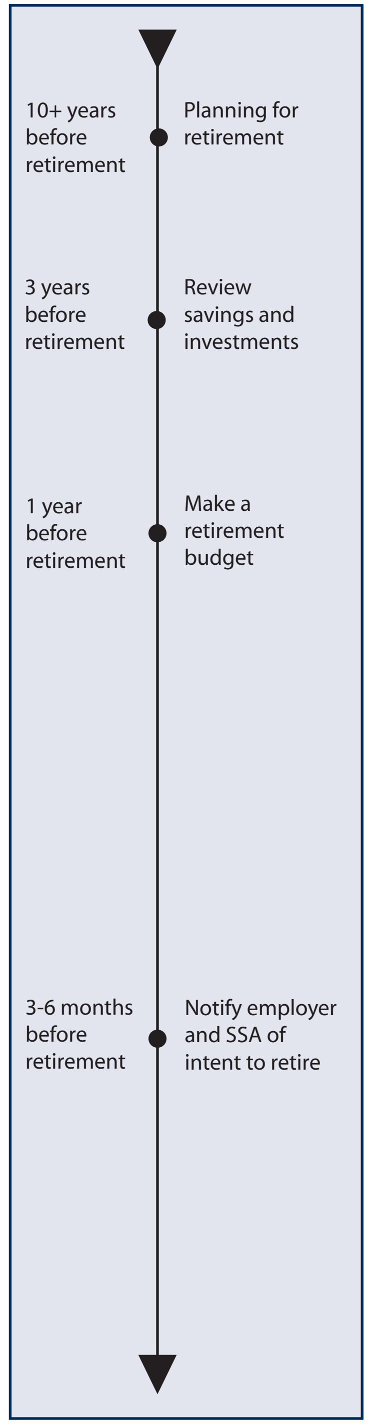
PRE-RETIREMENT TIMELINE

It's best to begin preparing for retirement long before you actually plan to retire. Of course, even if you've laid the foundation of your retirement plan well in advance, there are specific things you should do as the time nears. This checklist provides an overview of key items you may need to address along the retirement timeline, including a look at steps to take once you've retired.



1. Three years before retirement: Review savings and investments

Scrutinize the holdings in your IRAs, brokerage accounts, and savings accounts to ensure they reflect your current retirement goals. At this point, preserving your existing assets is of paramount importance.

2. One year before retirement: Make a retirement budget

Although you probably estimated a retirement budget as part of your original planning, it's important to revisit your budget as you approach retirement. Be realistic about your current living expenses; they may necessitate delaying retirement for a couple more years.

You should also consult the Social Security Administration (SSA) to determine what your social security options are and what your monthly income is likely to be. The SSA can help explain what your social security income would look like in several different retirement scenarios.

Finally, assess the risk involved in any self-directed IRAs or investment accounts. Typically, income and safety holdings should make up the majority of these accounts.

3. Three to six months before retirement: Notify employer and SSA of intent to retire

Notify your employer of your intent to retire well before your planned retirement date; processing the paperwork may take longer than you think. You should also notify the SSA if you have elected to begin taking retirement benefits at this point.

If you plan to retire before you are eligible for Medicare benefits, shop around for the best health insurance coverage.

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4. At retirement: Roll over accounts; address legal and health issues

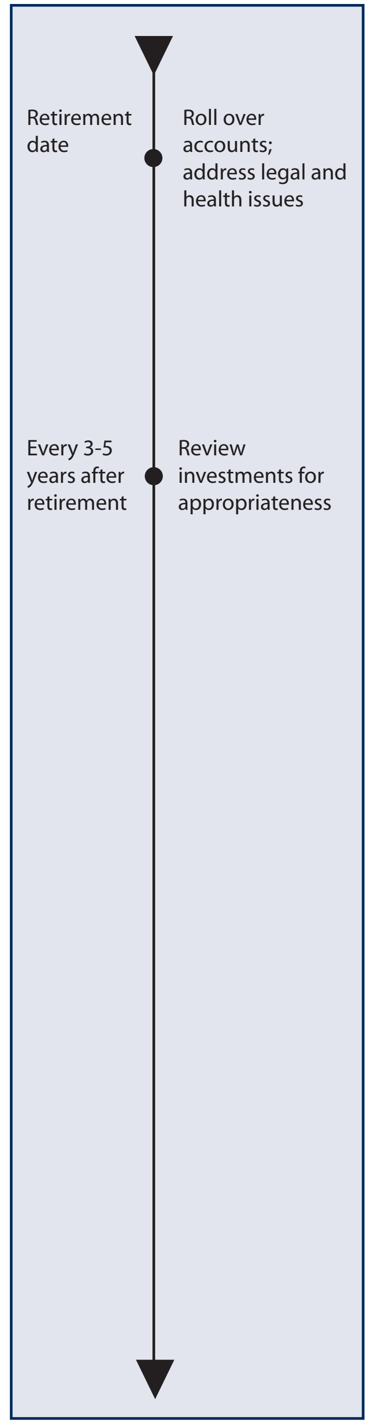
You may wish to roll over your employer-sponsored retirement account to an IRA that offers better choices and better service. To avoid tax liability, be careful not to take possession of these funds directly. The brokerage firm or fund company accepting the rollover can explain the procedures for rolling over the funds without exposing yourself to tax liability.

Don't forget to review and update your IRA beneficiaries as necessary. A qualified attorney can provide guidance particular to your situation, as well as offer advice regarding wills and power-of-attorney considerations.

If you retire before becoming eligible for Medicare benefits, schedule your new health insurance coverage to begin when your employer-provided benefits stop.

5. Every three to five years after retirement: Review investments for appropriateness

Just as the economic climate is always changing, so, too, is the risk profile of retirement accounts. Have your investment professional review your accounts every few years, and make adjustments as needed. Even if the risk profile of your holdings remains steady, the level of risk you seek may change as you age.



Remember . . .
Every individual—and every retirement—is different, but with proper preparation, the transition is likely to be far less stressful. We're here to help you plan for the future, whatever your goals may be.