

# BUSINESS



## ABOUT YOUR MONEY

By Jim Becker

# Consider Benefits Before Changing Jobs

If you are thinking of switching jobs -- especially in mid-to-late career -- you'll want to pay careful attention to the benefits offered by your new employer. At this stage of your life, you've got a lot to protect.

For starters, you'll need to take a close look at your new employer's retirement plan. If your new job comes with a 401(k), find out when you'll be eligible to contribute, if there's an employer match, and if the match also applies to "catch-up" contributions you can make after age 50. You'll also want to find out if your new plan will accept a rollover of your old 401(k). If it does, and if you like the investment options that come with your new plan, you may want to make this move.

In any case, if your new job does offer a 401(k), take full advantage of it. Contribute as much as you can afford and increase your contributions whenever you get a raise. Look carefully at your investment options and spread your money among them in a way that reflects your risk tolerance, long-term goals and time horizon. And no matter how much you like your new job, don't "overload" your

401(k) plan with company stock -- a downturn in your employer's fortunes could drag its stock price down for quite some time.

Of course, not all companies have 401(k) plans. If your new employer offers a "defined benefit" plan -- the traditional pension that pays benefits based on years of service -- you'll want to ask a lot of questions about the plan's solvency. As you may know, many pension plans are currently under funded or face other major problems. If you are concerned about a potential new employer's financial status, you might want to visit the company's web site and search under "investor information" for documents such as the annual report and filings with the Securities & Exchange Commission.

### Beyond Retirement Plans

Your new employer's retirement plan isn't the only benefit you'll need to evaluate when weighing a job offer. You'll also want to consider the following:

#### Disability insurance

Have you ever thought

what would happen to your family and your long-term financial goals if you became disabled and couldn't work? Disability insurance can help protect you against this risk. Some employers offer short-term disability coverage as an employee benefit. But if your former employer offered disability insurance, and your prospective new employer doesn't, you may have to purchase your own coverage.

#### Life insurance

Some employers also offer life insurance as an employee benefit. Even if you are not that far from retirement, life insurance can play an important part in your financial strategy, so the presence or absence of an employer-backed life insurance policy is a factor you'll want to consider before taking a new job.

A new job may offer you more money and the chance to do work that you will enjoy. But before you make the move, take a close look at the benefits package - it can play a big role in your comprehensive financial strategy.

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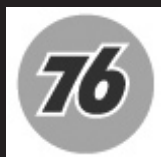
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