



The Independence

OAK PARTNERS INC. | SPRING 2019



Happiness is Contagious

Stephanie Herscher

Every day as an executive assistant is a little different. Our job offers new experiences and chances to learn almost daily. In our position, we get to hear about our client's highest highs and lowest lows. In the spirit of being positive, I'm going to focus on the highs today. For instance, we get the opportunity to hear the joy in a client's voice when they become a grandparent, sometimes we even get to meet the new baby. We get to be included in the excitement of a new home purchase, from the search to the final sale, and we always look forward to seeing the pictures of the home and hearing about the remodeling plans to make it the home of their dreams. It is absolutely wonderful when we get to see our clients after a vacation and hear about the trips they have taken, or to hear about the plan they have to take a trip to a new exciting place. We love to help with finding the perfect accessories for these trips like RVs, boats and other travel essentials. It really is a pleasure to hear all about the amazing things in our clients lives that we have the opportunity to help make happen, so please keep telling us all about your life and experiences, your happiness is contagious.

ISSUE HIGHLIGHTS

The Only Thing Certain is
Death and Taxes

BY MIKE BARANCYK

Should I Profit from Things
I Don't Agree With?

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Trustee of your Trust

MARC RUIZ

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IDENTITY THEFT:

TAKE THESE ACTIONS NOW TO PROTECT YOURSELF

Andy Smith

As new research on identity theft continues to roll in, it paints an unsettling picture of how good crooks are getting at their craft. Although the number of U.S. breaches fell in 2018, the number of records exposed containing sensitive, personally identifiable information (such as Social Security and financial-account numbers) spiked by 126% from the year before.

Last September, a federal law went into effect that made credit freezes free for everyone. The same law also requires the Social Security Administration to offer financial institutions a more streamlined system to ensure that the Social Security number a customer provides matches up with the name and birth date associated with that SSN.

THE POWER OF PUTTING YOUR CREDIT ON ICE

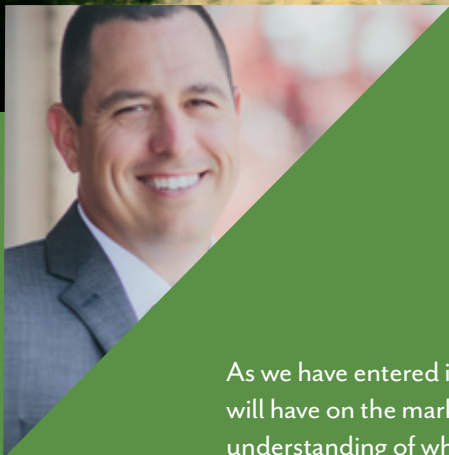
The case for placing a security freeze on your credit reports is stronger than ever, even if you haven't yet suffered identity theft. When you ask to remove a freeze online or by phone, the credit agencies—Equifax, Experian and TransUnion—must lift it within an hour of receiving your request.

A freeze is designed to stop a criminal in his tracks if he attempts to open a credit line in your name. (It does not, however, block criminals from accessing accounts you already have.) A lender cannot view your credit report—a collection of data about your credit activity—in response to a new credit application when a freeze is in place. You must contact each credit agency separately to place and remove freezes. For good measure, you could also freeze your report with Innovis, a fourth credit agency.

MANAGING YOUR FREEZE

When you place a freeze, each agency will give you a PIN, which you may later need to provide to unfreeze the reports. Equifax and TransUnion now allow customers to thaw their reports through password-protected online accounts (no PIN required), but you'll still need the PIN to lift a freeze over the phone. Keep your PINs and passwords in a safe place.





Election Cycles and Your Money

Clint Henry

As we have entered into another election cycle, you might be questioning what effect it will have on the market. The past is no indication of the future, but it could give us some understanding of what to expect. Since 1928, there have been 21 presidential elections. Only 3 presidential election years have been negative return on the stock market (Roosevelt vs Hoover in 1932, Bush vs Gore in 2000 and Obama vs McCain 2008). All presented special market environments of the Great Depression, Tech Bubble and the Great Recession. Now, you have to ask yourself is this election cycle a special market environment?

Here are some reasons I believe it may be:

- The market is close to all time highs. Even though the S&P, Russell 2000 and Nasdaq have all dropped over 20% at some point in the last 10 years, the Dow hasn't and would be the key to a Bear Market. Still the market is due for extended correction at some point.
- Trade dealings with foreign markets continues to be a touchy subject. As I write this article, the market has been down 6 of 7 days due to a China trade deal falling apart. Regardless of how you feel, China has taken advantage of the US for way too long.
- Political environment is toxic in this country. There has been a constant misinformation and fighting from both sides of the aisle. We are on the verge of the nastiest election in modern history. Socialism is front and center being disguised as progressive politics. This is the biggest threat to the current market environment. My hope is that we find a way to the center like we always have.



TRUSTEE of your Trust

Marc Ruiz

One of the most common questions we hear from clients doing their estate planning is, “can I just put you or Oak Partners as the trustee of my trust?”.

It is an honor of course to be asked, and I assume this question is sourced in the comfort and relationship clients feel with our firm. Unfortunately, the answer to this question is “No”. Our industry rules as advisers preclude us from serving as trustees or executors on estates, and no, moving your account to another advisor in the office or firm does not allow us to serve in this way either.



The good news however, is our securities firm LPL Financial, through its subsidiary Private Trust Company (PTC) can now serve as trustee to some client trust accounts. Naming PTC as successor trustee to a living trust (the successor trustee manages the trust if the grantor, aka you, are incapacitated or passes away) enables your advisors at Oak Partners to stay integrated with the management of the trust, and will enable us to interface with the actual institutional trustee to provide information and frame of reference on the family or trust beneficiaries.

In addition, PTC has also developed a service call the Trusteed IRA, which enables additional control over the way IRA assets are distributed after the death of the account owner, while still maintaining a high level of tax flexibility.

Actual trust documents must still be drafted by an attorney at the local level (which I think is a good thing), and PTC does have some specific language to be included in the documents. In addition, both services involve an extra fee (which I felt was quite reasonable) levied by PTC, but the fee only applies after death or incapacitation when PTC actually begins administering the trust.

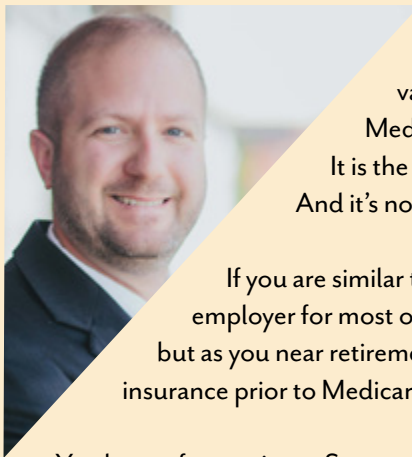
For more information, ask your advisor. As always, we are happy to work with your local attorney whenever you are doing any estate planning.



Can I Retire Before 65?

What's your Plan for Healthcare?

Joe Starkey



You've worked almost 30 years, you've put kids through college, paid off the house, and saved diligently. Now that you're nearing retirement a new variable gets thrown into the mix – bridging the gap between retirement and Medicare. In my opinion, this is the number one reason people work until 65. It is the source of worry and trepidation for people who are otherwise ready to retire. And it's not getting any cheaper.

If you are similar to most people, you've had your health insurance provided through your employer for most of your life. It might not have been at the forefront of retirement planning but as you near retirement, this question starts to eat at you – “how am I going to pay for health insurance prior to Medicare?”

You have a few options. Some employers will allow you to stay on their group plan by paying a higher amount each month. The advantage to doing so, is that you'll keep your current plan, one that you're familiar with, and you'll keep the same doctors and prescription plans. If the employer does not offer this, at the very least, you'll have access to COBRA coverage through your previous employer. This allows you to stay in the current group plan at an unsubsidized rate for 18 months. Your other option, is to go out to the marketplace and search for a new plan provider. I urge anyone doing this to make sure they understand all the nuances of the plan they choose – make sure the medications you need are covered and the doctors you use accept the plan.

Just like retirement, it's the planning you do on the front end that allows you to make decisions with confidence. This may be one of the largest expenses in your budget until you reach Medicare eligibility, but with proper planning and advice, you can make the decision confidently.



Don't Pour Fuel on the Fake News Fire

Mario Ruiz

In a recent meeting with a client we discussed the sensational headlines that dominate the internet. The media has been under a lot of fire recently and the term “fake news” has become mainstream jargon. Most people understand that not everything we are inundated with is true. Now more than ever we need to be very careful about where we get our news from. What my client didn't realize though was that they are actually pouring fuel on the fake news fire when they click on the sensational headlines. Gone are the days where media companies make their money from advertisements in the local/national periodicals and commercials.

These days there is big money in getting internet users to click on a headline and having as many views as possible. Advertising dollars are paid for the clicks on an article. What better way to get clicks than to have a sensational headline even if the article doesn't harmonize with the headline. The best way to make our media more honest is by not rewarding this dishonest practice.



Proactive Vs. Reactive

Adam Sipes

This one is for all my worriers out there. I can't help but remember the massive influx of calls we received in late December about clients wondering if now should be a good time to pull out of the market. My extremely consistent answer? No. Point and blank. Sometimes the market will pull the completely unexpected on us, and quite frankly that's the beauty of the market as well, it creates opportunity. Investing isn't a world where being reactive is going to benefit you positively. We recommend strategies that we believe to be fit for each of our clients individually. That is us being proactive on your behalf. So cheers to those who stayed invested and have reaped the rewards.





Should I Profit from Things I Don't Agree With?

Mark Vandavelde

Socially Responsible investing has been around for a long time, but the debate about whether or not you should invest in companies that engage in businesses that you don't agree with has been re-energized recently by the emergence of the legal cannabis business. As more and more states legalize recreational marijuana use, potentially leading to an eventual federal legalization, investment opportunities have arisen.

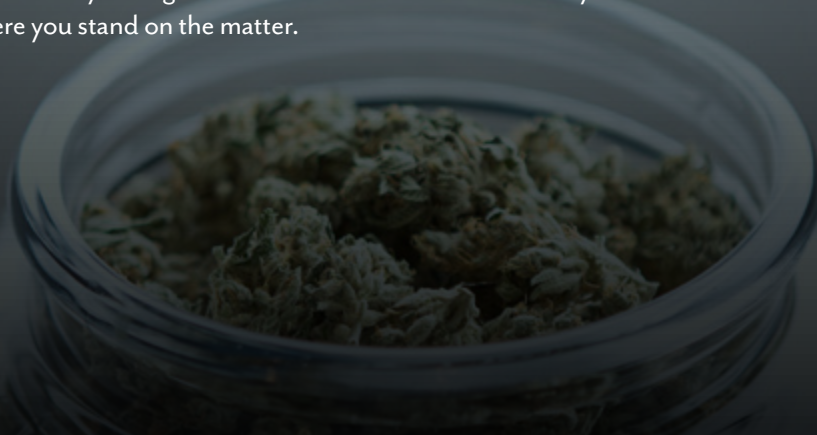
The potential for growth and the excitement of a new industry has created a buzz around cannabis related stocks. There are even some of the bigger players in alcohol and tobacco that are either entering or considering an entrance into the cannabis business. The growth potential is there. But should you even consider it if you are somebody that doesn't agree with recreational drug use?

The answer to that question is one that only you can give. It's really a personal choice, but there are a couple of things that you should consider:

1. When you buy a stock, unless it is done through the stock's IPO, you are not giving money to that company. Some people say that they don't want to give money to a company that they have a fundamental disagreement with. The truth is that you aren't. None of that money is going to the company you are buying, it is going to the person or intermediary that sold you the stock.

2. The cannabis industry is still a very young and risk heavy industry. When you invest in industries that are new or dramatically changing, the amount of risk you are taking goes up considerably. Companies will come and go, and the leaders of the industry may change dramatically as the industry matures. That doesn't necessarily mean that you shouldn't invest there, but you should definitely consider diversifying your holdings and limiting your exposure to the space.

The bottom line is that it comes down to personal preference. If you can't sleep at night because your money is invested in something that you don't agree with, it's probably not the right investment for you. There are plenty of investment options out there that will be more comfortable. If you are somebody that doesn't have those concerns, there may be profits available to be had, but be sure to invest wisely and in appropriate amounts. Either way, it's a good idea to have a conversation with your financial advisor and let him or her know where you stand on the matter.





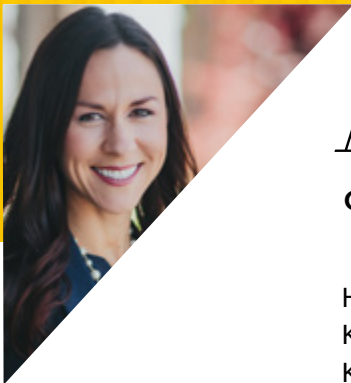
The Only Thing Certain is Death and Taxes

Mike Barancyk

We have all heard the old adage that “The only thing certain in life is death and taxes.” Of course, neither of those subjects are fun to talk about, but they are definitely both a certainty. Now let’s remember that I am not an accountant and any tax advice received from me should always be discussed with your accountant prior to acting on it. With that disclaimer aside, it is impossible to cheat death. Sure we can exercise, eat healthy and get regular checkups, but that still just delays the inevitable. None of us are “certain” of the day we will leave our loved ones on this earth.

The other “certainty” is that we can not get out of our tax bills. The Uncle that no one ever invites to Easter Brunch in the spring, Sam, is going to get his due come April 15th. Last year, our tax code did change for the first time in many years. Our personal marginal tax-rates went down for many families and corporate tax rates were cut to 21% from a whopping 35% where they had been since the Reagan era. There isn’t one person on the planet that can say for sure that rates will stay this low forever. Maybe it’s time to try and ensure that we are managing our investments, both Qualified and Non-qualified, accordingly for this new normal. If you or your advisor haven’t done so, make sure that you reach out to them and ask. Of course, your Oak Partners advisor would love to hear from you whether you currently work with us now or will in the near future.

Source: MarketWatch



News & Announcements

Crystal DeHaven, Director of Client Experience

Happy Spring! We've added yet another member to the Oak team, **Katie Kocsis**. Katie will be working with Jessica Wotherspoon as a client communication coordinator. Katie is also assisting the Wealth Management Group with client services. Katie has been a fantastic addition to our team. She has a great smile, a witty sense of humor and she's a black belt! I am confident she'll help keep everyone in-line at our office.

We brought back the fishing instruction this year because so many of you said you missed it! Thanks to your suggestion we hosted over 50 guests at Bass Pro shop on April 26th. Thanks for getting us hooked back on fishing!

This year rather than hosting Oaktoberfest we will be hosting a special 25th year celebration. That's right, Oak has turned 25!! We will be kicking off the event with an excellent speaker followed by an awesome band.

Save the date – Thursday, November 14th. More details to come...

As always, we know you have many choices when it comes to choosing a financial advisor. Thank you for choosing Oak Partners to help get you there. Whether "there" is the vacation of a lifetime, perhaps a second home, a child's wedding, or maybe a grand-child's college tuition we thoroughly enjoy coaching you through the process and watching everything come together. Thank you for sharing your stories, it is an honor for us to be your partner. Our relationships with our clients make all the difference. Thank you.

UPCOMING EVENTS:



JUNE 28TH
Toy Story 4



AUGUST 1ST
RV-ing Event



AUGUST 8TH
Deep River Water Park



AUGUST
State of the Market Seminar



Margarita Night

Oak Partners, hosted our annual Margarita Night on Thursday, May 30th
at Abuelo's Restaurant in Merrillville.

This year we had more than 200 attendees.





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