people can now receive this assistance. But a person must have used up virtually all of their assets to qualify for this help. It will cover skilled care (nursing home) but will NOT cover assisted living care.

Visit [www.longtermcare.gov](http://www.longtermcare.gov) for more information. You will find a lot of useful tips at this new web site. It will explain what is and what is not available under different programs. This could be the help needed to preserve your assets.

For long-term care insurance information contact Phillip Carlisle of First Arkansas Investment Professionals at 985-4038

## EASY PHYSICAL FITNESS PROGRAM

Most people convince themselves that personal physical fitness programs take too much time and/or cost too much money.

Try walking for 30 minutes just three days a week near your home. That doesn't cost much! And you

might just park at the far end of the Wal\*Mart parking lot instead of driving around trying to park close to the door. If you work in a multi-story building, just walk the stairs instead of riding the elevator. At noon, consider walking 15 minutes and then going back in for a "brown bag" lunch! None of these takes much time or cost.



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### Special points of interest:

- *Long Term Care Insurance*
- *"Agency" Account*
- *Investing in 2007*
- *Alternative Energy Sources*
- *Plan How Your Estate is to be Handled*

# MORE ON LONG TERM CARE!

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Long-term care insurance is a relatively new concept that very well might help you preserve your assets when it comes time to seek at-home assistance or living in an assisted living facility or a skilled care (nursing home) facility.

Today nursing home costs will run about \$40,000 for room, board and care each year in Arkansas. Assisted living costs will run about \$30,000 per year. Home care is expensive, and can easily run \$15-\$20,000 per year.

If you are 50 years of age or so, then you should investigate the possibility of long-term care insurance to help pay for this potentially expensive time in your life. The premiums will rise significantly as you age.

Premium costs are generally determined using a "building block" approach. No two policies are alike since the insured is able to pick and choose among options such as deductible, levels of coverage, types of coverage (home care, assisted living or skilled nursing), length of coverage (one year, three years, five years, lifetime) and other possible coverages.

You should at least consult with a professional who knows this type insurance. Then you can make an informed decision. It is important to consider preserving your assets for your beneficiaries.

Call Phillip Carlisle of First Arkansas Investment Professionals at 985-4038 for help.



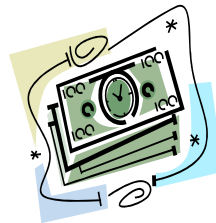
# INVESTMENT MANAGEMENT ACCOUNT

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We suggest you consider opening an investment management account, commonly called an Agency Account, with us. We act as your agent to place your trades and manage your account for you, based on your instructions.

This type of account is easy to open and is very flexible. Your investments can be in stocks, bonds, mutual funds or government issues. You will receive a de-

tailed statement monthly. Any charges or expenses will be carefully detailed in an easy-to-read manner on the statement.



By a simple telephone request funds can be transferred to your checking account or savings account.

Call 985-4030 for more information from one of our professionals.

# 2007 MARKETS

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Now that we are well into 2007, investing is no more certain than ever. But certain prudent principles still apply.

Continue to diversify your investments. Strive for an appropriate mix of growth stocks or mutual funds and bonds, income funds, or income producing cash instruments. If you are in your twenties or thirties, convention wisdom says that you should be more

aggressive. Then as you reach into mid-life and into your sixties, become more conservative with a definite tilt to investments that pay interest and dividends.

Regardless of what kind of year the 2007 markets turn out to be, you will be a winner with a prudent, balanced portfolio.

For more information about investments, call our Investment Officer: John McNee at 985-4032.

# ALTERNATIVE ENERGY SOURCES

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As we look toward alternate sources of energy for everything that we do, there are several choices. One is nuclear power. Another is solar power which is very passive. Then there is wind power—it's always there! Finally, there is the power of water.

The alternative source of power from water is a passive source. There are technologies that have been developed that are virtually transparent and will reduce costs significantly over the next few years.

There is the 72 year old former surfer from Australia who spent his entire adult life as an electrical engineer who has patented a device which consists of buoys placed in the ocean which are barely visible. These devices capture energy from

the ocean whether the tide is coming in or going out! This technology will be generating electricity off the coast of Oregon beginning in 2007.

By 2010 he plans to have a 100-ton, 37-foot-wide buoy that could generate 500 kilowatts. An array of 40 buoys that size, linked together will be able to generate electricity at prices significantly less than that of a typical coal-burning power station, and far less than the price at plants that burn more expensive natural gas.

By harnessing only 0.2 percent of the ocean's untapped wave energy all power needs of the entire world could be provided at drastically lower prices!

There are similar devices that can work in rivers, man-made waterways and tidal basins.

# ESTATE PLANNING

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You should ask yourself: "How do I want my assets handled after my death?" When you take this first step you are on your way into the process we call Estate Planning.

If you do nothing, write down no plans, then at your death your estate will be distributed to your heirs in the manner prescribed by state law. In Arkansas your spouse will get one-half and your children (regardless of how many) will get the other one-half. This is called dying "Intestate" or without a will. In the absence of your instructions, the state steps in. This is part of the Probate process. Your attorney can advise you of other provisions

You can execute a Will which simply states who gets what from your Estate. Your Will is then presented to the Probate Court for approval and your Executor follows your instructions.

Another way to handle your Estate is to have a Revocable Trust (also known as a Living Trust) drawn up by a competent Estate Planning attorney. In this document you can state not only who gets

what, but also how much at what time (age or status in life) and many other provisions. In effect you control the distribution of your assets from the grave. In the event you want one of your beneficiaries to have part of his/her inheritance at age 25, then age 30, and the final part at age 35, all you have to do is so state in your Trust.

In the event you want to leave money to a charitable organization, a Trust will allow you to do so.

You can come to our office for a planning session during which we will explain the steps you will need to take to begin your Estate Planning process. We will provide you with information about trusts, how our Trust Department works, and a planning questionnaire for you to complete and take to your attorney.

This service costs you nothing. Call 985-4030 to range an appointment with one of our professionals.



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# YOUR TRUST DEPARTMENT

**FIRST ARKANSAS BANK & TRUST** has a long and proud history of service in central Arkansas. We are a state-chartered bank, chartered by the State of Arkansas, and regulated by the State Bank Department and the Federal Deposit Insurance Corporation (FDIC). We have a full-service Trust Department, a brokerage office, and a mortgage company, First Arkansas Mortgage Company, a wholly owned subsidiary of the bank.

The **Trust Department** was granted trust powers in 1972, and provides investment and trust services to individuals (Personal Trust), businesses (Employee Benefit Plans), and Corporate Trust in the form of servicing bond issues. The **Trust Department** manages approximately \$130 million in assets for its clients. **Assets under management have grown over 60% during the past eight years.** The service provided is professional, confidential, personal, and utilizes the finest resources available in market research, investment information, and administrative systems. **We have had the same staff members for nearly nine years — stability!**

The **Trust Department** of **First Arkansas Bank & Trust** is large enough to provide the quality of service its clients deserve, and small enough to provide a level of **personal** service appreciated by people

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