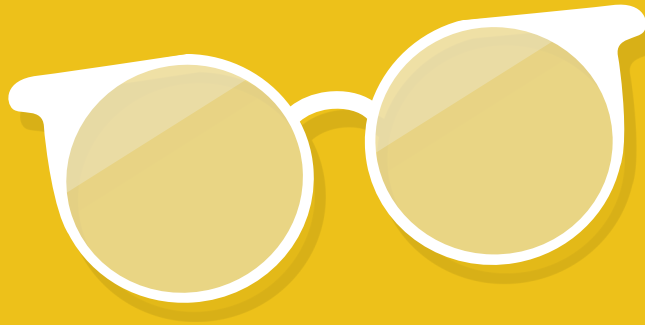


*Saving for*  
**RETIREMENT**

BROUGHT TO YOU BY

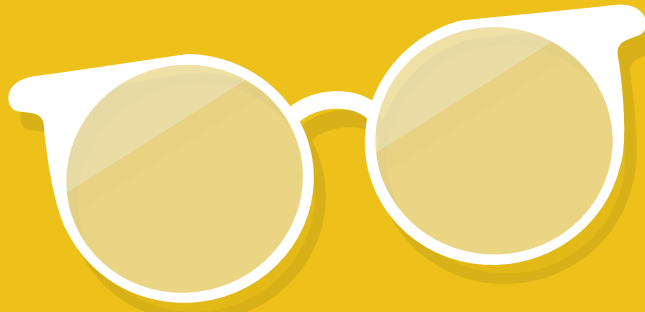


- IT'S A -  
**MONEY  
THING®**



*Someday you will be an*  
**OLD PERSON**





*Take a moment  
and let that sink in*



*Imagining*

**RETIREMENT**

# What do you want your retirement to look like?



A worldwide  
adventure?



The simple  
life?



Pursuing a  
passion?



Moving to a  
new city?



**Your retirement fund will likely be  
your longest-term savings goal**

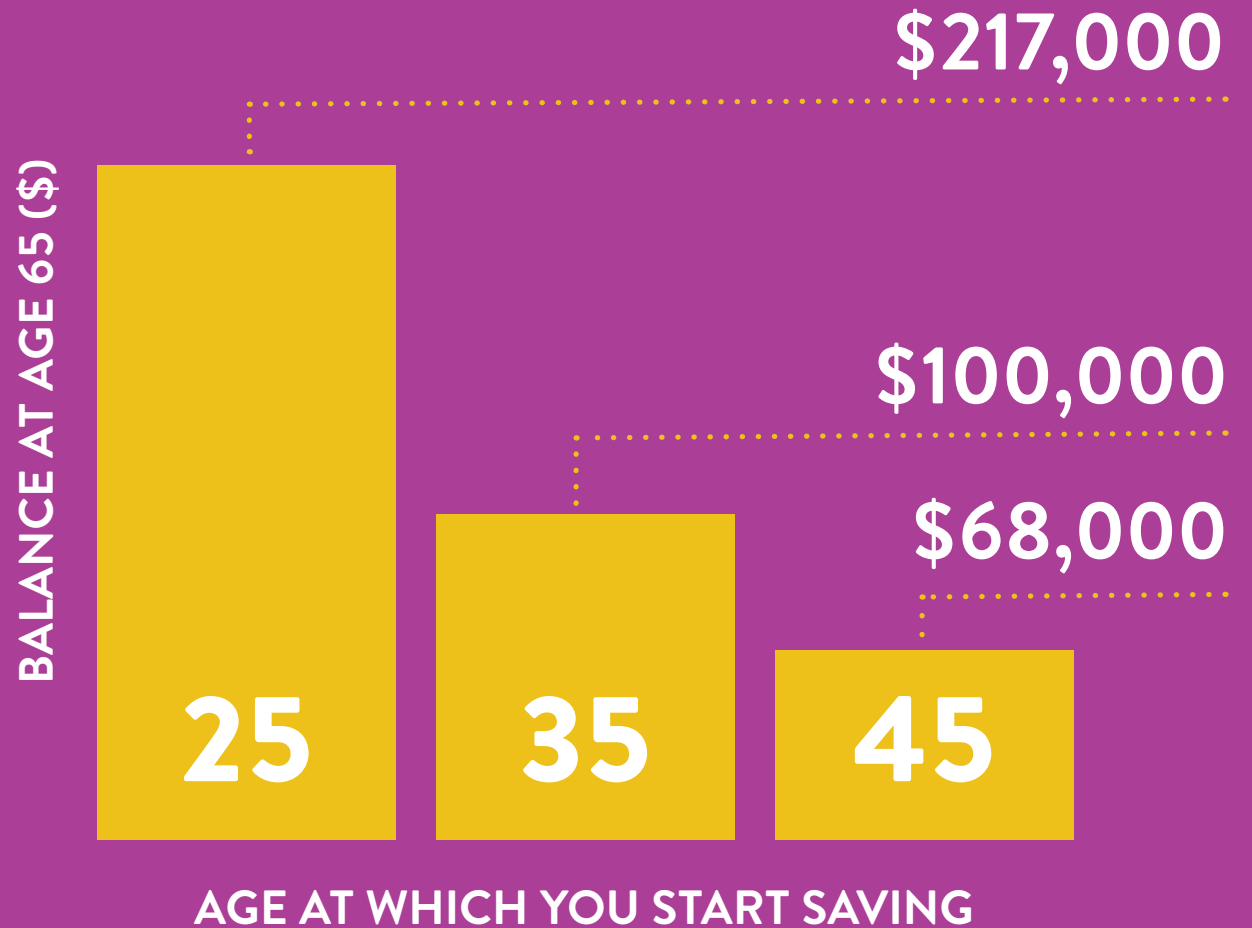
That makes it tricky to prioritize—  
but it pays to start saving early!

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*Timing is*

**EVERYTHING**

Let's say you put **\$10,000** in your **401(k)** and do nothing further until it's time to withdraw the balance at **age 65**



\*based on an 8% average annual return



---

**The same investment can be worth a lot more  
when given some extra time to grow**

---

*Retirement*

**SAVINGS ACCOUNTS**

Retirement savings accounts act like containers in which your various investments can grow tax-free



The most popular options include  
**Traditional IRAs, Roth IRAs and 401(k)s**



# COMPARING OPTIONS

## TRADITIONAL IRA

Set up at your financial institution

**\$6,000 contribution limit** (combined limit for all IRAs)

Withdrawals can be made after age **59½**

## ROTH IRA

Set up at your financial institution

**\$6,000 contribution limit** (combined limit for all IRAs)

Withdrawals can be made after age **59½**

## 401(k)

Set up through your employer

**\$19,000 contribution limit**

Withdrawals can be made after age **59½**

# COMPARING OPTIONS

## TRADITIONAL IRA

**Contributions are pre-tax** and can be deducted from your income tax return

**Withdrawals are taxed** as ordinary income

## ROTH IRA

**Contributions are made with after-tax** dollars and cannot be deducted from your income tax return

**Withdrawals are tax-free**

## 401(k)

**Contributions are pre-tax** and do not count toward your taxable income for the year

**Withdrawals are taxed** as ordinary income

# COMPARING OPTIONS

## TRADITIONAL IRA

Traditional IRAs offer a wide range of investments, but their RMDs (required minimum distributions) mean you *have* to start withdrawing funds at a certain point

## ROTH IRA

Unlike Traditional IRAs, Roth IRAs have tax-free distributions and no RMDs—however, they will not give tax breaks on your contribution amounts

## 401(k)

Your employer may offer a 401(k) contribution match, which is like free money—however, 401(k) plans are sometimes associated with limited investment options and higher fees

# STARTER PLAN

1

Contribute enough to meet your 401(k) match

2

Switch over and max out your Roth IRA contribution

3

If you have money left over, top up your 401(k)



*Strategies for*  
**SAVING**

---

**In order for your money to grow,  
you need to create the right environment**



**Eliminate  
high-interest debt**  
Paying down credit  
cards (and other  
high-interest debt)  
should be your top  
financial priority





## **Build an emergency fund**

The last thing you need is an unexpected expense taking a bite out of your savings

## **Maximize your repayment plan**

See if there's a smart way to consolidate or refinance your loans as a way of freeing up extra cash for savings





## **Start today**

Time is on your side when it comes to retirement savings—even if you have to start small, start saving today

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Sources: Investopedia, IRS.gov, NerdWallet, The Motley Fool, Time Inc.

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