

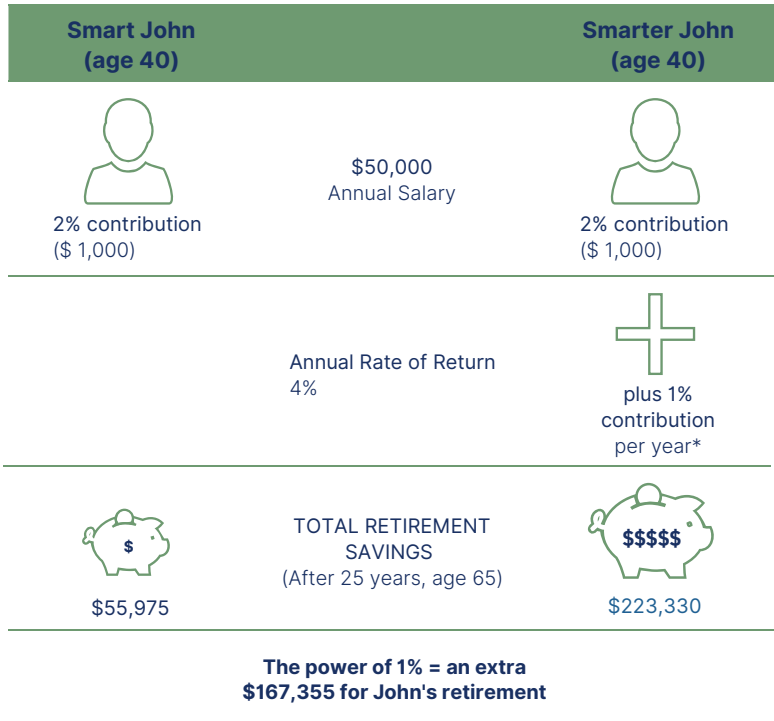


A popular theory claims that committing to steady, incremental change can be a hugely effective driver of success. Did you know that the same can be said of saving for retirement? Here's an example of how depositing just 1 percent more of your annual salary into your 401(k) or 403(b) plan can have a monumental effect on retirement savings goals.

John, age 40, earns \$50,000 per year. He has been depositing 2 percent of his salary into his 401(k) plan for the past 12 months. If he continues to deposit 2 percent of his salary each year for the next 25 years—and assuming that his investments earn a 4 percent annual rate of return—his 401(k) account will have a balance of \$55,975 when he reaches age 65. Not bad. But could it be better?

Let's say that John automatically increases his contribution to his 401(k) by 1 percent of his salary per year until he reaches an annual 10 percent contribution. His account will have a balance of \$223,330 when he turns 65. For John, the power of 1 percent will earn him an extra \$167,355 for retirement!

Why not increase your contribution to your 401(k) or 403(b) account each year until you reach at least 10 percent? By doing so gradually, you'll barely notice the change in your paycheck, and you'll be taking a giant step toward a more solid financial future. There are several free online calculators that you can use to see what effect the power of 1 percent will have on your retirement savings account. Contact your employee benefits coordinator today and put the power of 1 percent into action!



* Until 10 percent withheld

This is a hypothetical example and is for illustrative purposes only.

No specific investments were used in this example. Actual results will vary. Past performance does not guarantee future results.



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