Sylvia Group of Insurance Agencies

January 2008

MA Auto Changes

Change is a part of everyday business in today's society and it is with this change that better products and services are available to you. Massachusetts will be undergoing a regulation change on April 1, 2008 in which Automobile Insurance will now be a competitive market. It has been since 1976 that all Massachusetts Insurance Companies had to abide by a set rating system that was determined by the state insurance commissioner. But as of April 1st, Massachusetts Insurance companies will be able to provide their customers competitive rates and better options.

Rates are currently in the process of being reviewed and accepted by the state and these should be available to us by mid-February. We advise all of our clients to take into consideration a couple of points when learning about this new change. The first would be to understand that some clients have their homeowners and auto policies tied together and may be receiving a lower price by doing so. If the auto policy is moved to another insurance company in this circumstance, the price of the homeowners policy will increase. Another point to consider is that the Sylvia Group has up to ***eight*** insurance companies to choose from and that we have the capability to find you the best and well priced insurance coverage to fit your needs.

Enhanced Auto Coverage

Accident Forgiveness

New Car Replacement Protection

Enhanced Customized Equipment

Auto Loan/Lease Gap Coverage

Disappearing Deductible

Student Away at School Discount

Good Student Discount

Hybrid Deviation

Renewal Credit

Insurance companies will also be offering enhanced auto coverage that was not allowed before. Please ask us about the new enhanced auto coverage that may be available to you. For any questions in regard to these new regulations, please feel free to call your Account Manager at anytime. We are excited about getting better prices and coverage for our clients and are looking forward to your calls.

How To Avoid Frozen Pipes

Prepare for Cold Weather

- Insulate pipes in the crawl spaces and attic.
- Seal cracks around pipes with caulking or insulation.
- Disconnect hoses and shut off the water outside.
- Drain pipes that lead to outside faucets and install covers on all outside faucets.
- Close all windows near water pipes.
- Consider weather-sealing your windows.
- Cover or close any open air vents.
- Be sure to locate your main water shut-off valve and know how to turn it off.
- Place an insulation jacket around your hot water heater if it is installed in an unheated space.

Take Action When the Temperature Drops

- Keep your thermostat set at no lower than 55° Fahrenheit.
- Allow warm water to trickle overnight from faucets.
- Open cabinets under sinks near exterior walls to allow heat to flow to pipes that are not insulated.
- Open doors to rooms if there are pipes running against exterior walls.
- If your home is unheated for an extended period, drain the water pipes and turn off the main water shut-off valve and the water heater.

In The Event of Frozen Pipes

- If there is no water flow when you turn on the faucet, leave the faucet on and call your plumber immediately.
- If frozen pipes burst, turn off the water main and call your plumber immediately.
- To avoid electrocution, never use electric appliances in an area of standing water.
- To avoid a fire, never attempt to thaw a frozen pipe by using a blow torch or open flame.
- After calling your plumber, report your claim directly to your insurance company or to the Sylvia Group.
- Information regarding reporting claims directly to your company may be found on our website at www.sylviainsurance.com.

Health Care Reform Update

Many of our clients continue to have questions about the new health care reform law in Massachusetts. As new information and requirements under the law are addressed through regulations from the state Department of Revenue, Department of Unemployment Assistance, Division of Insurance, Connector and the Legislature, we will use our newsletter and our agency website to help keep you up to date with the law. The following are two timely questions:

Health Care Reform Q&A

Q: What is the personal penalty for not having health insurance in 2008?

A: The health care reform law states that for the year 2008, individuals residing in Massachusetts will have a personal income tax penalty equal to 1/2 of the cost of an 'affordable' insurance policy, prorated for each month of uninsurance. While we do not know what that 'affordable' amount may be, let's say for example the cost is $250 per month for a single adult, that would mean an income tax penalty equal to $1,500 for someone who goes without insurance for the entire year. (This is a hefty penalty compared to the 2007 penalty; those individuals who did not have a health plan in place as of 12/31/07 will lose their personal exemption on their tax return for 2007, amounting to approximately $219 per adult).

Q: Our health insurance plan does not include prescription drug coverage. Will we have to change our plan in 2008?

A: The state has established 'minimum creditable coverage' requirements which will take effect as of January 1, 2009. One of the MCC requirements is that the plan must include coverage for prescriptions. Note that this requirement is for individuals, not for employers. If an employer plan does not include prescriptions, there is no penalty to the employer, but the employees will not be in compliance with the law as of 1/1/09. For this reason, many employers whose health plans do not meet the MCC requirements will want to consider amending their plans prior to 1/1/09, or risk having disgruntled employees when it comes time to do their 2009 tax returns.

The Health Care Reform Law is a complicated law which impacts both businesses and individuals in the state of Massachusetts. If you need help understanding your business obligations under HCR, establishing or amending your health plan or personnel policies, please call our Benefits Team at the Sylvia Group.

Health Savings Accounts - A Prescription for Lower Insurance Costs?

Three years after the passage of federal legislation to establish Health Savings Accounts, the purchase of high deductible health plans around the country has been growing. But the question remains – can these plans help to lower overall health care costs, or are they simply another way of shifting costs from insurance to the consumer?

According to HSA Bank, a national provider of HSA accounts and division of Webster Bank, NA, over 96% of the HSA accounts opened in 2006 rolled over balances into 2007. The average account rollover was $1734 and the average contribution was $232 per month. That's good news… that means that people who are putting money into their health savings accounts instead of spending it on insurance premiums are coming out ahead.

What could contribute to the success of HSA plans for consumers? One answer is in the simple concept that HSA plans help us become better health care consumers. Research shows that HSA consumers are more likely to engage in healthy behaviors, to get annual preventive exams, to comply with their doctor's prescribed care, and to ask about costs before choosing a provider and/or course of treatment.

With businesses continuing to face high rate increases in their employee health insurance plans, a qualified high deductible health plan coupled with the HSA account may be an option worth looking at. Please plan to attend our next Employee Benefits Workshop on Wednesday, February 27th to explore the benefits of HSA plans, or call our Benefits Team at the Sylvia Group for more information.

What You're Saying

We are very pleased to be working with Paul "Nick" Petronelli as our Financial Services Specialist...and apparently you are as well. Here is some of the great feedback we have received about Nick's expertise and service.

"Nick is great. We are all so pleased with our decision to give your firm this work. He represents you well."

"Nick gave us a complete, in-depth overview of our current estate plan. I mean he was very thorough in his cost and benefit analysis and gave us a very honest appraisal. He was very honest and direct in his process to us. In short, it was a pleasure to meet and talk with an honest and personable professional who is a great representative of your agency."

Nick is a Registered Representative with one of the nation's largest independent broker-dealers, AIG Financial Advisors, Inc.. He specializes in developing and implementing retirement and estate plans for private clients and small business owners. Our firm incorporates planning techniques to minimize income and estate taxes, and utilizes investment management strategies in order to focus on capital preservation and multi-generational wealth management. To see how Nick can help you or your business, contact him at (508) 995-4080.

Get a Jump on Retirement in the New Year

The Economic Growth and Tax Relief Act, which went into effect on January 1, 2002 included major changes to the laws governing Individual Retirement Accounts (IRAs) and Qualified Retirement Plans. These changes include an increase in contribution limits for 2008, as shown in the table below:

Type of IRA or Qualified Plan	2008 Contribution Limits
401(k), 403(b), 457	$15,500
Traditional and Roth IRA	$5,000
SEP IRA	$46,000
Simple IRA	$10,500
Coverdell Education IRA	$2,000

Use that catch up! Thanks to the 2002 legislation, Americans over 50 also have the ability to make "catch up" contributions. Catch up contributions for 2007 are as follows:

Type of IRA or Qualified Plan	2008 "Catch up" Limits
401(k), 403(b), 457	$5,000
Traditional and Roth IRA	$1,000
Simple IRA	$2,500

Do phaseout limits affect you? Contributions to Traditional IRAs are not deductible if the individual is eligible for an employer-sponsored retirement plan and their income exceeds the phaseout ranges shown below. Individuals with income within the range listed below are allowed a reduced deduction. The phaseout ranges for 2008 are as follows:

Single Individuals	Married Filing Jointly
$53,000 - $63,000	$85,000 - $105,000

Contribution limits are just examples of frequent changes that need to be considered when managing a financial plan. If you have questions about how these changes may affect you contact Sylvia Financial for a free "Financial Physical" at 508-995-4080.

Everyone Covered?

Did you know that the standard homeowner policy has a very limited definition on who it considers an insured?

In today's dynamic world, many people are so busy with day to day routines that they do not stop to consider if everyone living in their household is covered on the homeowners policy… or not until it's too late.

Because of the ever-changing world and culture around us, we have many companies that now offer an endorsement that you can purchase on your homeowner policy that will give non-relatives over the age of 21, significant others and/or domestic partners coverage for personal property, liability and other coverage.

This coverage is called the Domestic Partner endorsement and is worth discussing with your customer service representative to ensure your loved ones are appropriately covered.

Staff Updates

The Sylvia Group is pleased to announce the recent appointment of Tracy Sirois to the position of Business Development Coordinator. Her focus will be assisting the agency regarding the production and servicing of accounts.

Tracy is a graduate of the University of Massachusetts Amherst and received her bachelor's degree in marketing. Her prior history includes serving as an Account Services Manager for CVS and the Marketing Coordinator/Manager for National Nonwovens.

Tracy is an avid runner and enjoys participating in events that benefit the community. She is a participant in the "Walk for Cancer" and "Walk for Hunger" events and has participated in the Disney Half-Marathon.

No Long-Term-Care Insurance?

Many of us are counting on the government, social security, our children or our own savings to take care of us in our old age. Even thinking about nursing homes makes us nervous. Maybe we have visited elderly relatives in a nursing home and the thought of ending up there terrifies us. Or maybe we think we're too young to worry about it.

Not buying long term care insurance, however, can be one of the most expensive omissions in planning for your golden years. While Medicare and medical insurance pays medical expenses such as hospitalization, skilled rehabilitation facility care or physical therapy, it almost never pays for custodial care. Custodial care is the kind of day-to-day care people typically need when illnesses such as stroke, osteoporosis, diabetes, or dementia leave you or your loved one unable to do simple activities like bathing, dressing, eating or even moving around your home without assistance. Since long term care insurance pays for long term custodial care regardless of whether you receive care in your own home, assisted living apartment, senior day care, or a nursing home, it provides the flexibility for you and your loved ones to choose the best way to meet your needs. In fact, long term care insurance has come to be thought of as "Stay at Home" insurance with a nursing home rider.

Long term care doesn't just single out the elderly. Accidents happen without regard to age, and severe accidents can mean years and years of needing custodial care. Long term care insurance is something you should consider long before you are retired. Buying a policy when you are young is not only less expensive, but it makes it easier to qualify for coverage before medical problems start to increase your risk of needing long term care. That is why more and more businesses are offering employees policies through their workplace.

If you would like more information on this important financial protection for yourself, your parents and loved ones, or even your place of employment, please call the Sylvia Group professionals at (508) 995-4553 to discuss what's right for you.

Massachusetts Auto Rate Changes: A Better Understanding

The Sylvia Group will be holding an Open House on Saturday, March 1st to help you better understand the new Massachusetts Auto Rate changes and what to expect. Some of the points that will be covered are:

- *New State Rates*
- *New Enhanced Auto Coverage*
- *Points to Understand*
- *Quote Your Policy*

There will be staff available for you to speak with further about the new changes and how it may affect you. Please feel free to bring a friend that you think would also benefit from our Open House. If you do not currently insure your auto through us and would like us to evaluate your current coverage, please bring in a copy of your current policy.

For further questions or to ensure seating availability contact
Kristine Arsenault at (508) 742-9247

Staff will also be available to answer any of your questions on Home Insurance,
Life Insurance, or Retirement Planning.

Open House

Saturday, March 1, 2008

10:00am to 1:00pm

Seminar Times

10:30 and 12:00

Please choose the time that best suits your schedule.

***If you cannot attend,
feel free to call our office
to go over your policy
and the 2008 rate changes.***

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of Insurance Agencies

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Toll Free: (800) 466-5939

www.sylviainsurance.com

Trusted Advisors Dedicated to Our Clients and Community

OCEAN EXPLORIUM
at New Bedford Seaport

Please join the Sylvia Group by supporting the Ocean Explorium at New Bedford Seaport

Dear Friend:

Imagine how your life might have changed had you seen the entire "Earth at night," or "Jupiter's spectacular moons," when you were a child? Imagine – having an opportunity to change the life of a child – today! Our first exhibit has been installed and fabrication of the remaining exhibits is underway. The Ocean Explorium at New Bedford Seaport will open its doors in June, and your help is needed to ensure this ambitious goal is reached.

In partnership with the University of Massachusetts Dartmouth, the Ocean Explorium will be an educational exhibit and resource housed in the lobby of the former New Bedford Institution for Savings. It will feature an amazing new technology called Science on a Sphere®, displaying three-dimensional images of the earth in its many forms. The Ocean Explorium will include the Coastal Zone touch tank, a Resource Center, a working waterfront display and much, much, more. We are tremendously excited about the opportunity to make the SouthCoast/Cape Cod area not only a center of ocean research, but a place where the results of that research are presented to a broad audience in an accessible and engaging way – a goal that is shared by the University.

Some of the many ways you can help:

- Naming Opportunities are listed on the donation form – they are going quickly, so if you are interested, act quickly to reserve your exhibit of choice and help make the Ocean Explorium a reality.

- Family Passes are available for only $30 and entitle two adults and two children unlimited admission to the Ocean Explorium from Opening Day through the end of 2008. These make greats gifts for family, friends, and employees. Ten passes can be purchased at the discount rate of $250.

- Education Sponsorships are described on the donation form. We hope to provide every student in our community's schools an opportunity to visit the Ocean Explorium. Educators are developing programs for up to two school groups each morning and afternoon: each program will cost $500. Please consider sponsoring a school or school group for a half-day or full day of ocean literacy programming for our children.

All donations will be appropriately acknowledged and you will have the satisfaction of knowing you helped make this wonderful project happen. Please visit our web site at www.oceanexplorium.org and feel free to contact me with any questions you may have.

Sincerely,

Maureen Sylvia Armstrong
Board of Governors

Post Office Box 1906, New Bedford, MA 02741-1906 Telephone 508.944.5400 Facsimile 508.994.6623
www.oceanexplorium.org

OCEAN EXPLORIUM
at New Bedford Seaport

Dreams Do Come True!
But Not Without Your Help!

Name ____

Company ____

Address ____

City, State, Zip ____

Phone ____

Email ______________________________ ☐ *Please send me email updates*

Naming Opportunities

EXHIBIT	AMOUNT
Blue World Pavilion	$350,000
The Working Waterfront	$250,000
Coastal Zone Touch Tank	$100,000
Resource Room	$100,000
Media Room	$100,000
Ocean Nursery	$100,000
Fishing Vessel	$75,000
Buzzards Bay Float Tank & Boat Shop	$75,000
Working Waterfront Mural	$50,000
Coastal Mural	$50,000
Explorium Gift Shop	$50,000
Creation Station	$50,000
Ticketing Booth	$25,000
Blue World Pavilion Booths:	
Coral Reef	$15,000
Living Exhibits (5), *each*	$10,000
Media Displays (4), *each*	$5,000
Nursery Tanks (10), *each*	$5,000

Yes, I would like to support the Ocean Explorium!

☐ I am interested in a **Naming Opportunity**. $______________

Exhibit Name: ______________________________________

☐ I would like to be an **Education Sponsor**. $______________

- School Group Sponsor - $500
- Half Day Sponsor - $1,000
- Full Day Sponsor - $2,000
- School Sponsor - $5,000

☐ I would like to purchase a **Family Pass**. $______________

Family Pass - $30 each How Many__________

10 Family Passes - $250 How Many__________

☐ I would like to make an unrestricted **donation**. $______________

☐ Enclosed please find my check(s) payable to New Bedford Oceanarium

Total Support $______________

☐ Please charge the amount of $___________ to my credit card:

VISA___ Mastercard___ Discover___ American Express___

Name as is appears on Card: ______________________________

Card# ___________________________ Exp. Date____________

To learn more about what is happening at the Ocean Explorium right now, visit us at:

www.oceanexplorium.org T: (508) 994-5400
Union Square, 174 Union St, New Bedford MA 02741