07/25

Transamerica℠

Save today for a brighter tomorrow

Build wealth through your retirement plan

Among the ways to build wealth for retirement, your workplace retirement plan is one of the most powerful vehicles available. Through automated features, potential tax advantages, and different ways to invest your savings, it offers an easy way to set money aside for the future.

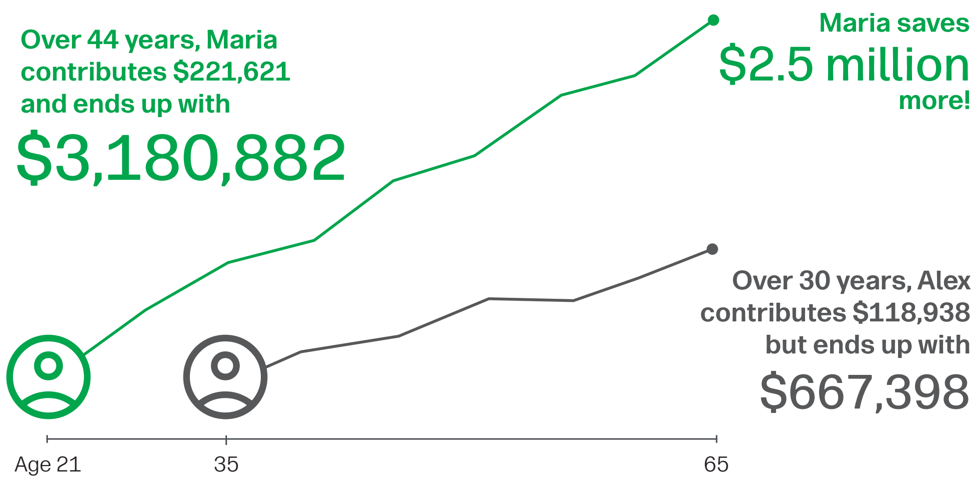
Don’t wait to start saving

Consider this hypothetical scenario: Maria and Alex are twins who start working for the same company when they turn 21 years old. They each make $50,000 per year and plan to retire at 65, but Maria decides to start saving 5% of her pay immediately while Alex waits until she is 35 years old. They each earn 8% annual investment growth and receive 3% annual salary increases.

After 44 years of saving (**$221,621 in contributions**), Maria ends up with an account balance of **$3,180,882**.

Getting a later start, Alex ends up saving for 30 years (**$118,938** in contributions) and retires at 65 with an account balance of **$667,398**.

By starting to save much earlier in her career, Maria ends up with more than **$2.5 million** more than Alex.*



The 21-year-old contributed a modest $102,683 more and ends up with $2.5 million in additional assets.

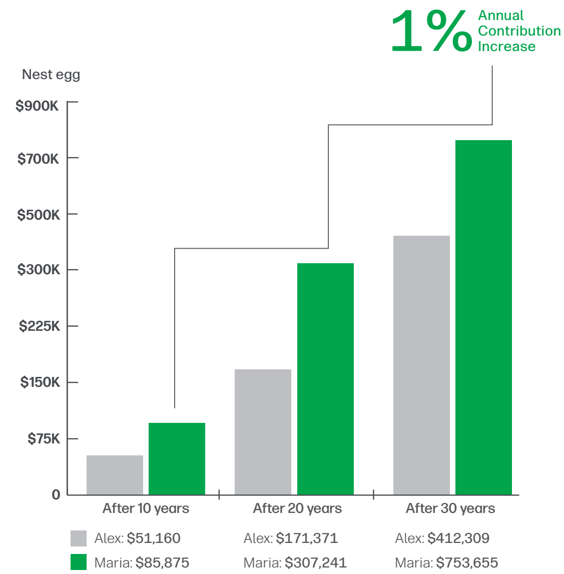
*Hypothetical scenario that does not reflect any specific investment strategy. **Bankrate.com/retirement/401-k-calculator/**

The 1% difference

Let's look at another hypothetical using Maria and Alex, but we'll assume they both start saving in their workplace retirement plan at 35 years old with the goal of retiring at 65. However, Maria decides to raise her contribution rate by 1% each year until it reaches 10%, while Alex keeps her savings rate unchanged at 5%.

This results in Maria saving 10% of her pay for the last 25 years of her career, while Alex saves 5% consistently.

When they retired at 65, they decided to compare retirement account balances. Maria had a nest egg of **$753,655**, while Alex had **$412,309**, a difference of more than **$340,000**.



Source: dinkytown.net

A brighter future awaits

Enroll in your workplace retirement plan today! Visit **transamerica.com/portal** to get started.

Make every dollar count and consider increasing your retirement plan contributions today! Visit **transamerica.com/portal** to get started.

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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