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Steps if you're contributing or ready to spend

60s

ENJOY YOUR RETIREMENT

Retirement prep and life in your 60s

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Is retirement right on your doorstep? Or are you recently retired? Whether you've saved your whole life or are catching up, you can take action now — to help you better enjoy your retirement years.

Health care and Social Security are probably top of mind. We have some important factors you should consider. Now is also the time to make sure you don't have all your eggs in one basket and you're investing more conservatively overall.

And if you're worried about not having enough in savings to retire — you have options.

Preparing for retirement

Increase your retirement savings

As you near retirement, it's not too late to save, save, save! Continue to increase your saving – with a goal of contributing at least 15 percent, or more, of your earnings.

If you own a home, try to pay off your mortgage before you retire

Don't take money out of your retirement savings to pay for your children's education

Pay attention to the amount of debt you take on and pay off before retirement

Review your current life insurance coverage – do you need more?

Three investing tips to help boost your savings before you retire:

1 Max out your 401(k)

Invest the maximum amount in your employer-sponsored 401(k). This will likely fund a big part of your retirement. Contributions are typically made on a pre-tax basis while your assets grow tax-deferred. Income taxes are due when you begin taking withdrawals.

2 Invest pre- and post-tax

If eligible, consider contributing to a Roth IRA. You can take it out later tax-free since you've already paid taxes on it — it's a great vehicle if you want your kids to get an inheritance.

Annuities can also provide the benefits of tax-deferred growth — and a guaranteed stream of income, including the option that guarantees you'll never outlive your income.[1] An immediate annuity can be purchased to create a ready stream of guaranteed income.

3 Review your diversification

Make sure you're not putting all your eggs in one basket. And know your risk tolerance. A diversified retirement income portfolio should include a range of investments and savings to help manage your overall risk — including stocks, bonds, mutual funds, certificates of deposit, savings bonds, real estate and other financial products. Diversification does not prevent loss but it is a method used to manage risk. The tax treatment of these products should be considered when preparing for retirement.

1 Guarantees are based on the claims-paying ability of the issuing insurance company.

Identify your income sources

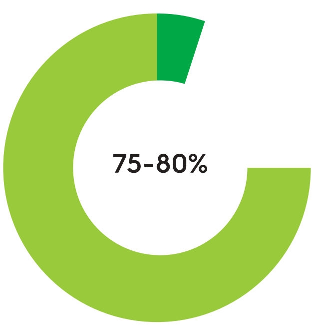
Another important step to gearing up for retirement, is figuring out all your sources of income. And being realistic.

Here's a checklist of things to consider:

- The current mix of investments in your portfolio
- Your current assets
- Your anticipated future assets vs. income
- When you want to start receiving Social Security
- How you'll pay for health care costs
- The tax impact of drawing down your assets over time

Calculating your income needs

How much income do you need?



Typically, you'll want to save about 75-85 percent of your pre-retirement income depending on the lifestyle you envision in retirement.

+5-10
percentage points

Since it's hard to predict your spending, consider adding 5-10 percentage points to that.

The three biggest retirement income factors

You also want to keep in mind three important factors that can have a significant effect on your retirement income:

Health care

We all know health care is expensive. And the costs continue to rise faster than inflation. That's why it's crucial that you factor in enough in these costs in your retirement income budget — and be aggressive in how much you save for your future health care. You may also want to ask a financial professional about long-term care alternatives.

Studies estimate couples in retirement need between $200,000 and $500,000 to cover health care costs[2]

Social Security

When should you take Social Security? This is an important decision that will affect your retirement income for years to come. A financial professional can help explore your claiming strategies. You can also check out your Social Security benefits information at **ssa.gov**. Take the time to evaluate when you'd like to start receiving benefits.

$1,413.37 is the average monthly Social Security benefit for retirees[3]

Inflation

Inflation is the tendency of prices to increase over time — and can have a big impact on your purchasing power and lifestyle in retirement. It's also unpredictable and erodes the value of your assets, especially if those assets earn less than the rate of inflation. Over the last two decades, inflation has trended around 3 percent. It's wise to add a margin of 1 percent to that for your income strategy plan.

Working longer — or part time

You can delay retirement or continue working in retirement to boost your retirement income. Don't worry, you're not alone.

According to Gallup, 74 percent of Americans plan to work past their retirement age — and 63 percent say they'll work part time in retirement.[4] Working longer can provide both financial and social benefits.

If you do decide to phase into full retirement while collecting Social Security, your benefit may be subject to income tax, depending on your total household income.

Living in retirement

Congratulations! The golden years are finally upon you. Now you can enjoy spending your nest egg you've worked so hard to build. And that's worth repeating. Enjoy yourself!

When and how much to withdraw

How much you decide to withdraw and how frequently you make your withdrawals is one of the biggest challenges of a successful retirement income strategy.

4%

In the past, experts who study the long-term sustainability of withdrawal rates had recommended a "safe" withdrawal rate of 4%. However, this is a "rule of thumb." Your own withdrawal rate needs to be customized for your income and when your various income sources start.[5]

Your rate also needs to be adjusted along the way based on fluctuating markets and how the economy is performing. It's important to get it right — especially in the first few years of your retirement. Your long-term financial security depends on it.

Enjoy your time and don’t worry

No matter what, stop worrying about the things you can’t control — like market returns, taxes or legislation that could affect your savings or benefits.

Instead, manage your emotions and stay true to your investment strategy and objectives that have been set. Consider working with a financial professional who can coach you through volatile markets.

Total control

- Saving vs. spending
- Asset allocation and location

Some control

- Employment earnings and duration
- Longevity

Out of your control

- Market returns
- Taxation and legislative policy

Consult a financial professional

You don’t have to figure out all this financial stuff by yourself — **talk to an expert.**

At Securian Financial, we're here for family. And we're here because of it.

Family doesn't have to branch from your tree, but it always shares your roots. Roots woven by common understanding, shared values and mutual respect. Those who believe a rewarding life is really about being present in the here and now, and that your financial picture should support the everyday moments as much as the major milestones. That's why our insurance, investment and retirement solutions give you the confidence to focus on what's truly valuable: banking memories with those who matter most.

Learn more

Have questions? Wondering if you're on track for the retirement you want? Visit **securian.com** to learn more and use our retirement calculator tools or find a financial professional near you.

2 "As They Near Retirement, Baby Boomers Remain Unprepared," Boomer Expectations for Retirement 2018, Insured Retirement Institute, April 10, 2018.

3 "Policy Basics: Top Ten Facts about Social Security," Center on Budget and Policy Priorities, August 14, 2018.

4 "Most U.S. Employed Adults Plan to Work Past Retirement Age," Art Swift, Gallup News, May 8, 2018.

5 "Don't cheat yourself with the 4% rule: Enjoy more of what you've saved along the way," Dana Anspach, MarketWatch, October 20, 2018.

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Investments will fluctuate and when redeemed may be worth more or less than when originally invested.

An annuity is intended to be a long-term, tax-deferred retirement vehicle. Earnings are taxable as ordinary income when distributed, and if withdrawn before age 59½, may be subject to a 10% federal tax penalty. If the annuity will fund an IRA or other tax-qualified plan, the tax deferral feature offers no additional value. Qualified distributions from a Roth IRA are generally excluded from gross income, but tax and penalties may apply to non-qualified distributions. Please consult a tax advisor for specific information. There are charges and expenses associated with annuities, such as deferred sales charges for early withdrawals.

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F92755-4 Rev 6-2020 DOFU 2-2019
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