ABC Sample Company
123 State Street
Albany, NY 12203

000003
Jack Smith
33 July Road
Glenville, NY 12334

RETIREMENT INCOME SNAPSHOT

ARE YOU ON TRACK TO REACH YOUR RETIREMENT GOALS?

This Retirement Income Snapshot has been prepared exclusively for Jack Smith. To help with your retirement planning, we calculated your projected assets and income from the ABC Sample Company. The good news is that you are participating in the plan - a great start toward investing for retirement. However, this snapshot reveals that *you may not have enough money to retire* when you reach the age of 65.

Jack, you may not meet your retirement goals.

RETIREMENT PROFILE

Name:	Jack Smith
Date of birth:	01/01/1979
Current deferral percentage:	3%
Approximate annual salary:	$60,000.00
Retirement age:	65
Hypothetical investment return:	6%
Employer's match:	$0.50 per $1 up to 10% of pay.

Potential Retirement Income Shortfall: **$573.51 per month**
(see inside for details and suggestions)

PNC BANK

YOU CAN REACH **HIGHER GOALS**

The retirement income snapshot for Jack Smith shows a potential shortfall in retirement income.

HERE'S YOUR RETIREMENT INCOME SNAPSHOT

- To maintain your current lifestyle in retirement, some advisors say you will need about 80% of your current income or $4,000.00 in monthly income.
- At your current 3% contribution rate and assuming a 6% return on your investments, both before and during retirement, your account balance would be $230,236.63 at age 65. (Assumes an existing account balance of $20,120.00 as of 12/31/2019.)
- That balance would generate monthly payments of $1,649.49 which, with an estimated monthly Social Security benefit* of $1,777.00, would produce total monthly income of $3,426.49 (assumes you will deplete your retirement assets over a 20-year period).
- This means you may have a shortage of $573.51 in monthly income during your retirement.
- Keep in mind that these illustrations do not consider any investments you may hold outside of the ABC Sample Company.

YOUR RETIREMENT INCOME ANALYSIS

Monthly Retirement Income Required

(80% of current income)

$4,000.00

Social Security*
$1,777.00

Retirement Plan
(assumes a 20-year payout and a 6% return)
$1,649.49

Jack's Gap
$573.51

*Estimated Social Security benefits are calculated from the Social Security website - https://www.ssa.gov/oact/quickcalc

IT'S UP TO YOU

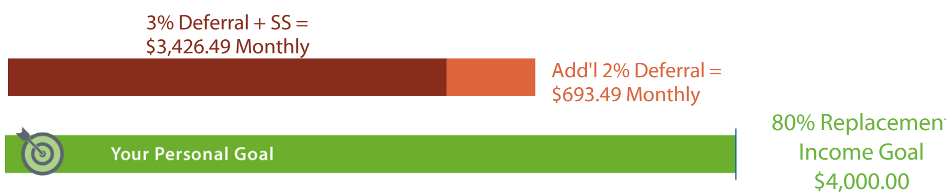
Here's the good news. You have control over your retirement planning. There are a number of steps you can take to potentially help close the "gap."

STEPS TO CONSIDER

STEP 1

Increase your contribution to 5%. By participating in the ABC Sample Company, you have taken an important first step in securing your financial future. Now may be the time to weigh an equally important second step, increasing your contribution level to help close your retirement "gap."

Your retirement plan contribution level is 3%. Increase that rate to at least 5% and you may be able to close the "gap." Since your contribution is made on a pre-tax basis, the approximate reduction in your weekly take home pay is an additional $44.99. Assuming a 6% return on your investments, the difference in the growth of your retirement plan nest egg could be dramatic. That change may mean an additional $96,798.20 in the amount you have available at retirement and add more than the $573.51 monthly retirement income needed to close your "gap." (The actual contribution required to close your "gap" is an estimated 4.65%, but the plan can only accommodate whole percentage contributions.)



Notes: This assessment does not take into account other resources you may have for retirement (e.g., your home, a spouse's or partner's retirement plan or assets, etc.). As a result, it may not reflect your actual retirement preparedness.

Our illustration of your retirement income includes your employer's matching contribution. Changes to your retirement plan's matching formula will have an impact on these projections.

STEP 2

Change how much income you'll need at retirement. Our assumption is that you'll need 80% (most financial planners suggest a range between 70%-90% of your pre-retirement income). You'll have a better chance of reaching your goal if you determine you can live on less than 80%.

LOWERING EXPECTATIONS AND INCREASING DEFERRALS

Replacement Income	Target balance*	Current 3% contribution	5% (current plus 2%)	7% (current plus 4%)
80%	$310,288	$230,237	$327,035	$423,833
75%	$275,393	$230,237	$327,035	$423,833
70%	$240,498	$230,237	$327,035	$423,833

* The target balance is the amount you should have in your account at retirement to meet your income objective. Your income objective is 80% of your current income. Your target balance declines when you have a lower replacement objective. This illustration assumes that, once you reach the pre-tax contribution limit, you continue to contribute the suggested percentage on an after-tax basis to other investments outside of your plan, such as a traditional or Roth IRA.

STEP 3

Extend your retirement age. By working a few years longer, you can extend the period during which you invest for retirement, and reduce the amount you will need for retirement (since the period you will be retired is shorter).

DEFERRING RETIREMENT AND INCREASING DEFERRALS

Retirement Age	Target balance*	Current 3% contribution	5% (current plus 2%)	7% (current plus 4%)
65	$310,288	$230,237	$327,035	$423,833
66	$302,004	$247,213	$351,831	$456,450
67	$293,209	$265,236	$378,157	$491,079

* Your target balance declines as you get older because you will spend fewer years in retirement. Plus, your Social Security benefit may be higher. This illustration assumes that, if you reach the pre-tax limit, you continue to contribute the suggested percentage on an after-tax basis to other investments outside of your plan, such as a traditional or Roth IRA.

STEP 4

Consider changing your asset allocation. Asset allocation refers to how you invest your retirement account. Generally, if you assume greater risk, you can expect, over time, a greater return – and therefore a larger account balance when you retire. But the decision to take on more risk in the hope of generating a greater return should be approached carefully, and there is no guarantee that riskier investments will always produce larger returns.

And remember that your retirement income snapshot does not take into account any resources you may have outside of your company-sponsored retirement plan (IRAs, spouse's or partner's income, pension, other investments, etc.).

TAKE ACTION TODAY!

A comfortable retirement can be within range if you close the "gap."

Consider using a combination of the steps we've described to reach your retirement goals.