Invest for Your Retirement

Objective: To establish for yourself one of the best investments you can make: a tax-sheltered retirement account and/or your employer's retirement plan.

What do you do with the 10% Solution money you save? An excellent investment is either an IRA or a contribution to your company pension plan. In most retirement plans, there are two tax benefits: your contribution is tax deductible, and the money it earns is tax deferred. One exception is the Roth IRA, where the contribution is not deductible but the money it earns is tax-free.

Retirement plans can be divided into two types: those you create yourself and those that must be created by your employer. To qualify for either, you must have "earned income," defined as compensation you receive from a job in the form of a salary, commission, bonus or self employment income. Investment income doesn't qualify. Start contributing to an IRA or your employer's retirement plan now.

Time Required: One to two hours.

Instructions:

Answer the questions about your retirement plan on the **Understanding Your Retirement Plan Options** worksheet.
Review the **IRA Worksheet** to open your IRA.

Checklist	Date Completed
1 Answer the questions about your retirement plan on the **Understanding Your Retirement Plan Options** worksheet.	____________________
2 Complete the **IRA Worksheet** and take the appropriate steps to open your IRA	____________________
3 Consult your employer to establish your retirement investment plan.	____________________
4 Begin periodically investing to your deductible limit.	____________________

Understanding Your Retirement Plan Options

A retirement plan can be described in three parts: contributions, investment options and withdrawal options. The questions you must answer to profit from your retirement plan are listed under each category. Fill in answers to all questions based on what you know about your retirement plan. Check those you cannot answer. They may be costing you money. Call your financial advisor at the Trump Advantage Club with any questions.

Contributions

Do I qualify to contribute to an IRA?_______ How much?_____________________________

What kind of plan does my employer offer – 401(k), 403(b), 457, SIMPLE, or SEP?

How much can I deposit each year into all plans? __________________________________

How much of my contribution is deductible from my taxable income? __________________

Does my employer give me any matching funds? ______ What %? ___________________

Is there a commission or load on my contributions? _________________________________

Investment Options

What are the choices for investments? ____

How often can I change investments? ____

Do I have a choice of sponsors offering different investments? ______________________

Should I move my money now to a better investment? _____________________________

How can I earn 15% instead of less than 10%? ___________________________________

Can I get my employer to put in a better plan? ___________________________________

Withdrawals

At what age can I withdraw my money with no penalty? ____________________________

What is the penalty if I withdrew before then?______________________________________

What is the withdrawal method that minimizes my taxes? ___________________________

Under what conditions, such as disability or financial hardship, can I withdraw my money with no penalty? ____

Can I borrow from my plan? _________ How much? _______________________________

Should I withdraw my money in a lump sum, annuity payments or use the IRA rollover rules? ____

IRA Worksheet

1 Assemble the information you will need to complete an application:

- Social Security number
- Driver's license number
- Employer's name and address
- Names and dates of birth of beneficiaries
- Tax ID number (if Trusts are to be designated as beneficiaries)
- Account statements for securities you wish to transfer
- Bank account information
- Contract numbers (information about existing account)

2 Review the types of IRAs you may choose from:

Traditional IRAs
Allow you to make a tax-deductible (subject to income limitations) contribution of up to $4,000 for 2006 and 2007 - if you are age 50 or older, the maximum contribution for 2006 is $5,000; in 2007 this maximum is $5,000 - if you don't actively participate in an employer-sponsored retirement plan.

Roth IRAs
Allow you to make an after-tax contribution of up to $4,000 for 2006 and 2007 - if you are age 50 or older, the maximum contribution for 2006 is $5,000; in 2007 this maximum is $5,000. (income limitations apply)

Simplified Employee Pension Plan IRA
A Simplified Employee Pension Plan (SEP) is a retirement plan that allows employers to contribute to their employees' IRA plans rather than establishing a pension plan

Special Instructions for Roll Over
To roll over employer-sponsored retirement plan or IRA funds from other companies directly to another IRA, be sure to complete any paperwork your current investment company may require and verify if you will incur any charges from the other company for the withdrawal.

The tax code provides institutions the ability to allow most 403(b) and qualified plans to be rolled over to an IRA if you've met the plan's withdrawal rules. Contact the benefits office of the employer where you contributed to these accounts to clarify your plan's rules.

3 Contact the Stock and Mutual Hotline 888-878-0001 To Complete your Application and Open your IRA.

Advisory services offered through Royal Palm Investment Advisories, Inc., a Registered Investment Advisor.