Making Social Security work for you.
FIND OUT HOW SOCIAL SECURITY FITS INTO YOUR RETIREMENT INCOME PLAN.

Visit Fidelity.com/socialsecurity, or call us at 800.FIDELITY today.
Getting started.

Your Social Security number is more than your ID number. It’s your “account number” for the retirement benefits you’ve worked a lifetime to earn. And Fidelity is committed to helping you understand the role that Social Security will play in your overall retirement income planning.

Five Steps to Understanding Social Security Benefits:

- 2. Know the factors that may affect your monthly payments.
- 4. Work with Fidelity to create a retirement income plan.
- 5. Contact the Social Security Administration not more than four months before you want to receive your first payment.
STEP 1

Become familiar with www.ssa.gov.

Spending a little time online now can help you make the most of your Social Security benefits.

The Social Security Administration has many resources online that can help you in calculating and understanding your benefits. Their resources include:

- Estimating your potential benefits
- Finding your full retirement age
- Estimating spousal benefits
- Applying for benefits

As you review your information, it’s important to double-check that the information reported is correct, since your monthly payments will be based on it.
Age and longevity.
You are eligible to receive your full benefit at your full retirement age, which has been gradually increasing from 65, and will soon be 67 for everyone. You can begin collecting a reduced benefit as early as age 62. In general, the earlier you choose to begin receiving benefits, the lower your monthly payment will be.

For each year of delay beyond your FRA, you could see your benefit increase by as much as 5% to 8% per year. At age 70, there is no longer any benefit to delaying.

Know the factors that may affect your monthly payments.

There are a number of factors to consider, including age, employment, taxation, and your spouse. Here is a basic introduction to these factors.

STEP 2

Quick Tips

- Delaying benefits could mean higher payments later.
- Your FRA depends on the year you were born, and can be found at www.ssa.gov.
This example is for illustrative purposes only. Sources: Social Security Administration and Fidelity Investments, 2010.

This is a hypothetical example of someone whose full retirement age is 66, and whose primary insurance amount is $1,800.*

* This hypothetical example assumes that the person is not working in retirement. Sample benefit amounts are not exact, due to rounding. They do not reflect annual cost-of-living adjustments or taxes. Had taxes been taken into account, the amounts would have been lower.

Questions? Visit Fidelity.com, or call 800-FIDELITY.
Collecting while you’re still working.
You can continue to work while you are collecting your benefit, but your monthly benefit amount could initially be reduced, depending on the amount of income you earn between age 62 and your FRA. Once you reach your FRA, your benefits will no longer be reduced if you continue to work.

QUICK TIPS
- You can work while collecting benefits.
- Your benefits could be reduced if you collect earlier than your FRA and continue to work.

About taxes.
A portion of Social Security benefits is subject to taxation depending on your income, which can include capital gains, portfolio income, and employment.

QUICK TIP
- Your income—including benefits, dividends, distributions, interest, and employment—will determine how your benefits are taxed.
You and your spouse.
Did you know that a lower-earning spouse could be eligible for up to 50% of the higher-earning spouse’s benefits? It’s important to consider that taking benefits early could result in a lower payment for the rest of your spouse’s life, as well as your own.

There are three types of benefits that may be available to the lower-earning spouse in a married couple.

**OPTION 1**
Individual Benefit
Lower-earning spouse collects his or her own individual retirement benefit.

**OPTION 2**
Spousal Benefit
Higher earner claims; lower earner switches to higher spousal benefit.

**OPTION 3**
Survivor Benefit
Lower-earning spouse may collect a higher spousal benefit (up to 50% of the higher earner’s benefit).

Higher earner dies; survivor benefit replaces spousal benefit.

A widowed spouse may collect survivor benefits (up to 100% of the higher earner’s benefit).

Note – this graphic will not reference the munnell/soto paper.

QUICK TIP

- Be sure to evaluate the age and benefits of both you and your spouse together before making decisions.
Fidelity believes that all retirement income plans should balance four important elements:

- **Growth** — The potential to grow your assets to help keep pace with inflation
- **Flexibility** — Having easy access to and control of your money
- **Preservation** — Keeping a portion of your principal intact
- **Guaranteed Income*** — Generating reliable income for a lifetime

Because Social Security payments are guaranteed income, they often form the bedrock of a sound retirement income plan. When and how to start taking payments is one of your first and most important retirement decisions.

**Complete a Fidelity retirement income plan to help make sure you’re on track.**

Visit Fidelity.com/socialsecurity, or call us at 800.FIDELITY today.

In general, the bond market is volatile, and fixed-income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed-income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible.

*Guarantees are subject to the claims-paying ability of the issuing insurance company.

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<thead>
<tr>
<th>STRATEGY</th>
<th>Wait past age 62 before you start taking payments.</th>
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<td>This will typically mean higher payments for you.</td>
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<th>STRATEGY</th>
<th>Wait before taking payments, and bridge an income gap.</th>
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<td></td>
<td>There are a variety of investments that can help you generate the income you need in the short term.</td>
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<tr>
<th>STRATEGY</th>
<th>Start taking payments early.</th>
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<td>Typically, this will mean lower payments for you.</td>
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<tr>
<td>CONSIDER THIS STRATEGY IF…</td>
<td>ACTION STEPS</td>
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<tr>
<td>• You have other sources of retirement income that can cover your expenses.</td>
<td>• Create a retirement income plan that helps you see how Social Security fits into your personal situation.</td>
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<td>• You plan on continuing to work and want full benefits later.</td>
<td>• Determine whether you’ll continue to work and for how long.</td>
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<td>• You expect to live past average longevity.</td>
<td>• Evaluate your portfolio’s potential to generate income.</td>
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<td>• You want higher payments later on to cover rising costs such as health care expenses, but you’ll need supplemental income until Social Security payments start.</td>
<td>• Create a retirement income plan that helps you see how Social Security fits into your personal situation.</td>
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<td>• You plan on continuing to work and want full benefits later.</td>
<td>• Complete a Fidelity Portfolio Review to make sure your investment mix is appropriate for you.</td>
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<tr>
<td>• You expect to live past average longevity.</td>
<td>• Consider investments such as income-generating mutual funds, bonds, and annuities.</td>
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<tr>
<td>• You need the payments to cover expenses right away.</td>
<td>• Create a retirement income plan that helps you see how Social Security fits into your personal situation.</td>
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<td>• You have health issues or do not have a family history of longevity.</td>
<td>• Complete a Fidelity Portfolio Review to make sure your investment mix is appropriate for you.</td>
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<td>• You would rather take payments early and invest them.</td>
<td>• Contact the Social Security Administration to begin your payments.</td>
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<tr>
<td>• You want to preserve other assets or investments.</td>
<td>• Make it easier to manage your investments and expenses by setting up direct deposit of payments into your Fidelity account.</td>
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STEP 4

Work with Fidelity to create a retirement income plan.

Your Social Security benefits could be an important part of how you generate income during retirement. Our professionals can explain how your benefits fit into your financial “big picture” and show you ways to help you meet your needs.

Call 800.FIDELITY to speak with one of our Retirement Representatives, or visit Fidelity.com/plan to use our online Retirement Income Planner* tool.

STEP 5

Contact the Social Security Administration.

You should apply for Social Security not more than four months before the date you want to begin collecting it. You can apply online at www.ssa.gov, or by calling the Social Security Administration at 800.772.1213 to make an appointment to file for benefits.

QUICK TIP

• Save time and worry by having your benefits directly deposited into your Fidelity account.

You can set it up at the same time you apply for benefits.

* The tool’s illustrations result from running a minimum of 250 hypothetical market simulations. The market return data used to generate the illustrations are intended to provide you with a general idea of how asset mixes have performed historically. Our analysis assumes a level of diversity within each asset class consistent with a market index benchmark that may differ from the diversity of your own portfolio. Please note that the projections do not reflect the impact of any transaction costs or management and servicing fees (except for variable annuities); if these had been included, the projected account balances would have been lower.

IMPORTANT: The projections or other information generated by Fidelity’s Retirement Income Planner regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Results may vary with each use and over time.
Have a retirement plan that’s built to last.

Social Security benefits are estimated to supply roughly 17.9%1 of your retirement income. The rest will have to be supplied by savings and investments. That’s why it’s critical that you work with Fidelity to establish a retirement income plan. We have years of experience helping people realize their retirement dreams.

Ready? Together, we’ll help make Social Security work for you.

Call 800.FIDELITY, or visit Fidelity.com/socialsecurity today.
Portfolio Review is an educational tool.

Retirement Income Planner is an educational tool.

Guidance provided by Fidelity is educational in nature, is not individualized and is not intended to serve as the primary or sole basis for your investment or tax-planning decisions.

The information provided herein is general in nature and should not be considered legal or tax advice; Fidelity does not provide legal or tax advice. Consult an attorney or tax professional regarding your specific legal or tax situation.

Before investing, consider the funds’ investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.