

AIA Trust Self-Assessment Tests

AIA Trust Self-Assessment Test XVIII

Retirement-Planning Assessment – Answer Sheet

AXA Equitable Life Insurance Company is the provider of the AIA Members Retirement Program. Should you be in a position to begin or change a retirement plan for yourself or the people in your firm, information can be obtained by calling the AIA Members Retirement Program at 1-800-523-1125, ext. 6314.

T F	1. Your asset allocation within your retirement plan generally should reflect your investment goals, time frame and risk tolerance.
T F	2. Consolidating retirement assets with a “Rollover” IRA can help to simplify your financial future.
T F	3. Generally, it is better to set up a new 401(k) plan earlier in the year.
T F	4. Especially for small business owners, investment return is the primary consideration in selecting a retirement plan provider and reaching their retirement goals.
T F	5. If I am an employee of a firm and at the same time do some independent contracting on the side (1099 income), I cannot establish a qualified retirement plan to shelter some of that additional 1099 income.
T F	6. Experts contend that you will need about 50% to 60% of your pre-retirement income (average during last five years of employment) to live comfortably once you retire.
T F	7. One potentially serious downside to retirement plans is that once you retire you have to take all the money out in a lump sum and pay –a large portion of it to Uncle Sam..
T	8. When directly rolling over an eligible distribution from one qualified plan to

F	another, 20% mandatory federal income tax withholding must be applied to the amount distributed.
T F	9. When tracking a mutual fund's performance, it's a good idea to compare to a benchmark.
T F	10. Diversification is an important element of any person's retirement plan portfolio.
T F	11. Market capitalization is a common measure of the relative size of a company.
T F	12. Value investing is an investment style that focuses on companies that are temporarily in favor.
T F	13. Growth investing is generally considered more aggressive than value investing.
T F	14. Core investing is an investment style that utilizes both growth investing and value investing strategies.
T F	15. A sector portfolio invests in several sectors of the overall equity market.
T F	16. When selecting a retirement plan provider, a small business owner should focus strictly on investments and investment track records.
T F	17. Generally, the earlier you start to invest through a retirement plan, the more risk you can take.
T F	18. The advantage to tax-qualified retirement plans over simply making post-tax investments is just the money saved on current taxes.

Please be advised that this document is not intended as legal or tax advice. Accordingly, any tax information provided in this document is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax information was written to support the promotion or marketing of the transaction(s) or matter(s) addressed and you should seek advice based on your particular circumstances from an independent tax advisor.

AXA Equitable Life Insurance (NY, NY) does not provide legal or tax advice.

The Members Retirement Program is funded by a group variable annuity contract issued and distributed by AXA Equitable Life Insurance Company (NY, NY)

GE-48615 (3/09)