

# Growing Your Savings During Every Stage of Life



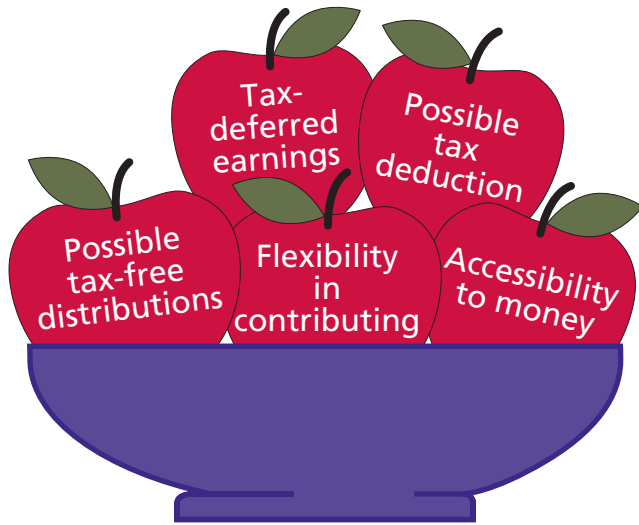
Now is the time  
to save for your future.

No matter what stage you're at in life, saving now with an IRA can better prepare you for your future. Whether you are just beginning your career, planning for your family, or approaching retirement, it's never too late to start saving with a Traditional IRA or a Roth IRA.

Learn more today.

*"Once I started setting aside money in an IRA, I felt like I was proactively saving for my future."*

## Why open an IRA?



An individual retirement arrangement (IRA) is a retirement savings vehicle in which you can set aside money to be invested and generate earnings. So you're not just saving money, you're growing your savings.

### Pick One or Pick Both

Whether you invest in a Traditional IRA or a Roth IRA—or both—you'll enjoy the flexibility, accessibility, and tax benefits that both offer.

Note that the "R" in IRA stands for retirement, which is the main purpose for having an IRA. But the decision of whether to save with an IRA may not be based solely on retirement. Other reasons for having an IRA may come into play.

Most individuals are drawn to an IRA for its tax features, but often just as important is access to IRA dollars. Unlike an employer-sponsored retirement plan, you can withdraw money from your IRA whenever you want.

#### *Traditional IRA*

Traditional IRA contributions are often tax-deductible, so Traditional IRA distributions generally are taxable and subject to an early distribution penalty tax. The early distribution penalty tax applies if you are under age 59½ and do not meet one of the IRS penalty exceptions.

#### *Roth IRA*

Roth IRA contributions, on the other hand, are not tax-deductible, so any contribution amount that you withdraw from your Roth IRA will not be taxed or penalized at any time or for any reason. If you meet certain requirements, the earnings in your Roth IRA also will be tax- and penalty-free.

Consult a competent tax advisor when considering whether a Traditional or Roth IRA will best suit your needs.

## Start Early

Although it's never too late to save for your retirement, you will get more from your savings by beginning early. The more time that you have to save with an IRA, the greater the power of compounding interest and its effect on your savings. So if you are just starting to build your career, consider starting your IRA savings at the same time.

## Enjoy a Growth Spurt

To give you an idea of just how valuable saving with an IRA can be—at any stage in life—the charts here illustrate how much you might accumulate with steady, annual IRA contributions. Note the differences in growth, depending on when you start and what your interest rate is.

### \$2,000 Annual Contribution

| Years to Retirement | Interest Rate |           |           |           |
|---------------------|---------------|-----------|-----------|-----------|
|                     | 3%            | 5%        | 7%        | 10%       |
| 5                   | \$ 10,937     | \$ 11,604 | \$ 12,307 | \$ 13,431 |
| 10                  | 23,616        | 26,414    | 29,567    | 35,062    |
| 15                  | 38,314        | 45,315    | 53,776    | 69,899    |
| 20                  | 55,353        | 69,439    | 87,730    | 126,005   |
| 25                  | 75,106        | 100,227   | 35,353    | 216,364   |
| 30                  | 98,005        | 139,522   | 202,146   | 361,887   |
| 35                  | 124,552       | 189,673   | 295,827   | 596,254   |
| 40                  | 155,327       | 253,680   | 427,219   | 973,704   |

### \$5,000 Annual Contribution

| Years to Retirement | Interest Rate |           |           |           |
|---------------------|---------------|-----------|-----------|-----------|
|                     | 3%            | 5%        | 7%        | 10%       |
| 5                   | \$ 27,342     | \$ 29,010 | \$ 30,766 | \$ 33,578 |
| 10                  | 59,039        | 66,034    | 73,918    | 87,656    |
| 15                  | 95,784        | 113,287   | 134,440   | 174,749   |
| 20                  | 138,382       | 173,596   | 219,326   | 315,012   |
| 25                  | 187,765       | 250,567   | 338,382   | 540,909   |
| 30                  | 245,013       | 348,804   | 505,365   | 904,717   |
| 35                  | 311,380       | 474,182   | 739,567   | 1,490,634 |
| 40                  | 388,316       | 634,199   | 1,068,048 | 2,434,259 |

## Keep On Growing

Even if you are soon approaching retirement or are already retired, you still may be able to continue making annual contributions and rollover contributions, if eligible. See a competent tax advisor to help you examine your tax outcome and growth potential for these transactions.

## For More Information

Talk to us—we'll be glad to provide you with more information on Traditional and Roth IRAs.