



Ed Slott's Risk IQ Quiz

How Safe Is Your Retirement Account?

Excerpted from *The New Retirement Savings Time Bomb* by Ed Slott

Take this simple self-evaluation of your personal retirement plan risk. It is designed to flush out the biggest mistakes people make with retirement distribution planning. Each question highlights a situation that could lead to the demise of your 401(k), IRA, or other retirement savings if you're not careful.

The point of some of these questions may elude you at this stage. That's OK. What's important now is this: Going through them will start you thinking seriously about protecting your retirement money now, because depending upon your response, each situation could, by itself or in combination with others, sound the death knell for your life savings, and land Uncle Sam your pot of gold.

Here's the deal. Answer "yes" or "no" to each of these 20 questions. Give yourself **five points** for each "**yes**" answer, and **five points** for each "**no**" answer. When you're finished, tally the total number of "yes" points and "no" points in the blanks provided, then check the scoring box to find out your risk IQ— *i.e.*, *how much or how little of your retirement savings are at risk.*

1. Do you have most of your retirement savings in a company 401(k), 403(b), or 457(b) retirement plan?
____ **YES** ____ **NO**
2. Do you have company stock in your 401(k)?
____ **YES** ____ **NO**
3. Is your retirement plan one of the largest assets you own?
____ **YES** ____ **NO**
4. Have you recently left your company or retired, or will you be retiring soon?
____ **YES** ____ **NO**
5. After you retire, will you be leaving your retirement account with your former employer?
____ **YES** ____ **NO**
6. Will you be taking a lump-sum distribution from your company plan at any time?
____ **YES** ____ **NO**
7. Will your retirement account savings pass according to the terms in your will?
____ **YES** ____ **NO**
8. Have you named a trust to be the beneficiary of your retirement plan?
____ **YES** ____ **NO**
9. Is your estate the beneficiary of your retirement plan?
____ **YES** ____ **NO**
10. Do you own any alternative (nontraditional market) investments like real estate, business interests, or cryptocurrency in your retirement accounts?
____ **YES** ____ **NO**
11. Have you put off instructing your beneficiaries about what to do — and what not to do — with your retirement plan once they inherit it?
____ **YES** ____ **NO**
12. Were any (or will any) of your retirement savings (be) included in a property settlement (either paid or received) as part of a divorce?
____ **YES** ____ **NO**
13. Will you be inheriting a retirement account from anyone?
____ **YES** ____ **NO**

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14. Are you confident that your financial advisor, bank, broker, or mutual fund company will have all the necessary documentation on your retirement account that your beneficiaries will need?
____ YES ____ NO
15. Are you unsure of the exact amount that the IRS requires you to withdraw from your retirement account, and when?
____ YES ____ NO
16. Have you put off checking out your financial advisor to ensure that he or she has the required specialized knowledge in tax planning for retirement distributions?
____ YES ____ NO
17. Will you be rolling cash, stock, or other property over from one retirement account to another?
____ YES ____ NO
18. Has it been more than a year since you last updated the beneficiary forms for every retirement account you own?
____ YES ____ NO
19. Will you need to tap into your retirement savings before you reach age 59½?
____ YES ____ NO
20. Have you heard of the Roth IRA but taken no steps to find out more or set one up yet?
____ YES ____ NO

TOTAL POINTS: ____ YES ____ NO

SCORING YOUR RISK IQ

The total number of “yes” points represents the approximate percentage of your retirement savings that will probably go to the U.S. Treasury, and the total number of “no” points represents an approximation of how much you and your family will likely keep.

Most likely you're now reeling from shock — unless your risk IQ beat the taxman soundly, which, while possible of course, is not probable. I've given this evaluation to tens of thousands of consumers, tax professionals, and financial advisors over the years in my seminars and workshops, and most find their retirement accounts to be woefully vulnerable to extreme taxation.

Your retirement savings is *your* money. Protect it! If you truly want you and your family to be able to enjoy the fruits of your lifetime of labor and success, start getting even with — and getting over on — the taxman! **Talk with your financial professional about the proactive planning steps you can be taking today!**

What is Ed Slott's Elite IRA Advisor GroupSM



Ed Slott and Company is the nation's leading source of accurate, timely IRA expertise and analysis to financial advisors, institutions, consumers and media across the country. We neither sell nor endorse any financial product. Members of Ed Slott's Elite IRA Advisor GroupSM train with Ed Slott and his team of IRA Experts on a continuous basis. These advisors pass regular background checks, complete requisite training, attend semiannual workshops, webinars, and complete mandatory exams. They are immediately notified of changes to the tax code and updates on retirement planning, so you can be sure your retirement dollars are safe from unnecessary taxes and fees. Additionally, members have access to America's IRA Experts to answer any tough questions or planning needs.

Retirement planning is complicated, and you need an IRA specialist in this area. It is a personal and situational endeavor with possible pitfalls in the way of success. Work with a financial professional who invests in his / her education to eliminate risk and keep more of your retirement dollars for you and your family.



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