

PLANNING YOUR RETIREMENT

Five Questions To Ask When Meeting With A Financial Advisor About Retirement Planning

(NAPSA)—Only about one-third (31 percent) of middle-income baby boomers feel prepared for retirement, according to a recent study conducted by Bankers Life Center for a Secure Retirement. However, even if you only recently started your preparation for retirement or have not yet begun, it is never too late to improve the outlook for your retirement financial security.

A financial professional with experience in retirement planning strategies can be an extremely valuable resource in building your plan and helping you find savings products that can provide a reliable monthly income. Options are available for different stages of life and financial need. An advisor can provide a comprehensive review of your financial forecast and help you develop a plan for the future.

Before your first meeting with an advisor, it is essential to collect critical information and identify specific, fact-based questions in order to get the most out of the experience. Here are five questions you should ask a professional financial advisor about retirement.

1. How do I protect my existing financial assets?

Before you visit a financial advisor, take stock of your current financial situation, including your retirement savings accounts and any pension you have collected. A financial advisor will help identify ways to protect the baseline of assets you'll need for primary expenses, and can help maximize any additional assets with solutions such as annuities, mutual funds or investments.

2. How will you help me achieve my retirement goals?

Spend time thinking about specifics—how you envision your life in retirement and what target monthly income you feel that will require, especially if you are over age 50 or nearing retirement. Be prepared to talk honestly about your expectations so that a financial advisor can map out a realistic plan. For instance, be transparent about plans to relocate after retirement, a desire to pass an inheritance to family, and any debt. You should also discuss plans for covering retirement health care expenses and any plans to work part-time to supplement your income.

3. How do I determine my full retirement age?

A common misconception is that



An experienced financial professional can help you work toward a better retirement.

every person's full retirement age is the same. However, while 62 is the earliest at which you can collect partial Social Security benefits, eligibility for full benefits begins at 66 if you were born between 1943 and 1954 and can be later, depending upon the year you were born. This knowledge will help you work with your advisor to see the most accurate picture of your retirement income needs. Look up your full retirement age at SSA.gov.

4. How will you and your firm work in my best financial interest?

When choosing an advisor, it is important to speak with a professional who is registered. Before you agree to work together, ask the advisor about her experience, the other clients she has helped and the advisor's retirement planning approach. This is an important relationship, so make sure you select a financial professional who you feel understands your goals.

5. How are financial advisors compensated?

Financial advisors are typically compensated in one of two ways: commission-based, meaning a sum of money that is paid to a financial advisor upon completion of purchase or sale of securities, or fee-based, meaning a fee based upon a percentage of assets under investment management. The bottom line is that either method works as long as there is open communication between you and your advisor.

Did You Know?

About nine in 10 (87 percent) middle-income boomers who have a financial professional are either very satisfied or completely satisfied with their professional, according to Bankers Life Center for a Secure Retirement. To learn more about planning for retirement, visit www.BankersLife.com.