




Maximize Social Security in Your Retirement Strategy





**Interactive
experience**

**Strategies,
tools and tips**



Key topics



**Explore the
benefits of waiting to
claim Social Security**



**Discuss
strategies to create a
comprehensive plan**



**Take the
first step toward
creating your plan**



Which will contribute to your retirement income plan?



Pension



Social
Security



IRA



Workplace
Savings
Plan



Health
Savings
Account



Employment
Income



Real
Estate



Other



“How can I make my money last while covering my retirement expenses?”



Your Retirement Goals



Identify your retirement expenses



Make use of savings and income sources



Allocating your retirement paycheck



**Cover essential
expenses with
Reliable Income**

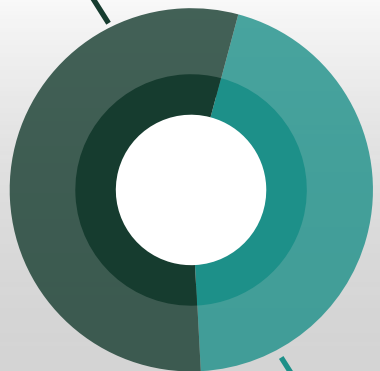


**Cover discretionary
expenses with
Variable Income**



Funding your retirement paycheck

Variable
Income



Reliable
Income

Investment
Portfolio



Social Security
and Pensions

Variable
Annuities

Fixed Income
Annuities



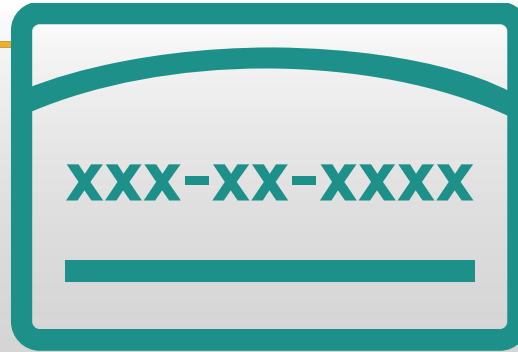
Social Security's Role in Your Retirement Strategy





What is Social Security?

Part of a government
social welfare and
insurance program



Pays benefits to
retirees, disabled
people, and survivors
of deceased workers



Qualifying for Social Security

1.



You worked for a
“covered” employer

2.



You earned at
least 40 “credits”

3.



You are at least
62 years old



1. You worked for a “covered” employer

A covered employer
is one that pays Social
Security taxes



You might be able to
get some benefits if
you didn't work for a
covered employer



2. You earned at least 40 credits

$$\begin{array}{ccccc} 10 & \times & 4 & = & 40 \\ \text{YEARS} & & \text{CREDITS} & & \text{CREDITS} \end{array}$$



QUALIFY FOR SOCIAL SECURITY

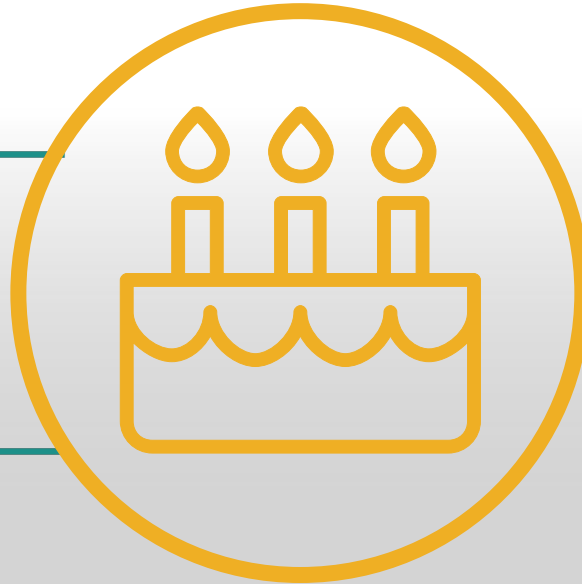




3. You are at least 62 years old

You must be at least 62 years old to start claiming benefits

Full Retirement Age (FRA) ranges from age 66 to 67



Waiting until age 70 yields the maximum benefit



Full Retirement Age

If you were born in...	Your Full Retirement Age is...
1943–1954	66 years
1955	66 years, 2 months
1956	66 years, 4 months
1957	66 years, 6 months
1958	66 years, 8 months
1959	66 years, 10 months
1960 or later	67 years



Why it's better to wait until Full Retirement Age



Your benefit is calculated based on your Full Retirement Age

62

Eligible to claim at age 62



Not waiting:
Permanently reduced benefit amount



Waiting:
Benefit increases each year until age 70



Deciding when to claim





Reasons to wait



**You are
healthy**



**Have longevity
in your family**



**Have additional
income sources**



**Plan to
continue working**

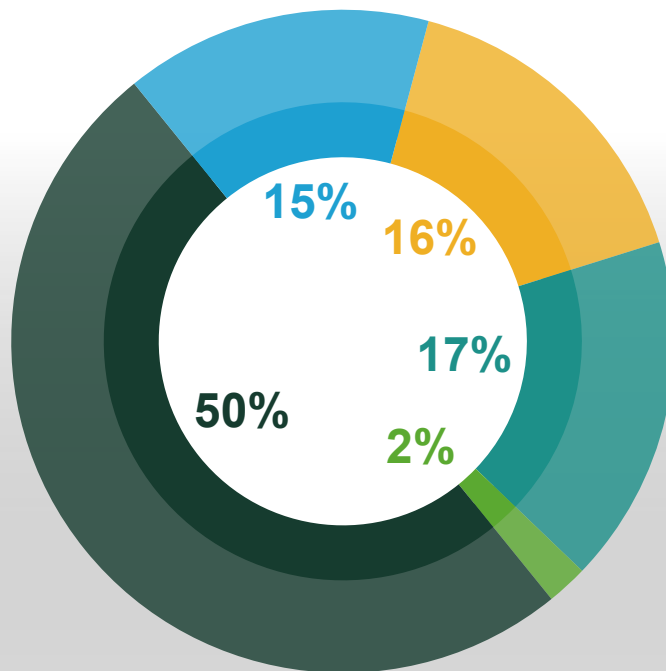


Social Security as part of your retirement paycheck

- Investments
- Earned Income
- Other

Your Own Sources:

67%



- Social Security
- Pension

Outside Sources:

33%



Social Security interactive

Provided by
Fidelity
INVESTMENTS

When should you claim SOCIAL SECURITY?

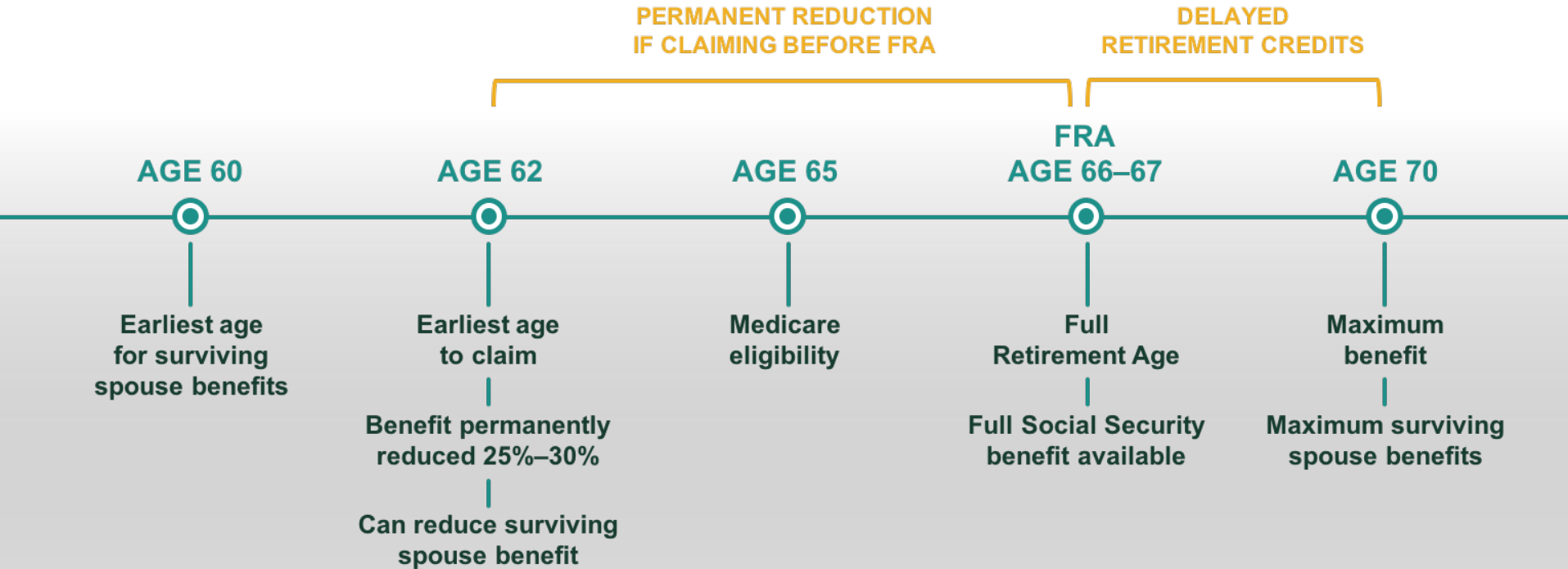
If you are 50 or over, it's a good time to start thinking about how Social Security fits into your overall plan. The right strategy could mean a significant difference in your retirement benefits, so let us show you an example of how you can get the most for your future.

I WAS BORN 





When to claim your benefit





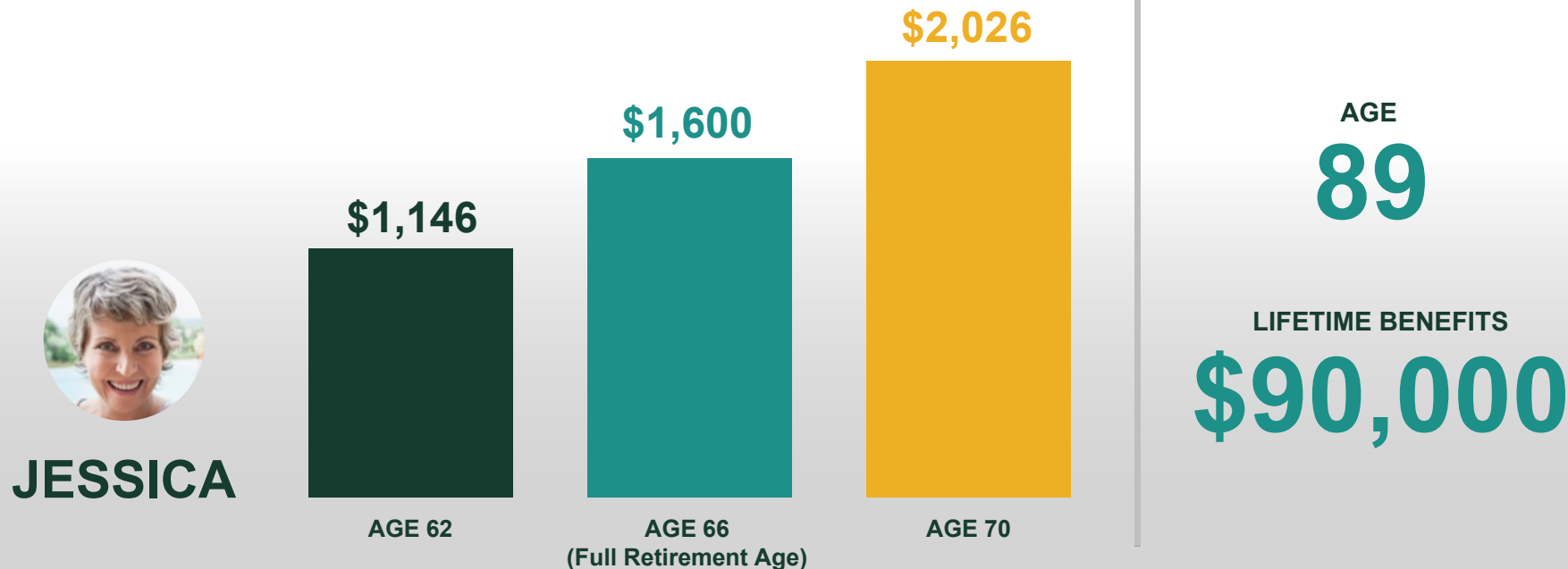
Claiming before Full Retirement Age

FULL RETIREMENT
AGE OF 67

AGE		BENEFITS %
62	→	70%
65	→	87%
68	→	108%
70	→	124%



Waiting to claim



Hypothetical example assumes an individual turning 62 in 2020. The hypothetical example is calculated by Fidelity Financial Solutions, based on data and methodology published by Social Security Administration as of March 2020. All benefits are calculated in today dollar and before tax. The actual benefit would be adjusted for inflation and might be subject to income tax. Lifetime benefits are based on life expectancy of 89. The lifetime number is sensitive to, and would change with, the life expectancy assumption.



Your break-even age



Example assumes an individual turning 62 in 2020 with earnings of \$137,700 which is the maximum taxable wage for social security in 2020. The hypothetical example is calculated by Fidelity Financial Solutions team, based on data and methodology published by Social Security Administration as of March 2020. Benefits are calculated in today dollar.



Ways to claim Social Security



**Your own
work record**



**A spouse's work
record (current or
ex-spouse)**



**A deceased spouse's
work record (including
ex-spouse)**



Spousal benefit

You have a work record and a spouse

Any additional spousal benefit is added on

Your benefit is paid first

If eligible for both, you'll receive the larger of the two

You do not have a work record, but your spouse does

Your benefit is based on your spouse's earning history

Your benefit will be reduced if you claim before your FRA. Your maximum spousal benefit is half of your spouse's total Social Security benefit.



Tips for couples

**Similar ages
and incomes**



Delay claiming

**Both planning
shorter retirements**



Claim earlier

**Maximize the
survivor benefit**



Claim later



Tips for couples

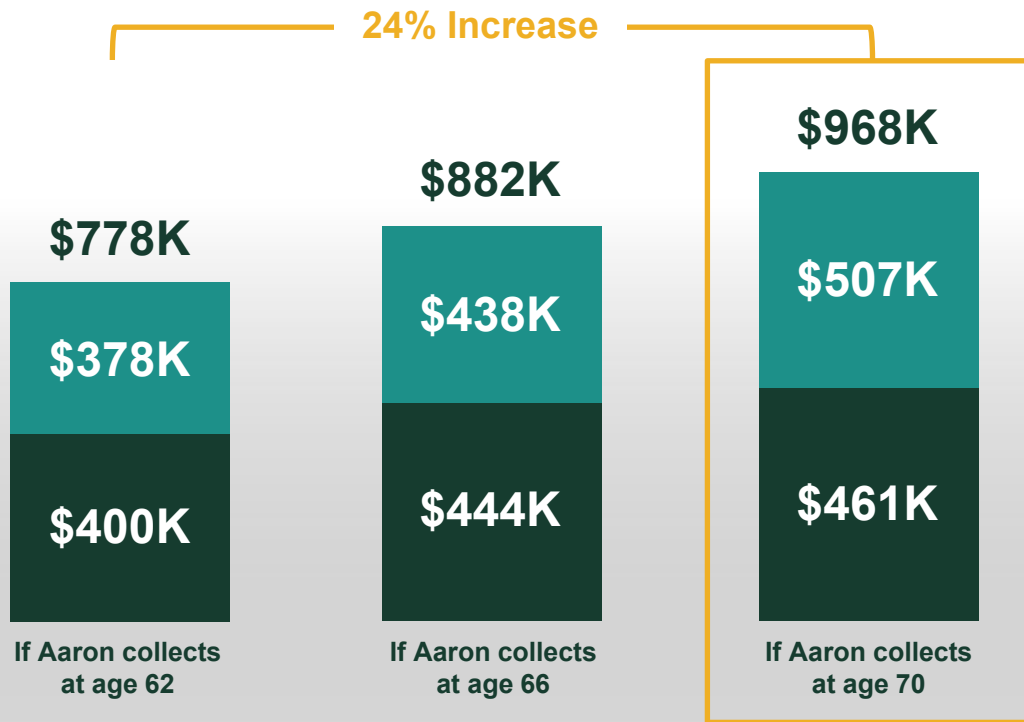


AARON



ELAINE

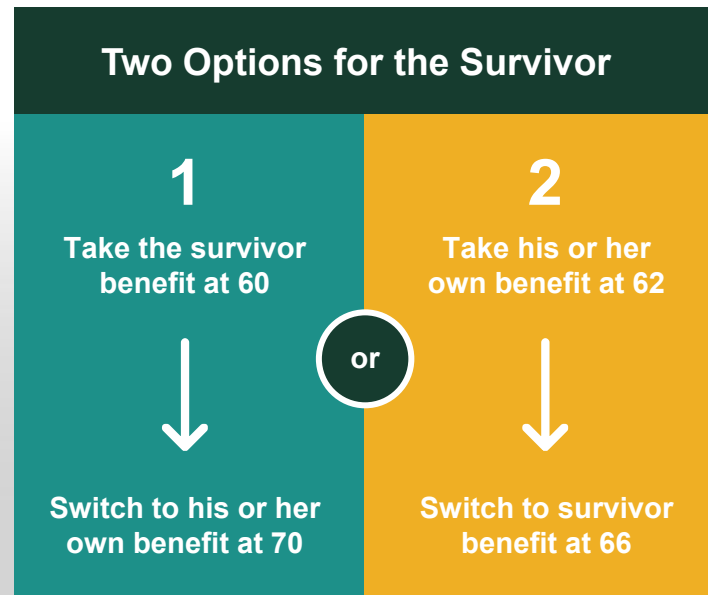
Waiting until age 70 would increase the couple's lifetime benefits and Elaine's survivor benefits—if she outlives Aaron.





Survivor benefit

Widow(er) Claims Survivor Benefit At:	% of Deceased Spouse's Benefit:
Age 50–59 (only if disabled)	71.5%
60	71.5%
61	76.25%
62	81%
63	85.75%
64	90.5%
65	92.25%
66+	100%





Divorce



62

You and your ex-spouse
are age 62 or older



Marriage lasted at least
10 continuous years



You have
not remarried



Advantages of working in retirement



**Keep building
retirement savings**



**Contribute to a
workplace savings plan**



**Make catch-up
contributions**



**May increase Social
Security benefit**



Do you plan on working in retirement?



YES

OR



NO



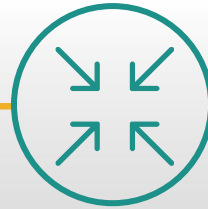
Working in retirement



Working temporarily reduces your benefit



Claiming early and working part-time hurts twice



Keeping earnings low can minimize benefit reduction



Understanding the benefit reduction rules



Tax considerations

How working affects your benefit

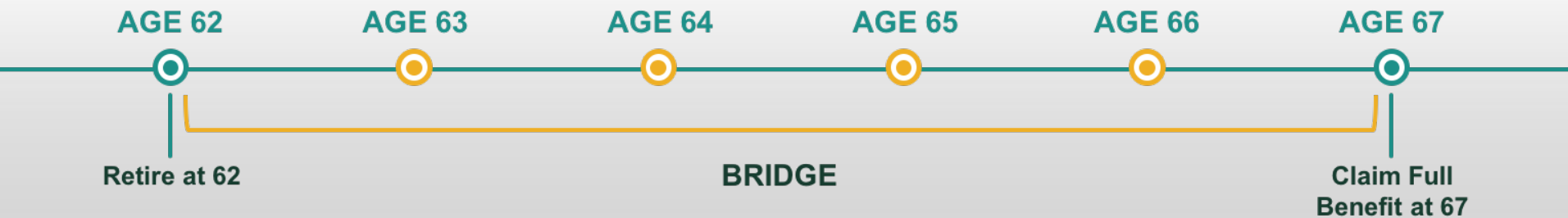
Age	Benefit reduced
Younger than FRA	\$1 for every \$2 over income limit
Reach FRA during year	\$1 for every \$3 over income limit
Reach the month of FRA	No reduction

- A portion of your Social Security benefit might be taxable
- The higher your income, the more likely your benefit will be taxed

VIEW IRS.GOV FOR ANNUAL LIMITS

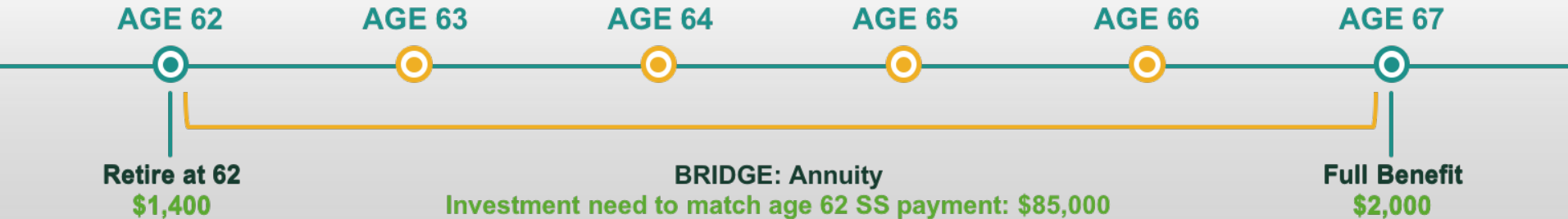


Bridge strategy



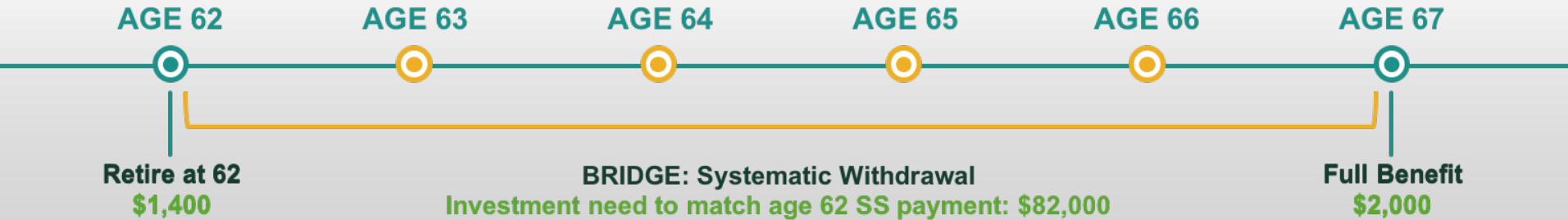


Bridge strategy implemented



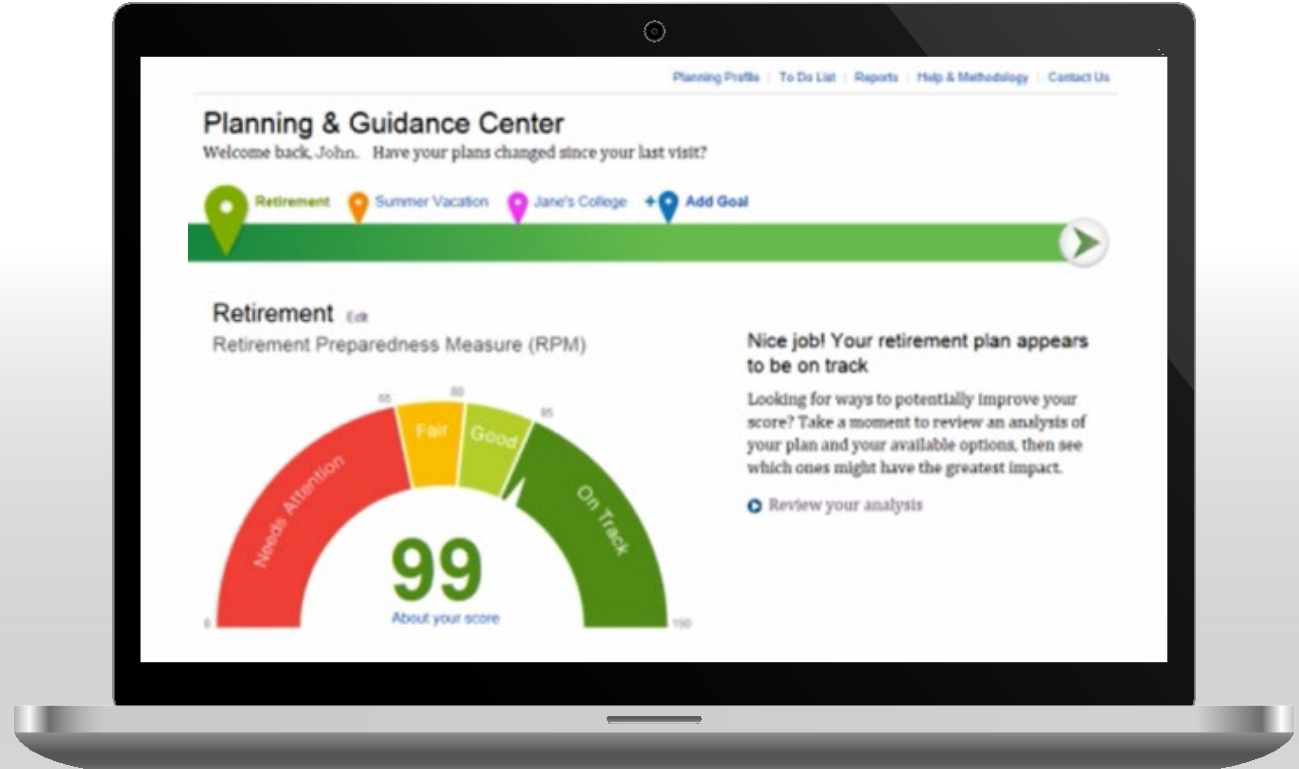


Bridge strategy implemented





Take the first step



Screenshot is for illustrative purposes only.

IMPORTANT: The projections or other information generated by the Planning & Guidance Center's Retirement Analysis regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Your results may vary with each use and over time.



Next steps



Fidelity Representatives



**Provide a
comprehensive view of
your retirement plan**



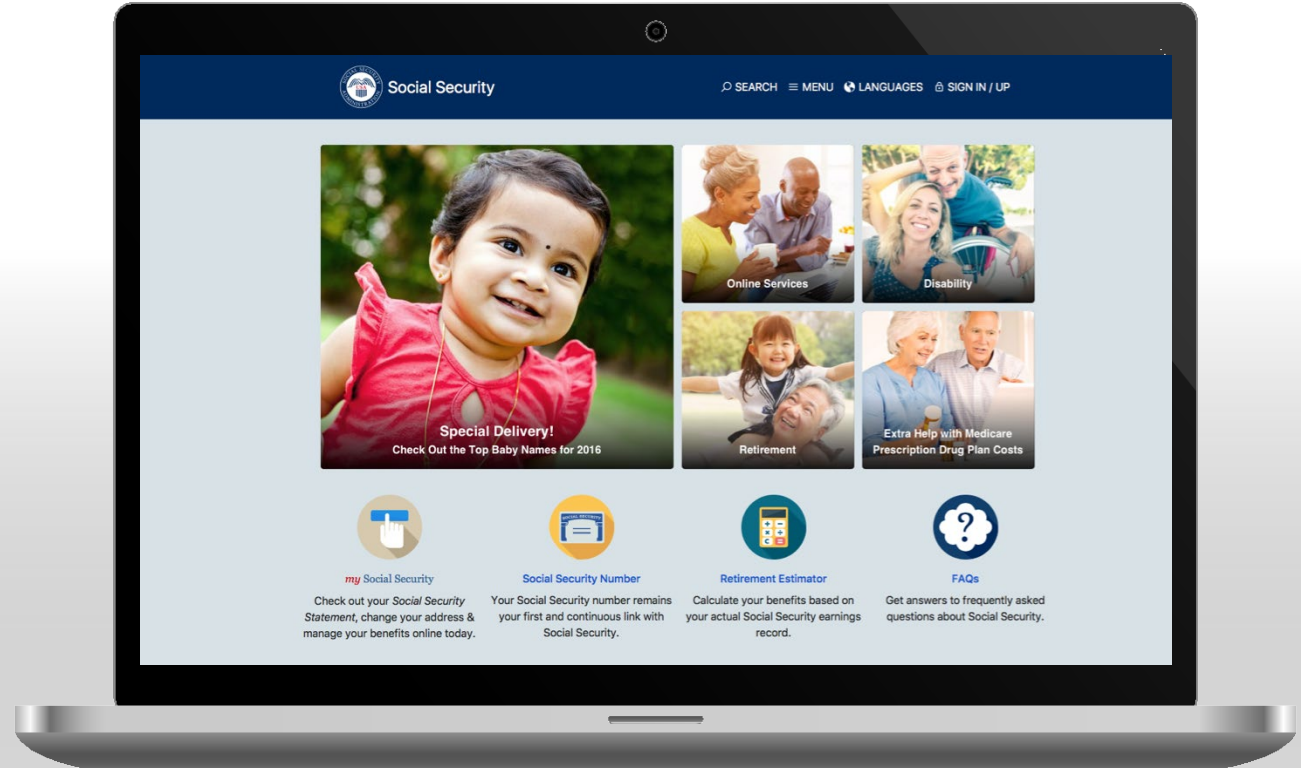
**Review and evaluate
investment strategies**



**Are available for help; call
800.603.4015**



Resources



Thank You!

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Note: Anyone born in 1929 or later needs 10 years of work (40 credits) to be eligible for Social Security retirement benefits. People born before 1929 need fewer years of work. Contact the Social Security Administration for more details.

The PDF of today's presentation available for download should not be circulated any further and this content is only current for the next 30 days.

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