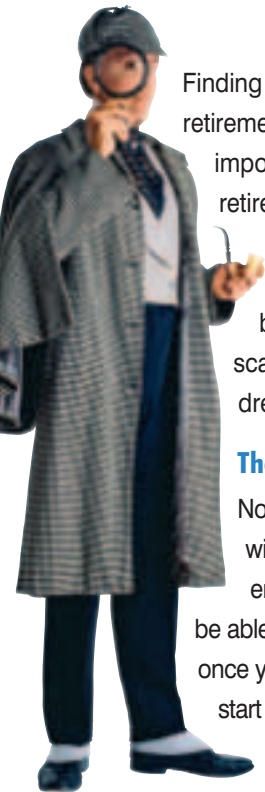


OnTrack



Make the Most of a GREAT OPPORTUNITY



Finding the money to set aside for retirement can be tough. But it's important to keep saving for retirement on your financial priority list. Otherwise, you might have to push back your retirement date, scale back on your retirement dreams — or both.

The Good News

Not all of your current expenses will last forever. If you're a parent, for example, you should be able to save more for retirement once your children get older and start paying their own expenses.

And, if your children no longer live with you, you might want to consider downsizing. Smaller mortgage payments could free up additional dollars for retirement plan contributions.

Here's another possibility: Anytime you pay off an auto loan or other debt, you can take all or part of the money you were paying toward that debt and put it into your retirement plan instead.

Too Little? Too Late?

When it comes to saving for retirement, every little bit helps. As the graphic shows, contributing even small sums to your retirement plan on a regular basis can really pay off.

Go for the Max

Make sure you're contributing enough to take advantage of any matching contribution your employer may offer. If you are trying to make up for lost time, try to contribute the maximum amount your plan allows.

Check Out Catch-up Contributions

If you're age 50 or older, your plan may allow you to contribute even more than the standard limit through catch-up

contributions. Check with your plan administrator to find out how much you can contribute to your plan.

Don't Forget the Tax Credit

You may be eligible to receive a tax credit (known as the saver's credit) for your plan contributions. Depending on your adjusted gross income (AGI) and your tax filing status, you could qualify for a credit of 10%, 20%, or 50% of up to \$2,000 in contributions. So, for example, if you contribute \$2,000 and qualify for a 50% credit, you could save \$1,000 in taxes. You can find more information at www.irs.gov.

Keep It Up

No matter how close — or far away — your retirement is, keep saving. Making steady contributions to your retirement plan and taking advantage of opportunities that come your way for extra savings can help you reach your goal of a financially secure retirement.

It Adds Up Over Time

Amount Saved Each Week	Years Saved	Average Annual Total Return*	Amount in Account at Retirement
\$20	15	8%	\$29,991
\$50	15	8%	\$74,976
\$100	15	8%	\$149,949

*Assumes monthly compounding.

This is a hypothetical example used for illustrative purposes only. It is not representative of any particular investment vehicle. Your investment results will be different.

Source: NPI

Style MATTERS

Whether it's how you dress, the way you decorate your home, or how you go about your day-to-day activities, your style says a lot about you. Style matters in investing, too.

In the investment world, style refers to the investing strategies adopted by the professionals who manage the money placed in investment funds and portfolios. Knowing something about the major investing styles can help make you a more informed investor.

Passive or Active Style

Investment managers pursue either a *passive* or an *active* style of investing. The passive-style approach simply aims to copy the performance of a market index*, such as the S&P 500 (an index of 500 stocks issued by large U.S. companies). The manager buys the same securities that make up the index and in the same proportions.

Active-style investment managers buy and sell investments in an attempt to outperform market indexes. Different managers have different ideas about how to achieve the best results.

Growth-style Investing

Growth-style managers buy the stocks of companies that typically deliver above-average growth in earnings and profits. Generally, these companies reinvest their earnings, which is a sign that they intend to keep growing.

Value-style Investing

Value-style equity managers look for stocks whose true values are not reflected in their prices. Sometimes, the price of a value stock is low compared to the company's current or potential earnings or because they are temporarily out of favor. Value-style managers believe that other investors will eventually recognize that the stocks are a bargain and start buying them, which will drive up share prices.

Size Matters, Too

Company size measured by market capitalization — the total dollar value of a company's stock at any one point in time — can be important when you're choosing stock funds or portfolios. Different managers may use different dollar ranges to determine whether a stock is a large-, mid-, or small-cap stock.

Large-cap stocks (sometimes called "blue chips") are stocks of generally well-known, established companies, often with a global presence and a significant share of the market. Large caps are suitable for investors interested in the potential for long-term capital appreciation.

Mid-cap stocks are stocks of medium-size companies. Mid-cap stocks tend to be more volatile than large-cap stocks, but also offer investors the potential for long-term growth.



Small-cap stocks are issued by smaller, less established companies. Small-cap managers believe that these stocks offer investors the potential for rapid price appreciation. However, the stocks of smaller companies tend to be extremely volatile.

Make Diversification Your Style

Different types of stocks often react in different ways to changes in the economy. Spreading stock investments among different investing styles can help a retirement investor build a diversified portfolio. Diversification does not assure a profit or protect against loss in a declining market, but it is a proven strategy for managing exposure to market risk.

* An index is a measure of the value of a hypothetical portfolio of securities that is representative of the market (or a segment) it tracks. Indexes are unmanaged; no securities are bought or sold in an attempt to increase the value of the index. An investor cannot invest directly in an index.