

# My Plan Connection

## Don't Delay - The Earlier You Start to Save for Retirement, the Easier it is!

**Don't wait!** It's tempting to put off saving for retirement until you are older, earn more money, or are more settled. Don't wait! Waiting costs you money. The earlier you start saving for retirement, the easier it is. If you wait until your salary increases, then you'll have to dedicate more of each paycheck to your retirement savings. By starting early, you put the power of time and compounded

Compounding occurs when you earn returns on your original investment as well as on any previous returns that remain

invested. Each year your earnings compound, there is more money available to work for you! The earlier you start saving, the more opportunities you have to compound your earnings. If you wait until later to start saving for retirement, then you'll have fewer opportunities to compound your earnings and you'll have to contribute more of your own money in order to have enough money saved for your retirement.

**Reduce your taxes!** Contributions to your retirement plan are also tax deductible. Every dollar that you contribute to your retirement

your taxable income. This means that while you are increasing your savings, you are decreasing your tax burden at the same time! In addition, not only do you defer paying taxes on the contributions you make to your retirement plan, but you also defer paying taxes on any earnings as well.

Saving for retirement is easier than you think



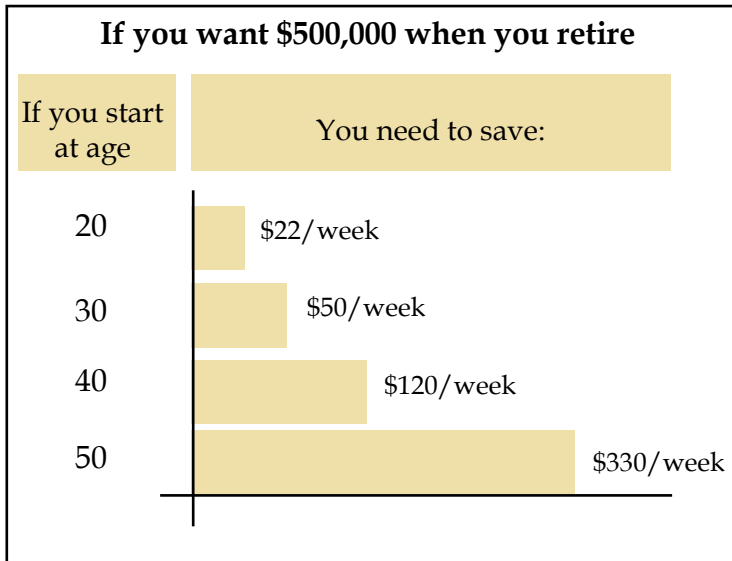
The contributions and earnings to your retirement plan are not taxed until you withdraw them from your account, presumably at retirement. For most people, their tax bracket during their retirement years is significantly lower than their tax bracket during their working years. As a result, your tax burden is not only delayed but can be significantly reduced.

**Enroll today by calling 800.878.5220 or by visiting [www.myplanconnection.com](http://www.myplanconnection.com)**

[www.MyPlanConnection.com](http://www.MyPlanConnection.com) \* 800.878.5220



# My Plan Connection



Example assumes an 8% annual return on investment. If you want \$500,000 when you retire, how much will it cost you each week? It depends on how old you are when you start. If you start saving for retirement at age 20, then you'll need to contribute \$22 each week, for a total investment of \$51,480. In contrast, if you wait until you are 30, your weekly contribution will more than double to \$50. Your total out-of-pocket cost will also increase significantly to \$91,000. If you wait until you are 40, then the price tag is even higher. You'll need to contribute \$120 each week until you retire at 65, for a total out-of-pocket cost of \$156,000.

[www.MyPlanConnection.com](http://www.MyPlanConnection.com) \* 800.878.5220

The information in this article is intended to be educational and to provide you with information that might help you make better use of retirement savings opportunities in realizing your retirement goals. Different assumptions concerning earnings, taxes, investment rates of return, and retirement age will generally yield different results. Examples in this article do not reflect actual returns for any specific investments, and are not intended to imply or guarantee future results. All examples are hypothetical and for illustration purposes only. Actual returns may be higher or lower, and will fluctuate over time. Returns are assumed to be the same each year. Actual values may increase or decrease in any given year. Because the value of your investment will fluctuate with market conditions, you should consider your ability to continue to invest during periods of low price levels. Regular investing does not guarantee a profit or protect against a loss in a declining market. No taxes are applied to plan balances. Plan balances are fully taxable at withdrawal. Withdrawals made prior to age 59½ may trigger an additional 10% early withdrawal penalty tax. This information does not describe all plan features or their applicability to any plan participant. It is provided for general information only and is believed to be accurate and reliable as of the date of printing but may be subject to change. All information in this article is provided for illustrative purposes only and should not be considered tax, investment, or legal advice. Participants should seek professional advice for their particular situation. Contributions to tax-sheltered accounts may not exceed plan or regulatory limits. Additional plan information is available from your plan administrator.