

YES, YOU CAN



IDEAS FOR ACHIEVING FINANCIAL SECURITY AND A MORE MEANINGFUL LIFE.

S T O W E R S I N N O V A T I O N S

W I N T E R 2 0 0 5

Stowers Innovations, Inc.
helps people *Discover
the Good Life!*[™]

Our concepts and products provide information that makes people aware of how they can live a meaningful life through an understanding of their values, personal relationships, finances, health and mental well-being. Our unique success principles are based, in part, on the beliefs of James E. Stowers, founder of American Century Investments and co-founder (with his wife Virginia) of the Stowers Institute for Medical Research.

Your Credit Score and You

Good credit. With these two little words, you can save thousands of dollars in interest on mortgages and loans with a lower interest rate. But do you know what affects your credit score or how to know if you have good credit?

What determines good credit?

Good credit is determined by figuring your credit score. Your credit score or FICO score is a number between 300 and 850 that lenders use to help determine the interest rates for any money you borrow.

The lower your credit score, the higher your interest rates. You may even be totally passed over for a loan due to your score. A score above 700 may allow you to receive the best rates.

How is your credit score figured?

Your credit score is based on your past credit record, which is recorded by

continued on page 2



Your Credit Score and You
pg. 1

Battling the Winter Blues
pg. 4

The Joys of Scrimping!
pg. 5

Good Health Brings the "Good Life"
pg. 7

Terminate the Taxing Nature of Taxes
pg. 8

Reading Adds More Chapters to Your Life
pg. 10

Light, Love, Learning: Add More to Your Life
pg. 12

A Healthy Outlook

By James E. Stowers

You probably look at your wallet every day to see how much cash you have. But do you pay the same amount of attention to your health? Good health may be worth more than you think.

The benefits of maintaining your health are both physical and financial. Not only will you feel more energetic and alive, but you may also reduce the amount of money you could spend on health care. Through exercise and diet, you can increase your chances of staying healthy and reduce the chances that a small health problem will become a big one.

Why not start this new year with a renewed focus on healthy living? It will help you take great strides in preserving your health and wealth.

James E. Stowers, founder of American Century Investments and co-founder of the Stowers Institute for Medical Research, is one of the nation's wealthiest men, a leading philanthropist and author of *Yes, You Can... Achieve Financial Independence*.



Yes, You Can is the quarterly publication of Stowers Innovations, Inc. Annual subscriptions are valued at \$12.00. For more information, please call 1-800-234-3445 or write:

Alexis Preston, Editor
Stowers Innovations, Inc.
4500 Main
Kansas City, MO 64111

Writers contributing to this issue include: Debbie Hagen, Elaine Kincaid, Susan Pepperdine. Illustrations by Paul Coker, Jr.

continued from page 1

companies such as Experian, TransUnion and Equifax. They calculate your credit score based on certain factors, including:

- **Payment History** – This is one of the most important factors in your credit score. Any bill overdue more than 30 days shows up on your credit report. If a pattern of late payments is seen on your report, it can significantly lower your credit score.
- **Credit Card Balances** – If you carry a balance on your credit cards, the closer you are to your credit limit, the lower your score. It is best to keep the balance on your card below 30% of your available credit. The reason? You are at a higher risk of spending beyond your means and could have trouble making your payments if your credit card balance is above the 30% mark.
- **Credit Application Inquiries** – Don't apply for every credit card available. It's too tempting to carry a balance, and too many credit inquiries on your record can lower your credit score. There are times when a number of credit inquiries are expected, such as when shopping for a car or mortgage. These credit checks are counted as a single inquiry if they occur within a 45-day period.

How do you check your credit score?

Everyone is allowed to check his or her credit score by ordering a free annual copy from each credit bureau. To view your credit report, visit www.annualcreditreport.com or call 1-877-322-8228. You may also write to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

When you receive your report, be sure to check it thoroughly for any inaccuracies. A recent survey uncovered that 80% of all credit reports contain mistakes.

How to correct your credit report

Under the Federal Fair Credit Reporting Act, credit-reporting agencies and companies that provide information about you are required to correct inaccurate information. Here are a few tips on how to correct any inaccuracies:

- Put it in writing. Credit-reporting agencies allow you to dispute errors online, by phone or through the mail. But it's best to write a letter and send it via certified mail, especially if you are correcting a serious error.
- The letter should include your name and address, and identify each item in the report that you are disputing.

- Send a letter to the lender or business that provided the inaccurate information to the credit bureaus and attach copies of the supporting documents.
- Keep good records of all communications with the agencies.
- If you're unable to resolve the dispute, you can ask that a statement be included in your file and on future credit reports.
- If a credit bureau refuses to remove inaccurate information from your file, the Fair Credit Reporting Act gives you the right to take legal action.

Good credit has its rewards. Having it allows you to save thousands in interest payments. Monitoring and protecting your credit score can also save you from many sleepless nights. ■

(Sources: USA Today 9.28.05; Parade 10.2.05)

Words from the Wise

Watching snowflakes fall can seem magical in December. By the time January comes, however, many people start to feel trapped in their homes and seasonal depression begins to set in. In our last issue, we asked our readers to share their secrets for keeping their spirits up during the winter months. Here are some of their methods of "hanging in there" until spring:

I try to stay motivated by doing outside activities like ice fishing, ATV and snowmobile riding. When I can't do those things, I make plans for upcoming camping trips with my friends and family.

– Brian, Ridgway, PA

I take a walk during the brightest part of the workday – noon. Even a small dose of sunshine works wonders for me.

– Aura Lee, Campbell, CA

We have created many wonderful family memories by having living room campouts. We light a fire and lay blankets on the floor and roast hot dogs and marshmallows in the fireplace.

– Ellen, Pasco, WA

I rearrange the furniture in my living room or the bedrooms and give them a good cleaning. It always makes me feel great, and it's like having a new room to play or relax in!

– Shannon, Hampton, VA

Battling the Winter Blues

Summer and fall have faded away and winter is upon us. We've pulled out the wool socks and sweaters as winter brings cooler weather, dreary days and snow that can make driving difficult. The mere thought of winter may bring on the blues, but for some people, winter means being deep in the doldrums.

Battling the Blahs

For most of us, the winter blues come in the form of wanting to sleep late, fighting the urge to nap during the day, increasing our intake of "comfort food" and staying indoors. There are ways to remedy these moody blues ...

- Bundle up and go outside for a short walk around the block. Even brief exposure to natural light and fresh air will give you a burst of energy.
- Keep your exercise routine the same year-round. Just because it's cold outside doesn't mean you can't exercise. Hit the gym on a regular basis.
- Enjoy some fun with winter sports. Even if you were never the best ice skater or haven't been on a toboggan in years, give it a whirl. You and your family or friends will have a blast and feel like kids again.
- Create social outings for yourself and a group of your friends. Take turns planning a fun evening out and allow yourself to do something different every week.

Beyond the Basic Blues

A small percentage of people experience symptoms that go beyond just those of the winter blues. Seasonal Affective Disorder (SAD) affects individuals, particularly women, with signs of depression only during the winter months. Less light throughout winter prompts this depression. These individuals then develop an unusual "high" once spring months come around.

If you suffer from a severe case of SAD, there are treatments available to help you cope with the winter months ...

- Bright light therapy. This therapy helps suppress secretion of melatonin, the hormone linked to depression, in the brain.
- Antidepressants. Many doctors now prescribe antidepressants to their patients experiencing SAD.
- Counseling. Talking to a therapist will relieve some of the tension built up inside you, plus he or she may also offer some ideas on how you can treat yourself.

Although the thought of cold weather and dreary days may not bring a smile to your face, there are ways to enjoy the winter months and keep those blues away. Spending time outside and with friends will help make the winter months go by just a little faster, and with exercise and friends on your mind, you won't have time to think of those nasty blues. ■

The Joys of Scrimping!

Scrimping. It sounds distasteful, but actually, it's just a way of simplifying your life. How many times have you walked through your home thinking, "Why did I buy *this*?" or "I can't believe I have all this junk!"

Scrimping forces you to consider every purchase and expense. By doing so, you just might relieve the pressure of living paycheck to paycheck, along with the feeling that you *must* have the latest car, gizmo or clothing. You can also break surprisingly expensive habits, such as that mid-morning snack from the vending machine. In the process, you just might find a sense of peace ... and have a bit of fun, too.

Evaluate First

Start by taking a look at how you spend your money. Make a list of all mandatory expenses, such as your mortgage, car payment and utilities. Then start tracking all the other ways you spend your money. Be sure to include everything from the fast-food restaurant meals to the groceries you put on your table, and everything in between.

Start Scrimping

You may be shocked once you figure out how much money is passing through your hands.

"I always thought I was financially smart, but then I discovered I was spending more than \$100 eating out every week. I decided to start taking my lunch to work and do more in-home entertaining instead of going out with friends every night. It's amazing the amount of money I've been able to save!"

– Pamela, computer programmer

Here are a few things that can help in scrimping and saving:

- **Analyze your purchases** – Ask yourself if you really need that item or if it's something you can do without. In fact, consider the 24-hour rule. If you want something really

continued on page 6



badly, make yourself wait at least 24 hours before you buy it. Chances are you'll change your mind during that time and never go back for that purchase.

- **Plan ahead** – You end up spending more money when you don't plan meals or even the activities for the week.
- **Balance your checkbook daily** – By knowing how much you have in your account, you're less likely to spend recklessly, and avoid any overdraft charges.
- **Bargain shop** – There's rarely a need to pay full price for anything. Almost everything you'll ever need for yourself, your children or your home goes on sale at some point. Watch your newspaper's flyers.
- **Negotiate the best price** – This can be done with most everything from cell phone plans to furniture.
- **Scale back on "extra" services** – Does your family need cable television? Do you use your land telephone line? If so, what

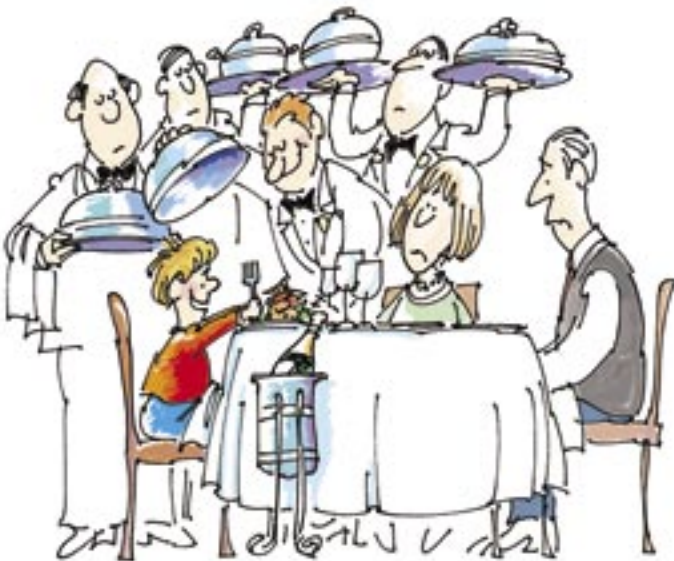
about your long-distance plan, caller ID, call waiting and a number of other telephone features? All those services add up quickly, and if you scale back, you could save a bundle.

“When we moved into our home, we decided to do without a lot of the extra services to which we had become accustomed. We nixed cable and a home phone line. After a year, we've done perfectly well without them. We rarely watch television, we spend more time together as a family, and with our two cell phones, we're saving hundreds.”

– Perry, father of three school-aged children

Simple Lifestyles Prevail

By scrimping early in life, Jim Stowers, founder of American Century Investments and the Stowers Institute for Medical Research, was able to build a successful business and become financially independent. To this day, Jim takes his lunch to work every day ... one half of a peanut butter sandwich and an apple. More ideas about how you can simplify your life are included in Jim's book, *Yes, You Can... Achieve Financial Independence*. Take the time now to learn the joys of scrimping! You'll enjoy the returns for years to come. ■



Good Health Brings the "Good Life"

“Here’s to your health!” is a popular toast, and for good reason. It just plain feels good to feel good.

More than that, maintaining your health helps you lead the “good life” according to *Yes, You Can... Find More Meaning in Your Life*. “When you are healthy, you have more energy to follow your dreams,” notes James E. Stowers, founder of American Century Investments, in the foreword.

The book’s authors, Jack Jonathan and Sheelagh G. Manheim, PhD, emphasize how improving your physical well-being also helps boost your mental well-being. “The mind and body thrive on the same things,” they point out, including “a stimulating environment, an active physical life, a healthy diet, satisfying relationships, rest and relaxation.”

Fortunately, it’s never too late to improve your health. Plus, developing good habits for eating, exercising and getting checkups also sets a good example for your children.

For the best results, get the kids involved by having them help with planning meals, cooking, making grocery lists and shopping. Steering them toward fresh produce and fruit will also cut down on the dollars spent on calorie-laden restaurant meals and junk food.

For exercise, look for sports and outdoor activities the whole family can do, such as ice skating or skiing in the winter and swimming or volleyball in the summer. Some sports are expensive, so try renting or buying used equipment, especially when you’re just beginning. It’s not safe to buy used athletic shoes,

helmets or other safety equipment, though. Watch for sales on those items.

One mother saved by signing up her two young daughters at the “Y” for swimming lessons. “It’s good exercise that doesn’t cost a lot,” she says. “For safety, everybody should learn how to swim, anyway.”

Dancing can also provide healthy fun for your whole family. In *Yes, You Can... Afford to Raise a Family*, author Sam Goller recommends taking folk dancing lessons at a community center. “Most of the dances are fairly easy to learn and the groups can be very kid-friendly,” he writes. “This is a great way to exercise and learn about teamwork and cooperation while becoming part of a group.”

Walking in your neighborhood is another great choice that’s virtually free. You don’t have to spend a lot on a fancy jogging suit, but do buy shoes designed for walking. Setting up a walking routine with a friend or family member will help keep you motivated.

Mental exercise is important, too. “Exercising both your body and your mind are important throughout life,” says Beth, who is a Jazzercise instructor as well as a first grade teacher. She encourages her students to do word-search puzzles and other word games offered in the local newspaper. “For adults, good activities include doing crossword puzzles and taking different routes to work,” Beth adds. “Many researchers believe you can stave off Alzheimer’s by keeping the mind active.”

Keeping your mind and body healthy will allow you to pursue the life you want. So why not start exercising your mind and body today? You’ll not only feel better physically, you’ll feel better about yourself. ■

Terminate the Taxing Nature of Taxes

Death and taxes are inevitable, but you can make your annual IRS filing a bit less stressful by being prepared when April 15 rolls around.

As we ease into tax season, preparation is key. Here are just a few of the items you'll want to have in order before figuring your 2005 taxes:

- W-2 forms
- Miscellaneous income forms – 1099-MISC
- Alimony records and/or child support received
- Pensions and annuities forms – 1099-R
- Prize winnings
- Scholarships and/or fellowships awarded
- State and local income tax refund forms – 1099-G
- Mortgage interest forms – 1098
- Real estate taxes paid
- Rent paid
- Moving expenses
- Auto loans and leases, if used for business
- Student loan interest paid
- Personal property tax information
- Gifts to charity (need written statement for gift of any single donation of \$250 or more)
- Un-reimbursed expenses related to volunteer work

- Un-reimbursed expenses related to your job
- Child care expenses
- Medical savings accounts
- Tax return preparation expenses and fees

How do you keep yourself organized?

Keep your taxes in mind all year long so you won't be overwhelmed with preparation work when April 15 approaches. To do this, print one of the checklists that can be found on the web sites of tax preparation companies. Keep the list in a folder and put any supporting documents and receipts in the folder as you manage your finances throughout the year.

Personal financial planning software can also be helpful. There are several versions available, which make it easy to update your records throughout the year. Then just download your expenses when you're ready to prepare your taxes.

When should you start preparing your taxes?

You need to start preparing in January. This allows you time to gather all your materials and either file your own taxes, or consult with a tax

preparation service. Getting a head start on preparing your taxes also gives you time to “take the hit” if you owe a large sum for last year. Otherwise, if you wait until April 15, it may be difficult to come up with the funds needed to pay in such a short time frame.

“A couple of years ago, my husband and I met with our tax advisor early in the year, but he didn’t complete our paperwork until April 13, which is when he told us we owed the government \$8,000. Needless to say, we made sure the next year that our new tax advisor realized we were starting the process early for a reason.”

— Carol, business owner

Whether you file your own taxes or use a tax preparation service, be cautious about requesting an electronic refund. It sounds attractive to get your refund money so quickly, but you could pay a pretty penny for that “instant” processing. By filing early, you’ll avoid the crunch of other last-minute filers and your refund will arrive much quicker than you might expect.

A sure thing

Taxes are a sure thing. By staying organized and knowing how your money is working for you, you’ll be ahead of the game this season. ■

“I’m adamant about monitoring my employee-withholding status throughout the year. I like to make sure I come out close to even on my withholding so I don’t get a tax refund. If you get a refund, you are really loaning the government your money at zero percent interest.”

— Ray, electrician



Reading Adds More Chapters to Your Life

To read or not to read: That is *not* the question. It is definitely “nobler in the mind” to read than to watch television.

With all of today’s distractions, it takes more effort to read, but it’s worth it. As Mark Twain once said, “The man who does not read good books has no advantage over the man who cannot read them.”

Encouraging your children to read is one of the best ways to ensure their success in life.

Here are some ideas to boost your reading time:

- Join a book club. Or start one in your neighborhood. It will push you to read at least one book a month, and you’ll expand your horizons to a wider variety of books. To hold down costs, some groups wait for paperback editions.
- Browse the library. Without spending a dime, you can choose books on any

topic that piques your interest. Try challenging yourself by reading a classic. You may be surprised how much you enjoy it!

- Take a book to the doctor’s office so you can actually enjoy any waiting time.
- Spend driving time listening to books on tape. “It’s a different experience, but still enjoyable,” says Cheryl, an avid reader. “It makes my 40-minute commute whiz by.”

Encouraging your children to read is one of the best ways to ensure their success in life. “Shut off the TV and ‘model’ reading for your kids,” suggests Vivien, owner of an independent bookstore. “If you’re going to sit still, why settle for the least annoying TV program you can find, when you can enter a whole world of adventure in the pages of a book?”

When your children are small, start reading them bedtime stories, animating your voice to make the characters come alive. As poet Strickland Gillilan wrote: “Richer than I you can never be — I had a mother who read to me.”

Here are more tips on encouraging children to read:

- Take your kids to the library to sign up for their own cards. Most libraries have children's sections, so they can find books on subjects they're interested in, such as horses or baseball.
- Subscribe to newspapers and other periodicals so your children will learn that it's important to read about current events. Also "subscribe to financially oriented magazines and clip articles about kids and money for your children to read," suggests Jack Jonathan in *Yes, You Can... Raise Financially Aware Kids*.
- Understanding personal finance is essential if people are to "make good financial decisions and avoid bad ones,"



Encourage your kids to read books and compare them to movies made from them. Many highly rated movies are based on books — from *The Wizard of Oz* to today's favorite wizard, Harry Potter.

James E. Stowers, founder of American Century Investments, said recently.

- Stock a bookshelf with children's classics, such as *Winnie the Pooh*, *Tom Sawyer* and *Black Beauty*.
- Give books as gifts. They will bring more hours of pleasure than most toys.

So why not turn off the TV, curl up with a good book, and be a "model" reader for your kids? ■

Light, Love, Learning: Add More to Your Life

With January 1st rapidly approaching, you're most likely looking forward to greeting 2006 with renewed hope. But instead of just hoping for good fortune, now's the time to take some simple actions that will bring light, love and learning to your life.

"The circle of life is like a running track on which we run our one and only race," writes Jack Jonathan, a 1938 relay team champion and now co-author of *Yes, You Can... Find More Meaning in Your Life*. "Make your race one you will run with fulfillment and happiness."

Using the book for inspiration, you'll find many ideas, big and small, in five areas identified by Jack and co-author Sheelagh G. Manheim, PhD, as being key to leading a full, meaningful life.

Here is a sampling of the quotes the authors featured, along with tips for putting their wisdom into daily use in each of the five areas:

1. Your Positive Attitude

"People are about as happy as they make up their minds to be."

— Abraham Lincoln

Decide to think positively every day and try these tips to boost your attitude:

- Think of a person or pet you're grateful for and consider how they've enriched your life.
- Start your day with a chuckle by reading several comic strips in your morning newspaper.
- Smile! It's hard to be sad with a grin on your face.

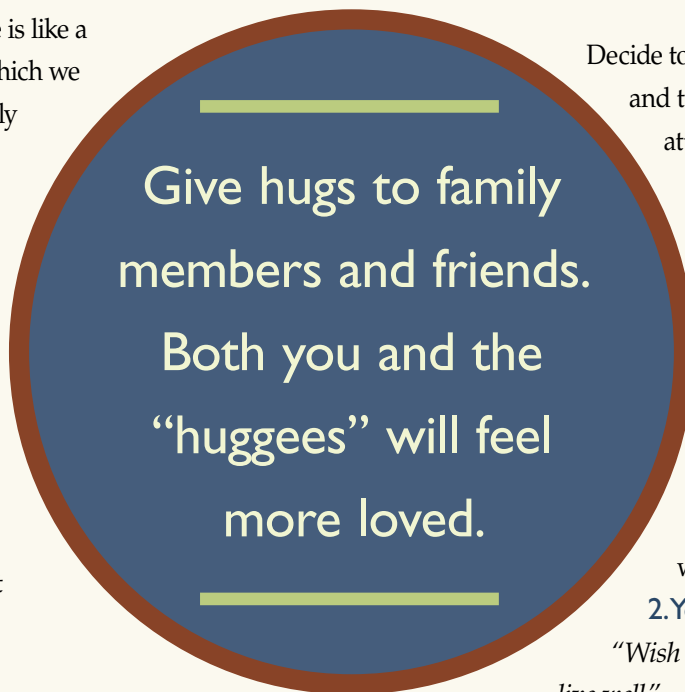
2. Your Physical Well-Being

"Wish not so much to live long as to live well."

— Benjamin Franklin

Protecting your health will help you live well — and probably longer, too.

- Get more active by taking the stairs instead of elevators and parking in spaces that push you to walk farther.



- Drink more water. A glass before meals will also help quell your appetite.
- Get your body in a healthy rhythm by going to bed and getting up at the same times each day.

3. Your Financial Well-Being

“Financial independence is not an end, but a means to build a meaningful life.”

— James E. Stowers, founder of American Century Investments

Take the following steps each day to help you move toward achieving financial independence:

- Save by turning your thermostat to 68 in the winter and 78 in the summer.
- Eat breakfast at home instead of dashing out for a \$4 latté and a bagel.
- Save all of your change from purchases and put it in your savings account each month.

4. Your Social Well-Being

“To be able to find joy in another’s joy; that is the secret of happiness.”

— George Bernanos, a “country priest” and author

Here are simple ways to bring a little joy to others’ lives as well as your own:

- Contact a friend by phone or e-mail just to say “Hi” and let them know they’re in your thoughts.
- Give hugs to family members and friends. Both you and the “huggees” will feel more loved.
- Compliment a stranger. You might say, “You look wonderful in that color!” or “I love your smile!”

5. Your Passion for Knowledge

“When you are genuinely interested in one thing, it will always lead to something else.”

— Eleanor Roosevelt

Make each day more interesting by taking these actions:

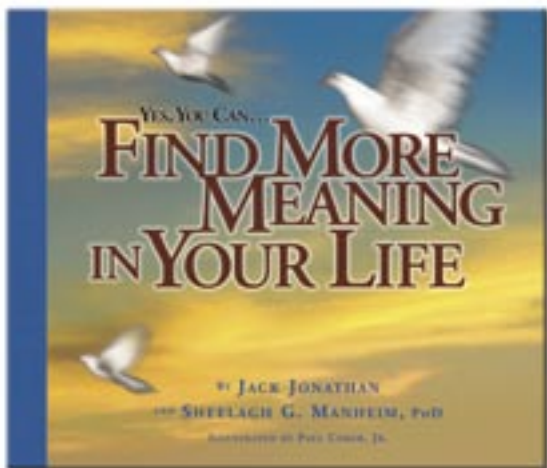
- Learn a new word — in English or another language.
- Read an editorial opinion you don’t agree with. It stretches your mind to compare it to your point of view.
- Ask for information or advice from someone who’s knowledgeable on a certain topic. They’ll enjoy mentoring you and may give you valuable insights.

By doing something positive every day in each key area, you may find that your life in 2006 will be much more meaningful. ■



Get a wealth of insights from the *Yes, You Can* series...

(See special offer on next page.)

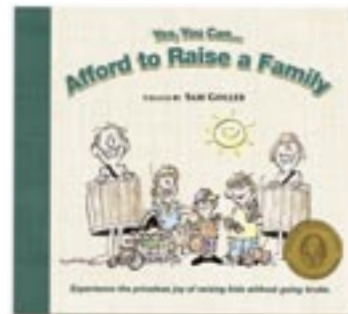


Yes, You Can... Find More Meaning in Your Life

Are you so busy *living* your life that you're not sure you're truly *enjoying* it? If so, ***Yes, You Can... Find More Meaning in Your Life*** by Jack Jonathan and Sheelagh G. Manheim, PhD was written for you.

Drawing from a range of fascinating resources and their own life experiences, the authors offer practical ways to help you enhance the five essential aspects of a full and happy life: positive attitude, physical well-being, financial well-being, social well-being and a passion for knowledge.

Get your copy today and discover how to focus on what's *really* important in your life. Retail price: \$19.95.



Yes, You Can... Afford to Raise a Family

Raising a family is one of the most joyful experiences in life. One of the most expensive, too.

This book will help you decide what goals are most important for your family and show you how to put a plan in place to achieve them. Retail price: \$19.95.



Yes, You Can... Raise Financially Aware Kids

This book gives you all the tools you need to make sure your kids are learning what you really want them to know about money.

It helps you teach your kids important financial lessons now, while they're young — instead of having to learn them later on, the hard way. Retail price: \$19.95.

HOW TO ORDER

Start a revolution in *your* life!

Make a declaration of *your* commitment to achieve financial independence!

.....

Special bonus offer with your purchase. Buy a second book of your choice at 50% off!

For each copy of *Yes, You Can... Achieve Financial Independence* purchased by February 10, 2006, you'll receive any other Stowers Innovations book for **half price**.

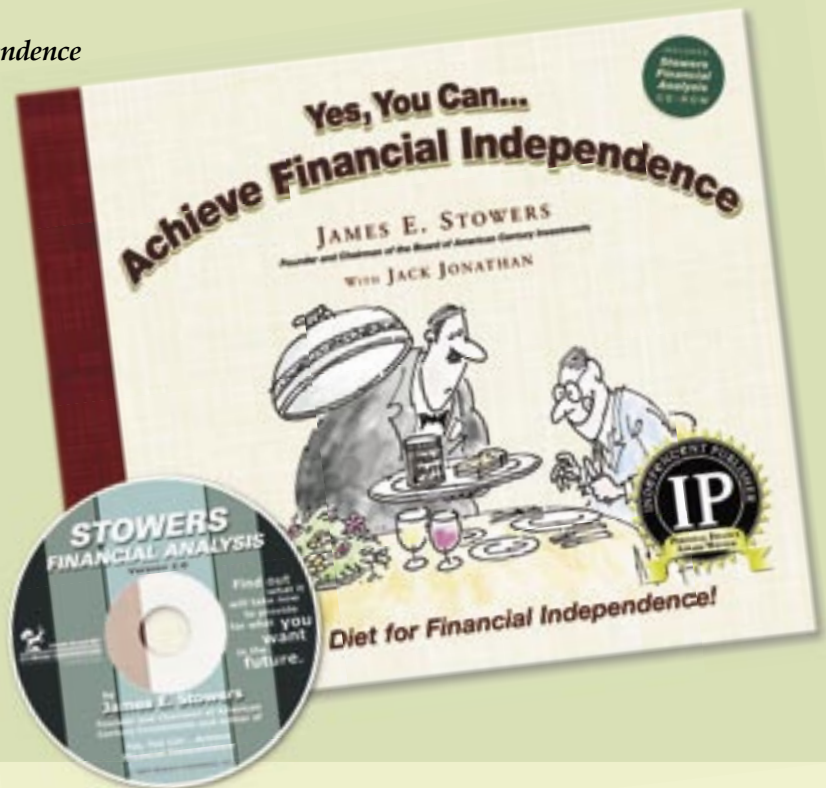
This offer valid only via mail and phone. No internet orders, please.

Yes, You Can... Achieve Financial Independence

could be just what you need to revolutionize how you think about — and how you spend — your money. Authored by Jim Stowers, one of the country's top money managers, this book outlines the strategies he used to become financially independent.

This new edition contains money-management ideas never before revealed. It also includes an updated version of the **Stowers Financial Analysis** on CD-ROM.

All this for just \$24.95, plus guaranteed satisfaction. You risk nothing and have so much to gain — namely, your financial independence.



Call 1-800-234-3445 or use the enclosed order form to place your order now.

Please Give Us Your Two Cents Worth

Invitations, cake, photographers ... engaged couples are often so consumed with planning the “perfect” wedding, they forget to plan for something ultimately more important — how they will handle their finances once they are married. For our Spring issue, we offer you the opportunity to share your experience with those blissfully-blinded couples by answering the following question:

What was the most challenging financial problem you faced as a newlywed?

Please submit your response to us at www.stowers-innovations.com/yycfb405.asp. If your answer is selected, we will give you credit in the next issue of the *Yes, You Can* newsletter and send you a free copy of our soon-to-be released book, *Yes, You Can... Achieve Financial Harmony* by Sam Goller and Deborah Shouse.

Hurry! Submissions must be received by February 3, 2006.



This information is for educational purposes only and is not intended as investment advice. Copyright © 2005 Stowers Innovations, Inc. All rights reserved.



210 N. W. Plaza Drive, Kansas City, MO 64150-9809



Special bonus! 50% off
one of our *Yes, You Can* books.
See page 15 for details.