

# SALEM FIVE FINANCIAL'S BEST PRACTICES FOR RETIREMENT PLANNING

## **1. PAY YOURSELF FIRST**

This includes contributing the maximum amount possible to your 401(k) and investing additional amounts in IRAs and mutual funds through automatic payroll deductions.

## **2. DON'T LET TODAY'S BILLS SINK TOMORROW'S NEEDS**

When you are thinking of reducing or ceasing investing for your future to cover current expenses, stop and try to find another way to cover these expenses.

## **3. PUT TIME ON YOUR SIDE**

When you give your money more time to accumulate, the potential earnings on your investments can make a big difference in your final return.

## **4. DON'T COUNT ON SOCIAL SECURITY**

While we keep hearing that Social Security isn't going anywhere, it's very likely, especially if you are under 50, that it will be very different from its current form.

## **5. RESIST BORROWING FROM YOUR 401(K)**

We recommend you consider borrowing from other sources, such as the equity in your home, before taking a 401(k) loan for many reasons, including tax penalties.

## **6. DON'T "CASH OUT" RETIREMENT WHEN SWITCHING JOBS**

It may be difficult to resist the urge to take that money as cash, but you do have options for leaving your retirement money invested.

## **7. TAKE ADVANTAGE OF YOUR IRA OPTIONS**

With many IRA options available today, it's important to know why you are investing before you begin.

## **8. COMPARE THE MERITS OF VARIOUS ACCOUNT OPTIONS**

Between Roth IRA and other 401(k) offerings, there are many options available out there. Talk to an investment professional to understand what will meet your needs.

## **9. DON'T TRY TO TIME THE STOCK MARKET**

It may be better to consider an investment plan that helps satisfy your goals, time frame, and risk tolerance.

## **10. ALLOCATE, DIVERSIFY, AND REBALANCE**

Appropriate asset allocation can help you maintain a balanced portfolio within a risk level you find comfortable.

## UNCOMPLICATE YOUR FINANCES WITH HELP FROM SALEM FIVE FINANCIAL



### Retirement Planning

Personal finance has never been more important or more challenging. We can help you navigate the changing retirement landscape by offering professional and objective guidance to ensure you are building your personal business plans as strategically as possible.



### Education Planning

With a different college savings plan available in every state, how do you select the plan that's right for you? We'll work with you to consider the investment objectives, risks, charges, and expenses associated with 529 plans.



### Estate Planning

Having confidence for the future is important, right? We want to help you pursue it. With careful consideration of how your financial matters affect your family and loved ones, we'll help you avoid common mistakes and uncomplicate planning.



### Small Business Planning

You work hard every day to build a strong future for your company and its employees. We are equally dedicated to the success of your company with advisors that will listen to your needs and offer access to quality investment and insurance strategies.

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