

# TIPS FOR INVESTING SUCCESS

DON'T WORRY — THEY'RE PRETTY SIMPLE

You deserve the chance to prepare for the retirement you envision. We would argue that time is of the essence. There's nothing wrong with starting early — in fact, it might give you a distinct advantage in the long run.

**1** Start as early as possible

**2** Increase your contributions regularly

## DON'T DELAY

While it's never too late to start contributing to your retirement account, earlier is almost always better.

**Consider this scenario:** A 21-year-old contributes \$130 per month for 44 years (\$68,640) and earns an average of 6% investment growth annually. At 65, the account balance is \$337,634.

Getting a later start, a 35-year-old contributes \$130 per month for 30 years (\$46,800) with the same 6% annual growth. At age 65, the account balance is \$131,240.

**The 21-year-old contributed a modest \$22,000 more and ends up with \$206,394 in additional assets.**

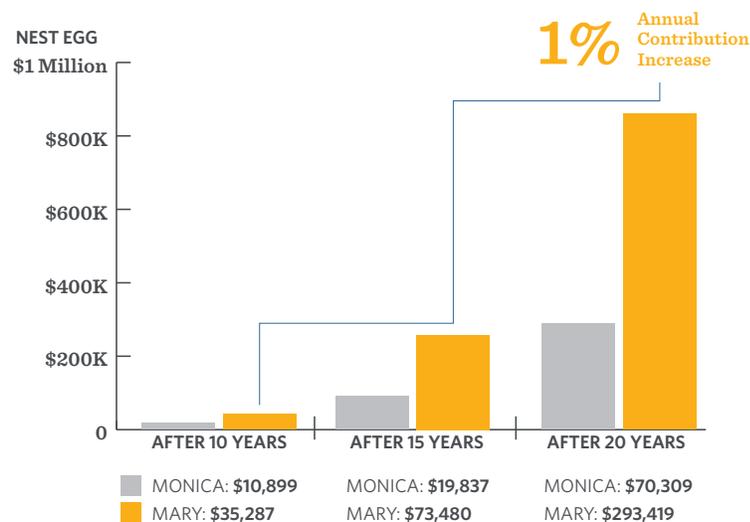


## THE 1% DIFFERENCE

Now let's look at hypothetical twins who did almost everything the same. They worked at the same company, earned the same salary (\$30,000 a year), and started contributing to the same retirement plan at age 35. The only difference? How they managed their contribution rates.

Monica contributed 2% of her pay each year, her salary rose 3% a year, and her investments earned 6% annually until retirement. Mary followed the same route, but raised her contribution rate by 1% each year until it reached 10%. Then she kept contributing 10% for the next 22 years, until retirement.

When the twins celebrated at age 65, they compared notes on their retirement accounts. Monica had a nest egg of \$70,309, while Mary had \$293,419 — nearly triple her sister's total. Mary told Monica she hardly noticed the difference in her take-home pay when she raised her contribution percentage each year by 1%. But the result was impossible to overlook.



## When it comes to contributing to your retirement account, there's no time like the present.

**Get going.** Enroll in your plan today. For more information on how to enroll, go to [transamerica.com/portal/home](https://transamerica.com/portal/home)

**Keep going.** Consider raising your contribution rate by 1% a year.

These examples are hypothetical and do not represent the performance of any particular investment fund or product. Regular investing does not guarantee a profit or protect against a loss in a declining market. Past performance does not guarantee future results. Initial tax savings on contributions and earnings are deferred until distribution.

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