

# PLANNING FOR FINANCIAL INDEPENDENCE IN RETIREMENT

## Too Late to Start an IRA? Think Again!

IRAs are one of the simplest and best ways to save for retirement. There are two types of IRAs to choose from: Roth and Traditional. The one you choose depends on how much you make now and your tax bracket in retirement. Here are some reasons why you should consider starting an IRA now, or contribute more to an existing one:

- Studies show that Social Security and defined-benefit plans probably won't fully fund the retirement you may want – so, you'll need personal savings.
- Lower taxes, lower taxes, lower taxes.
- If you put money in an IRA, you won't spend it.
- You'll have more control over your investments.
- IRAs are treated differently – most financial aid formulas ignore retirement savings, IRA assets can be shielded from creditors, and IRAs may also have estate-planning benefits.

Maximize your tax benefits and start saving for your future today! For current IRA rates, terms and conditions, visit our Savings Rate section, under Checking & Savings online at [www.APGFCU.com](http://www.APGFCU.com), or call 410-272-4000, ext. 5530, for FREE personal budgetary advice.



As retirement approaches, it's important to assess finances. Waiting too long might mean missing opportunities to maximize your financial independence. To help get you started, can you check 'Yes' to the following statements?

- We talk regularly about finances.
- We know our sources of income after retirement and how much to expect from each, and when.
- We save according to plan.
- We know where our health insurance will come from and what it will cover.
- We each have our own credit history.
- We each have a current will or living trust.
- We know where we plan to live in retirement.
- We have anticipated retirement plan taxes of passing assets on to our heirs.
- Our survivors know where our important documents are and whom to contact with questions.



If you checked 'Yes' to all statements, you are on the right road to financial independence. If not, you may want to consider financial planning assistance.

**The key is planning and looking ahead.** The decade or so before retirement is typically a peak earning period and offers a chance to reduce debt and increase savings.

**Manage what you own and what you owe.** Many professionals say that retirement income should be 60-80 percent of current income to maintain the same Standard of Living. If yours is not, you might prepare a budget and find ways to cut spending.

**Legal matters.** Be prepared to decide, while healthy and alert, what you want done in the event of death or disability and discuss the arrangements with your survivors to save them from facing difficult decisions. Check out the NEW "Preparing for Difficult Times" section on [APGFCU.com/other/seniors](http://APGFCU.com/other/seniors).

**Relocate or stay put?** Where to live after retirement is a major decision. Research the consequences of such a move in terms of the basic cost of living, access to health care, and state and federal tax obligations.

It's never too early to start retirement planning by investigating your options and making practical choices that will allow you to meet your financial goals.

For **FREE** budgetary planning assistance, visit us online at [www.APGFCU.com](http://www.APGFCU.com), under Advice & Education tab, or call **410-272-4000, ext. 5530**, to set up a **FREE personal consultation**.



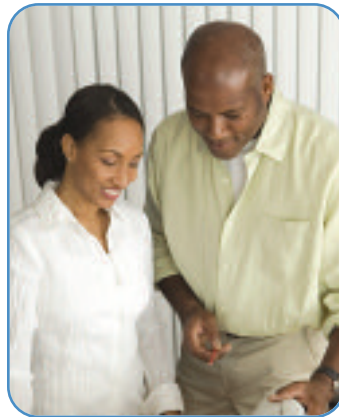
# PLANNING TO BUY AN ANNUITY? LOOK BEFORE YOU BUY

Annuity sales have significantly increased in recent years along with deceptive sales practices. Before you buy, take some precautions.

An annuity is a contract in which an insurance company makes a series of income payments at regular intervals in return for a premium. Types of annuities include: Single Premium, Multiple Premium, Immediate, Deferred, Fixed, Variable, and Equity-Indexed.

## Protect Yourself

- Review the contract before you buy.
- Compare information for similar contracts from several companies.
- Verify that the company and agent are licensed.
- Check the company's credit rating.
- Keep detailed records and get rate quotes and key information in writing.



## Watch for Warning Signs

- High-pressure sales pitch.
- Quick-change tactics to pressure you into a decision.
- Agent is unwilling or unable to prove credibility.
- If it seems too good to be true, it probably is!

If you suspect you've been a victim of deceptive sales practices, visit the National Association of Insurance Commissioners (NAIC) at [www.naic.org](http://www.naic.org), [www.APGFCU.com](http://www.APGFCU.com), under *Advice & Education* tab, or call **410-272-4000, ext. 5530**, for **FREE** personal budgetary advice.

# PREPARING FOR DIFFICULT TIMES

A death, disability, or health crisis is a difficult situation for any family—but when it happens suddenly, it can be even more devastating if you aren't prepared.

APGFCU understands that financial and legal matters are probably the farthest thing from your mind when it does occur, but regulatory compliance issues may require your attention, and a timely resolution is always in your best interest.

Careful pre-planning and talking with trusted family and friends and licensed professionals is the best thing to help ensure that all the details are covered BEFORE something happens.

APGFCU offers some useful online resources to assist you as you investigate the solutions that are right for you and your family, including:

- Pre-Planning
- Legal
- Grief
- Family, and more

Visit our Web site at [www.APGFCU.com](http://www.APGFCU.com) and click on the **MyTimes** link for a complete list of resources.



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HODES, ULMAN, PESSIN & KATZ, P.A.  
410-339-6767

### Fallston Pharmacy & Medical Equipment

410-879-9000

### City Pharmacy

800-728-4374 or 410-398-4383

### Carlson Wagonlit Travel

Ellen Haley  
410-569-0400

### Hill Travel Centre

Wayne and Ann Hill  
800-874-4558 or 410-287-2290

## Playing It Safe At The ATM

- Avoid ATMs surrounded by shrubbery, signs or dividers.
- Select a well-lit ATM with a surveillance camera.
- Be aware of anyone sitting in a parked car near the ATM.
- Prepare deposit transactions ahead of time.
- Do not count cash at the ATM.
- Never accept assistance from strangers.
- Memorize your Personal Identification Number (PIN), and never write it down.
- Shield the ATM keypad while you enter your access code.

For more tips on ATM scams, call the National Fraud Information Center at **1-800-876-7060**, online at [www.fraud.org](http://www.fraud.org), or visit [www.APGFCU.com](http://www.APGFCU.com), under the *Personal Security* tab.

## Quarterly Brainteaser



A 30 year old man married a 25 year old woman. She died at age 50 and her husband was so devastated that he cried for years. Ten years after he stopped crying, he died. If he had lived to be 80, how many years was he a widower?

**The answer to last quarter's brainteaser is: Startling**

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