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As a new year begins, we want to thank you for being part of the Creative Financial Group family. We understand that no business can thrive without exceptional commitment to both its clients and its community, and we take both of those commitments seriously.

The past year has been challenging as the nation continues to recover from a debilitating recession. Many of you reached out for help with retirement planning, others with concerns about market conditions and what that meant for your family, and your future. We are honored to have assisted you in finding creative ways to make sure your assets were protected and your future goals could still be met. Many of you also referred us to other individuals and companies, and for that we extend our gratitude. We are very fortunate to have clients and colleagues that think of us as a resource.

Our commitment to you led to accolades in early 2011 based on the prior year's success. CFG earned the highest honor, Firm of the Year, as a New England Financial firm for outstanding performance. Each year, more of our associates are nationally recognized for their achievements than at any other MetLife firm.

While serving our clients is our top priority, we remain committed to serving our community as well. CFG's managing partner, Francis Naselli, was sworn in as the new President of the Board of Directors of Variety – The Children's Charity in 2011. CFG is proud to be the Title Sponsor for Variety's annual Children's Champion Gala and their Tournament of Champions Pro-Am golf events held each June. On December 14, our employee holiday party featured an encore performance of Variety's Kids with Heart talent show. The firm is proud to

continue its support of this worthy charity.

Our 'Giving Initiative' continues to grow, thanks to our "Make Someone's Day" committee, a committee comprised of CFG employee volunteers. The group's mission is to recognize and support the efforts of CFG staff and their preferred charities and raises about \$15,000 per year. In addition to many other civic causes, Creative Financial Group has supported Habitat for Humanity, 4R Marines, Lee National Denim Day benefiting Breast Cancer, Disaster Relief in Japan, American Red Cross, Leukemia and Lymphoma Society, Drueding Center, and Turning Points for Children.

We look forward to strengthening our relationship with you in 2012 as we continue to provide exceptional resources to our clients and colleagues, including investment seminars, business planning seminars as well as events specifically dedicated to women.

We're also committed to a renewed focus on communication. We plan to be in touch with you regularly and consistently via email or regular mail. Our communication is meant to be insightful and educational, so watch for newsletters and market updates.

We sincerely appreciate your business and the trust you place in us. As you pursue your 2012 goals, remember the resources you have at your disposal through us. We look forward to continuing to provide you with our expertise, guidance, creativity and support.

Happy New Year to you and yours,

**Creative Financial Group's
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Financial Navigation To Help You Reach Your Lifetime and Legacy Goals

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Believe It or Not, Now is a Good Time for Gifting

Over the past five years, both the estate tax and generation-skipping tax have been gradually reduced using progressively larger applicable exclusion amounts per taxpayer ranging from \$1,000,000 to \$3,500,000, then ultimately repealed for 2010. The exclusions, as they increased, were only available to offset the estate tax at death; the larger exclusions were not available for lifetime use. Instead, Congress capped the maximum amount of the lifetime applicable exclusion at \$1,000,000 per taxpayer.

In December of 2010, The Tax Relief Unemployment Insurance Reauthorization and Job Creation Act (TRUIRCA) extended and modified the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA), commonly known as "Bush tax cuts." The Act, however, not only extended the tax cuts, but made significant changes in the ability to make lifetime gifts.

The Act removed the \$1,000,000 "cap" on lifetime gifts and unified the lifetime applicable exclusion amount with the amount available to a deceased taxpayer. "In the simplest terms, the above referenced laws allows someone to give the same amount in life as well as death," says Paul Nappi, JD, LLM. "This is why we believe now is a good time to consider meeting with your financial planner to implement a gifting strategy while this window is open."

With proper planning, married couples with a combined estate aggregating \$10 million could avoid the estate tax because for 2011 and 2012, the limit is \$5 million per person. (Before the laws went into effect, it was capped at \$1 million regardless of how much someone had available at their death.)

A few highlights:

- Giveaways can be a gift to a spouse (provided the spouse is a United States citizen) with unlimited transfers. These transfers, however, do not reduce the lifetime applicable exclusion amount. If the donor wants to benefit the spouse, the donor can create a special trust, referred to as a "Spousal Lifetime Access Trust", that provides the spouse with rights to income and principal and apply the lifetime applicable exclusion amount (capped at \$5,000,000) to that trust.
- Excludes outright gifts to charities.
- Can be used as a trust for spouse's benefit, and then children's benefit or it could be an outright gift to children.
- If someone doesn't have children, they could create a trust for nieces/nephews or a family member/sibling.
- Also, under this law, you can now create a trust for your life partner/same sex partner.

It's important to note that this window may close with a new congress in 2012 and this law could change. If you can do this, now is the time to take advantage of it. Contact your CFG representative for further information.

CFG IS PLEASED TO FEATURE THE FOLLOWING STRATEGIC PARTNER:

M.F. Irvine Corporate Solutions

M.F. Irvine Corporate Solutions is a customized business solution offering a range of insurance services to businesses with locations throughout the United States. Over the past 17 years, they have been dedicated to making a positive impact on as many companies as possible through their health and welfare consulting, benefit administration, risk management, commercial property & casualty, and personal lines insurance services.

Why choose M.F. Irvine Corporate Solutions?

- **Boutique Operation:** experienced employees offer the client a personalized approach.
- **Compassion and Integrity:** belief in making a positive difference to their employees, customers and vendors. Committed to outstanding customer service focused on courtesy, compassion and commitment.
- **Investment in Internal Resources:** exceptional employees with unique skill sets coupled with experience working in larger brokerage firms.
- **Wellness Programs:** innovative solutions, guidance, support and implementation both online and in person.
- **Health Care Reform:** website provides full resources for Health Care Reform including links to information, industry tools and clips from recent seminars.
- **Web Based HR Services:** their Web Based platform provides a management tool for HR professionals to help simplify benefit administration for the employer as well as online enrollment tool and resources for employees.

M.F. Irvine Corporate Solutions has proven successful at impacting businesses in a positive way, especially in these tough economic times. They are currently working with many local businesses, both privately and publicly held, to help them cut costs while maintaining value.

Contact your CFG representative to find out how *M.F. Irvine Corporate Solutions* can help your business.

Some principals and representatives of CFG have an ownership stake in M.F. Irvine. As a result, they may receive a referral fee/or additional compensation if you choose to take advantage of the products and services offered through this organization. M.F. Irvine is a separate entity from CFG and are independently responsible for the products and services they provide.

Two West Chester University Students Earn Scholarships

The Creative Financial Group Entrepreneurial Scholarship is an annual award endowed by Gary Daniels, West Chester University alumnus (1975). The scholarship is designed to help entrepreneurial-minded individuals looking to pursue careers in the financial services industry. Gary Daniels, CLU®, ChFC®, CAP®, is a founding partner of Creative Financial Group.

Mr. Daniels is a recognized authority on business succession planning. He forged one of the nation's most innovative and successful financial services organizations. Daniel's primary area of expertise is developing financial and business succession strategies for entrepreneurs.

Two scholarships are awarded annually, in the amount of \$5,000 each. Scholarships are awarded to undergraduate or graduate students who are in good standing.

Congratulations to Megan Walsh and Michael Slavin, winners of the Creative Financial Group Entrepreneurial Scholarships!

10 Reasons to Consider Hiring a New Accountant

Most people pick an accountant and stick with him or her throughout their entire lifetimes or the lifetimes of their businesses. Though this is perfectly understandable given the human tendency to “stay the course”, it can be counterproductive in the long run.

Below are 10 scenarios in which you might consider hiring a new accountant.

1. Your accountant doesn't explain his/her ideas to you. Instead, he/she simply acts “the expert”, expecting you to find enjoyment and value in listening to him/her pontificate.
2. Your accountant is constantly saying “no” rather than listening to what you want to do. He/she doesn't even attempt to formulate ideas to help you reach your true goals.
3. Your accountant doesn't listen to you when you tell him/her what you want to accomplish long-term or short-term.
4. Your accountant thinks he/she is an expert on everything – including items that have nothing to do with finances. Consequently, he/she speaks off-the-cuff and rarely researches the ramifications of his/her suggestions.
5. You only see and/or talk to your accountant once a year, providing very little opportunity to create a relationship.
6. Everything with your accountant is always “last minute”, affording you practically no time to make changes or ask questions.
7. Your accountant doesn't provide a prior-to-year-end tax projection or update.
8. Your accountant offers one-word answers that make you wonder if he/she even fully understands the situation at hand.
9. Your accountant agrees with everything you say, which makes you wonder if he/she is simply avoiding telling you things that might be hard for you to hear.
10. Your accountant only talks numbers and taxes, nothing else. You feel absolutely no connection with him or her.

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We are Searching

for a Few Great Candidates!

If you know of someone who has 2 or more years of experience in financial services:

- Is ambitious and self motivated
- Is searching for a firm that promotes training, access to specialists, and competitive compensation packages, for those who qualify.

Please contact us via email:

cfgrecruitment@cfg.nef.com or 610-492-7243. All inquires are confidential.

P.S. CFG always loves to speak with any individual, of any experience level, who has a desire to pursue a career in financial services.

CFG is an equal opportunity employer

Look for us at the following career fairs

Temple University
February 15th, 2012

St. Joseph's University
February 23rd, 2012

University of Delaware
February 29th, 2012

Drexel University
April 11th, 2012