January 2010

Mutual of Omaha's
Contributions[SM]

Our New Year's Resolution

This year we're making an important resolution on your behalf:

During 2010, we pledge to do our best to help you find the motivation to be as successful in your own retirement planning as possible.

Planning for retirement, especially given the recent turbulence in the market, can be intimidating. Even after years in a plan, many participants may continue to feel uncomfortable making investment decisions on their own.

Learning how retirement plans work is certainly important, but there is another component to financial planning that is often overlooked: **What is your personal motivation to save? What is your vision of retirement?**

Not every retiree plans to spend his or her time on a boat in the Caribbean. Some people just look forward to having the time to enjoy the simplicity of their lives. Some people have hobbies that not only bring them great enjoyment, but might also bring in additional income during their retirement years. Others are more adventurous, and know they need enough money to travel and do the things that excite them.

How you spend your retirement is up to you. It is based on the experience you wish to create for yourself. If someone asked you to describe the kind of retirement you want, what would you say?

If you don't know, you are missing the opportunity to get excited today about the future you are heading toward. Some people say they don't want to save for their retirement because they'd rather focus on paying off their bills first, or putting money toward a child's education or paying down their mortgage. While no one could say those people are absolutely wrong, the truth is that it's easy to get distracted by daily events. **If you keep promising to "start planning tomorrow," it could be difficult to reach your retirement goals.**

It's time to get motivated. **Only you know what your retirement should look like.** Chances are, it won't require millions of dollars and a yacht, but it will probably require more than what you've got today. Don't let another day go by without giving yourself a chance to secure a future that's worth getting excited about!

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How to Pick a Financial Advisor

Contrary to popular belief, financial advisors are not just for the wealthy. With a little legwork, you can find someone who understands your needs and can help you make the most out of your investments without a significant financial commitment on your part.

The choices can seem overwhelming when you begin your search. **That's why it pays to ask around: ask family members, friends and coworkers whom they recommend.** This can shorten your search and give you a short list of trusted advisors.

Once you've identified a few potential advisors, it's worthwhile to do some checking to make sure they're accredited. A number of professional organizations require that members pass certain exams to attain accreditation. Groups like National Association of Personal Financial Advisors (*napfa.org*), the Financial Planning Association (*fpanet.org*), and the Certified Financial Planner Board of Standards (*cfp.net*) offer searchable databases with state-by-state contact information for planners. If you've already got an accountant, The American Institute of Certified Public Accountants (*aicpa.org*) has a list of CPAs who've earned the Personal Financial Specialist designation.

Next, spend some time with the planners you've identified. Different planners have different areas of expertise, so make sure they are experienced in working with investors with backgrounds similar to yours. Ask for references and don't be afraid to ask tough questions, like how they're paid or how they define success for their clients. Remember, they're working for you.

2010 Contribution Limits Set

Contribution limits to employer-sponsored plans remain level in 2010, according to the Internal Revenue Service. Participants can contribute **up to $16,500** to their employer-sponsored retirement plan, and participants who reach age 50 during the calendar year can contribute **an additional $5,500**. For further information on specific plan limits, contact your employer.

Pension Plan Limits	2010	2009	2008
Elective Deferrals	$16,500	$16,500	$15,500
Annual Contribution Limit*	$49,000	$49,000	$46,000
Catch-up Contributions	$5,500	$5,500	$5,000

*Annual contribution limits include employer contributions.

Tax-Tip: Don't forget to ask your accountant or tax preparer about the Saver's Credit. You may be eligible for a tax credit of up to 50% of your contributions to your retirement plan if you meet certain income requirements.