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Sally Smith
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Anytown, NY 12345



Your Retirement. Your Way.

ABC Company 401k Plan Gap is offering you the opportunity to save for retirement while enjoying potential tax advantages and a matching contribution. This introduction to your plan has been personalized to give you examples of how easy it is to join your plan. Your personalized information appears in the box below.

**Important
retirement plan
information for
Sally Smith**

Retirement Profile

Name:	Sally Smith
Date of birth:	01/01/1959
Current deferral percentage:	7%
Approximate annual salary:	\$150,000.00
Retirement age:	65
Hypothetical investment return:	5%
Employer's match:	\$0.50 per \$1 up to 25% of pay, \$0.25 per \$1 on the next 10% of pay and \$0.10 on the next 10% of pay.

Why is it important to save?

Medical breakthroughs mean that people are living longer than ever before. This means you may spend 25 years or more in retirement. While Social Security benefits may replace some of your income, most may have to come from your personal savings. Taking advantage of your employer-sponsored retirement plan can help you build your savings.



Your Plan Brings It Together



How much do you need to save? Experts indicate that you may need to save enough to replace 70% to 90% of your current income in retirement.

Why your plan is a good way to save

Your employer-sponsored retirement plan can help you fund your retirement dreams. Your plan offers you special advantages, including the pre-tax savings convenience of automatic deductions, and the power of tax-deferred compounding.

Your money goes into the plan pre-tax

The money that goes into your plan comes out of your paycheck before it is taxed. Your gross salary is reduced by the amount of your contribution, making your taxable income lower. Because of pre-tax savings, more goes into your plan than comes out of your take-home pay.

Automatic deductions make saving hassle-free

Your plan provides you with the convenience of automatic deductions. Your contribution comes out of every paycheck automatically. You don't see it, so you don't spend it. Even if you've found it hard to save in the past, your plan can make it easy.

Your employer matches your contribution!

The ABC Company's retirement plan matches \$0.50 for every \$1 up to 25% plus an additional \$0.25 per dollar up to 10% of pay. Additionally, the company contributes \$0.10 for each dollar on the next 10% you contribute. Your contribution to the plan should at least meet the level of this match to take full advantage of this important contribution to your account.

Contribution Example for Sally Smith

When you contribute:	It equals this dollar amount:	Your net pay is reduced by:	You get a match of:	Your total contribution is:
2%	\$115.38	\$87.69	\$57.69	\$173.07
4%	\$230.77	\$175.39	\$115.38	\$346.15
6%	\$346.15	\$263.08	\$173.08	\$519.23

Examples of pre-tax savings and contributions are based on \$150,000.00 annual wages, use of the standard deduction with 0 exemptions and Single filing status, bi-weekly pay periods, and amounts rounded to the nearest dollar. Your actual out-of-pocket cost may differ.



Tax-deferred compounding can help your account grow

The money in your account, including any earnings, accumulates tax deferred. That allows your account to grow more than if it was reduced by taxes. Over time, that could make a significant difference in your account balance, as the chart below illustrates.

Savings Example for Sally Smith

	2%	4%	6%	8%	10%
In 5 years	\$25,509	\$51,011	\$76,513	\$102,016	\$127,518
In 10 years	\$58,239	\$116,470	\$174,701	\$232,932	\$291,163
In 20 years	\$154,151	\$308,289	\$462,426	\$616,564	\$770,702
In 30 years	\$312,119	\$624,216	\$936,313	\$1,248,410	\$1,560,507

Assumes 5% investment return and balance of \$5.00 (as of 12/31/2019). This investment return is hypothetical. Assumes deposits to your retirement account at the end of each month.

Investing in your plan is easy

The great news is that much of the investment work has already been done by your employer. They have selected Stonewall Bank and Trust to provide important plan and investment options.

- Mutual funds are investments available in your plan. These funds offer automatic diversification. They may hold thousands of individual investments. This spreads the risk around. Even if one investment does poorly, others may take up the slack.
- Asset allocation helps you manage risk. It takes diversification one step further by spreading your money over different asset classes. Spreading your money over different assets can help balance risk because different types of investments may do better in different market conditions- stocks may thrive while bonds languish, and vice versa. You can learn more about asset allocation on the web at www.ABCcompany.com.



Don't Delay! Start Today!

Four reasons to invest today!

- **Employer match**
- **Tax advantages**
- **Exceptional convenience**
- **Your future is worth investing in!**

We all know we need to save for retirement. Your plan gives you the opportunity to invest in your future. So what are you waiting for? Get started today by taking any of the easy steps below:

- ***Enroll online***

Log into the website to enroll into your plan.

- ***Get more information online***

Log onto www.ABCcompany.com and learn more about how your plan works and what investment options are available. Calculators and other easy-to-use planning tools will help you understand your options, make informed decisions, and guide you step-by-step through the enrollment process.

- ***Get more information by calling 888-123-4567***

To receive more information or to talk to a customer service representative about your plan, just call 888-123-4567 (M-F between 8 am to 7 pm EST).

- ***Call our Voice Response Unit***

Follow the simple instructions at 888-228-6964.