



6 WAYS TO PROTECT YOUR RETIREMENT ASSETS & INCOME

You've worked hard to secure your retirement. From 401Ks and IRAs to passive income and pensions, you want that hard work and fiscal dedication to pay off. Here's how to help protect those golden years ahead.



1. DIVERSIFY YOUR PORTFOLIO

Portfolio diversification is the number one way to protect yourself from market risks. No matter what kind of investments you hold, diversity matters. There's portfolio diversification in terms of types of investments — mixing stocks, bonds, real estate, and others — as well as diversification within those types. Buy real estate across different markets. Employ various strategies. Hold multiple stocks in a variety of industries.

Diversification ensures that a crash or downturn in one area will not sink your portfolio. Over time, this decreases the overall volatility of your portfolio.

2. TEMPER THE VOLATILITY

Speaking of volatility...

Some investments are riskier than others. The older you get, the fewer risks you can afford to take. You have less time to recover from losses than you did when you were young. Instead of banking on high-risk, high-reward ventures, opt for more stable options. Get with a financial advisor to determine what asset allocation is best for your age and retirement goals.

Certain real estate investments, bonds, and money-market funds are a lower risk than other stock options. Revisit your asset allocation periodically and make adjustments based on your changing risk tolerance.

3. MONITOR YOUR ACCOUNTS

We live in an age where fraud and theft are more common than ever. Your first line of defense is awareness of any strange transactions. You can set up alerts to receive notifications when amounts above a certain number move in your account, as well as monitoring the geographic location of transactions.

This can help you know when an account has been compromised before it gets out of hand!

Account monitoring isn't just about stopping thieves, though. Take regular stock of your investment and retirement accounts. Over time, you'll be able to see whether or not you're on track for where you want to be or if you need to make some adjustments. Many retirement accounts will allow you to see projections and predictions — and whether or not you're on track to meet your financial goals.

Ask your financial institutions what your options are for account monitoring.



4. GET TECH SAVVY

Take a proactive approach to protect your assets. While the FDIC goes through great lengths to secure your funds, cyberattacks and compromised accounts still pose a threat to your financial stability. To best safeguard your money:

- - Set up two-factor authentication for all valuable accounts
- - Change your password frequently and use strong passwords that include numbers, symbols, and varied capitalization. Programs like FastPass can suggest and automatically store passwords for you.
- - Avoid accessing financial accounts on public Wifi.
- - Directly call your financial institution if you receive emails, phone calls, or voicemails.
- - Learn how to recognize scam text messages, emails, and calls. Do not give out sensitive information to unverified sources and do not click on unknown links.
- - Avoid using personal information for usernames, passwords, and security questions.

Consult your financial institution about other available security measures if you are unsure.



5. SECURE PASSIVE INCOME

Modern wisdom tells us to have at least \$1,000,000 squirreled away for retirement. But really, a finite fund is not the best way to go. Not only are we living longer than ever, but the unexpected can quickly deplete your retirement savings. Surprise medical expenses, lawsuits, economic troubles, and natural disasters (among other things) can devastate your financial reserves without warning.

Make sure your retirement includes some form of passive income. It might be investing in real estate, receiving a pension, or exploring unconventional avenues such as stock photography, vehicle rental, and private money lending.

6. WATCH YOUR SPENDING

The biggest mistake is overspending; whether you're retired or on the way there. The more money you have at your disposal, the more secure you are. Spending that money without careful, intentional budgeting, however, can quickly leave you feeling the heat.

Continue to live well within your means if you want your money to last. While retirement is to be enjoyed, you can still enjoy your Golden Years while sticking to a budget.