Good morning/afternoon. My name is _____ and I am a _____ with ABC Bank.

(Take a moment to point out the enrollment kit materials and make sure everyone has a planning guide, investment guide, calculator, plan highlights and fund profiles)

I’d like to start off with a show of hands. How many of you have made a major purchase recently, such as a car, house, or major appliance? Maybe a home improvement? How about a smaller purchase, such as shoes, or a video rental? Let’s face it – there are a lot of things out there competing for our hard-earned dollars.

Well, today we are going to talk about the single largest purchase you’ll make in your lifetime – your retirement! Does that make you a little nervous? Don’t be!

I’ll make you a promise: if you invest some of your time and energy

Reinventing Retirement

Reinventing Retirement®

- Your 401(k) “Purchase Plan”
- Finding the Money to Save
- The Price of Your Retirement
- How Social Security Fits In
- It’s About Time
- Investing Basics
- Enrolling in Your Plan

1

Today we will be covering the basics of retirement planning and investing. We’ ll start with talking about the features and benefits of your company’ s 401(k) plan…

Then, we’ ll talk about finding the money to save – or to increase your current contribution…

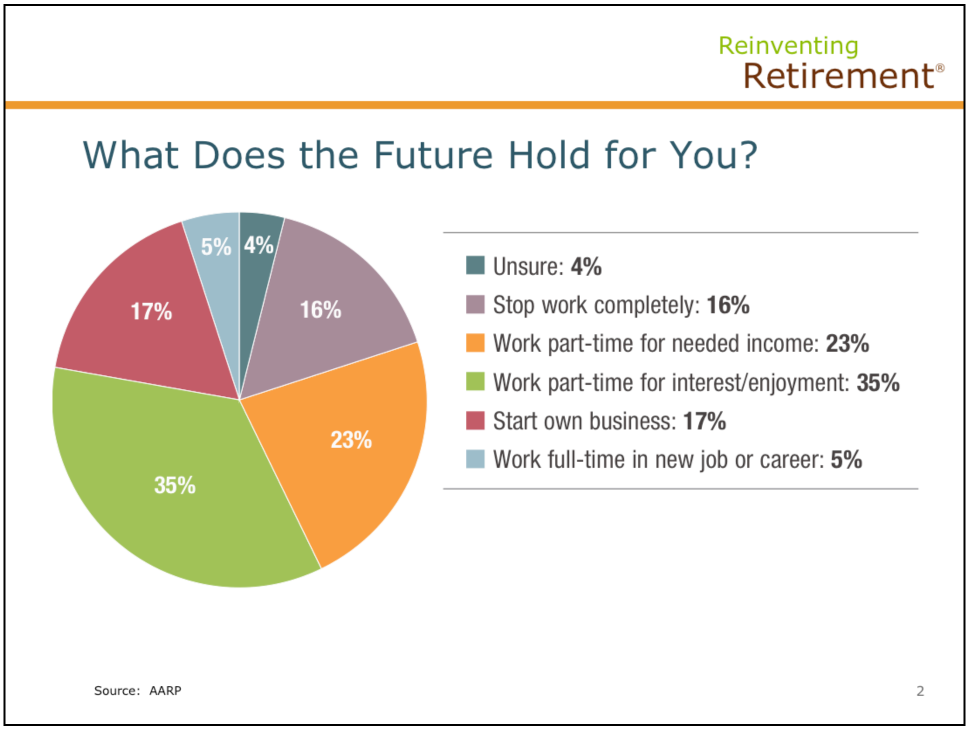
We’ ll briefly cover some rules of thumb as to how much you should be paying for your retirement…

Next, we’ ll take a look at how Social Security benefits will factor into your retirement income…

We’ ll then spend some time on time. You’ ll get a very good idea of how the power of time can greatly improve your chances of having a comfortable nest egg at retirement – if you start early and save hard!…

We’ ll then move on to the basics of investing – the types of investments you have to choose from, and the importance of diversification in your investing strategy…

Finally, it will be time to make your purchase – by enrolling in your Plan!

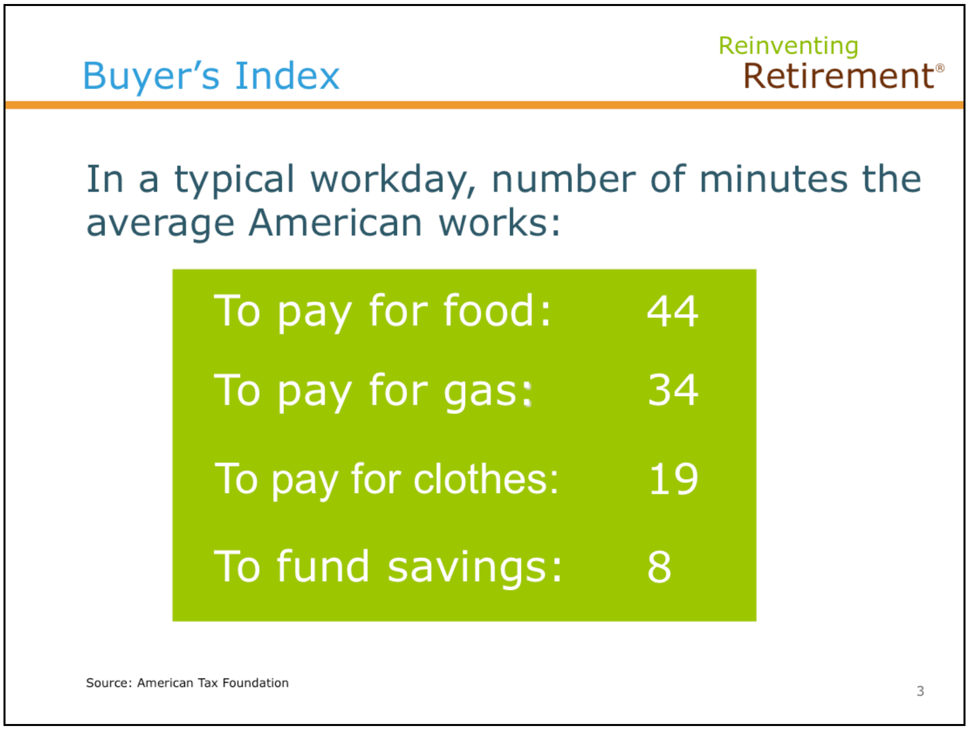


I'm sure you will agree that most purchasing decisions are driven by a goal: to get the best deal possible for yourself. So what is the best retirement deal possible? What do you want to do in retirement?

(Respond favorably to a few answers)

Retirement is going to mean something different for everybody here. In fact, a recent survey by AARP (American Association of Retired Persons) found that 80% of baby boomers plan to continue working in some way once they "retire."

For many people, the freedom to explore new challenges during retirement is the best deal possible.



Let’s think about paying for your purchase.

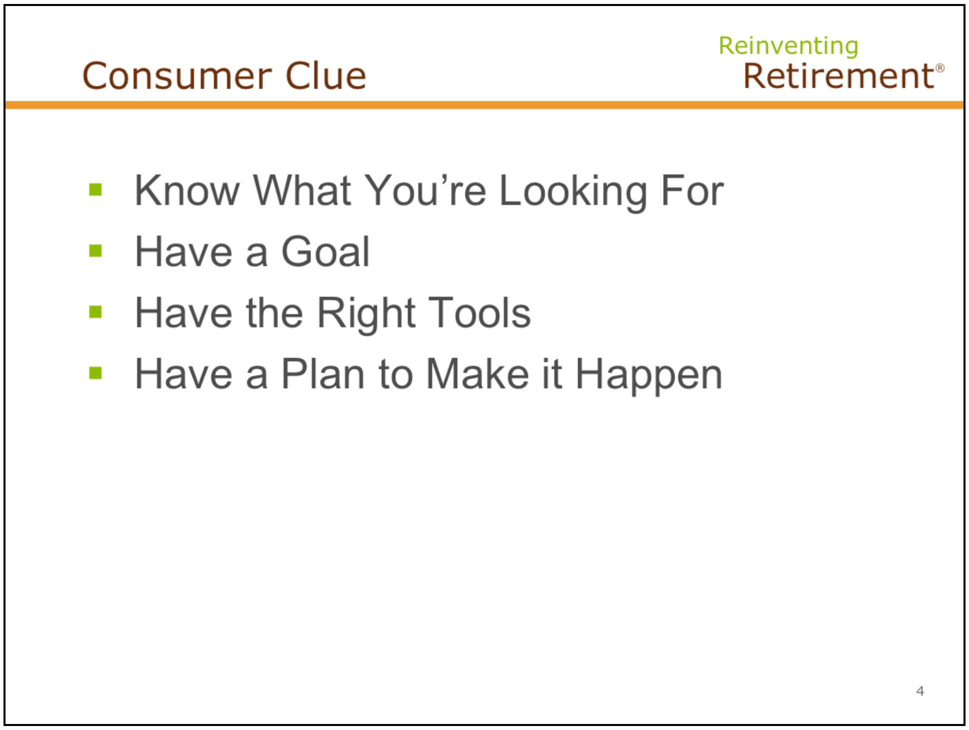
How many of you are currently contributing to your retirement savings plan?

That’s great.

Here are some more fun facts: in a typical workday, the average American works 44 minutes to pay for food… 34 for gas… and 19 minutes for clothes! Now, how many minutes do you think the average American works each day to fund their savings? Any guesses?

The answer is… (click mouse to show answer on screen)… *only 8 minutes*! Think about that. Wouldn’t Monday morning be a lot more fun if you knew you were spending more of it earning money for your dream retirement?

Now, how many of you are ready to increase your contribution right now to help those retirement dreams become real?



You know, purchasing your retirement is not all that different from purchasing a car or a home, or any other "big ticket" item. You do really well when you know what you' re looking for, when you have a goal, when you have the right tools, and when you have a plan to make it happen.

The Payment Plan

Reinventing Retirement®

- Automatic Payroll Contributions
- You're In Control
- Pre-Tax Savings Power

5

Because your retirement will be the largest purchase of your lifetime, it's going to require a very special kind of payment plan. Your 401(k) is a key benefit offered by your employer and it offers you one of the easiest ways to save for your retirement future.

We'll start off with an overview of the features and benefits of your Plan that can help you to get the best retirement deal for yourself.

AUTOMATIC PAYROLL CONTRIBUTIONS

The first valuable benefit is automatic payroll deductions. Your 401(k) plan allows you to save money each pay period up to annual limits set by the IRS.

(By the way, later in this presentation we'll talk about the new increased annual limits that went into effect this year).

Your contribution is automatically deducted from your paycheck before

Comparison Shopping

Reinventing Retirement®

Amanda's 6% Pre-Tax Savings Strategy		Jake's 6% After-Tax Savings Strategy
$25,000	Annual Pay	$25,000
-$1,500	Pre-tax Contribution	$0
$23,500	Taxable Pay	$25,000
-$3,525	**Federal Income Tax***	**-$3,750**
$225	Tax Savings	$0
$0	After Tax Contribution	-$1,500
$19,975	**Take-Home Pay**	**$19,750**

*Assumes a 15% flat federal tax. State and local taxes are not included

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Today's retirement shoppers are Amanda and Jake. Each earn $25,000 per year, and both save 6% of their pay ($1,500) each year for retirement. Amanda saves through her 401(k) plan, so her contribution goes directly into her account pre-tax. Jake saves on his own, so he cashes his paycheck and puts away after-tax money in a savings account at his bank.

By saving through her 401(k) plan, Amanda gets *a better tax deal*. She lowers her taxable income, which means she pays less tax. In this example that translates into an annual tax savings of $225! Actually, she is only out-of-pocket $1,275 in order to save $1,500. ($1,500 - $225 = $1,275). Does everyone see how this works? (encourage people to speak up if they don't)

The Payment Plan

Reinventing Retirement®

- Automatic Payroll Contributions
- You're In Control
- Pre-Tax Savings Power
- Tax-deferred Growth

7

By saving through your 401(k), you also benefit from tax-deferred growth. As your retirement account grows, you pay no taxes on any earnings until you begin to withdraw your money. This powerful feature is known as tax-deferred compounding. Investments with earnings that are tax-deferred have the potential to grow faster when they are not being "hit" by taxes each year. Tax-deferred compounding can give a significant boost to your retirement account balance! Let's return to Amanda and Jake to see what happens to their money after it gets deposited in their accounts

Comparison Shopping

Reinventing Retirement®

Amanda (earns 8% in her 401(k))		Jake (earns 8% but has to pay taxes first)
Pre-Tax Account Balance	**Year**	**After-Tax Account Balance**
$23,468	10	$21,926
$43,468	15	$39,642
$74,134	20	$64,258
$118,432	25	$98,462
$183,519	30	$145,988
$279,153	35	$212,026
$419,672	40	**$303,785**

*Assumes a 15% flat federal tax. State and local taxes are not included

8

Here you see the growth of their account balances, each earning a hypothetical rate of return of 8%, over a 40-year period. The big difference is that Carl is paying taxes on his earnings along the way, and Sally is deferring taxes until retirement.

Now, here are 2 important questions for you to consider:

Which Balance Do You Think Would Potentially Provide You With The Most Income During Retirement? And…

Which Balance Do You Think Would Potentially Last longer During Retirement?

Raise your hand if you vote for Sally' s balance. Good!

Consumer Clue

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Amanda		Jake
$419,672	Account Balance	$303,785
$20,984	Annual Withdrawal	$15,189
-$3,147	Less Taxes @15%	$0
$17,836	**Money To Dream with Each Year**	**$15,189**

*Assumes a 15% flat federal tax. State and local taxes are not included

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Let's take a look at the difference tax-deferred compounding can make in terms of Amanda's retirement income. Assume that upon retiring, both Sally and Jake decide to divide up their account balance into 20 equal withdrawals. They plan to take one withdrawal each year over a 20-year period. Why 20? That's because most people can expect to live another 20 years, on average, during retirement.

As you can see from our hypothetical example, even after paying taxes on each withdrawal Amanda has almost $2,600 more each year for pursuing retirement dreams! Does everyone see how this works? (encourage people to speak up if they don't; also, call their attention to the disclaimer and note that while this is a very hypothetical and "assume for the sake of argument" example, it does reinforce the concept that long-term, tax-deferred growth can make a significant difference in your retirement income)

The Payment Plan

Reinventing Retirement®

- Automatic Payroll Contributions
- You're In Control
- Pre-Tax Savings Power
- Tax-deferred Growth
- Company Match

10

(OPTIONAL SLIDE - Use this space for notes about specific company match details, if one is offered). The important concept here is that the company match is like getting "free money." By not contributing enough to get the full match, you're leaving money on the table.

Finding the Money to Save

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- Too many expenses
- Struggling to make ends meet
- Need a new car
- Taking care of parents

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Now that we're sold on the benefits of your company's 401(k) Plan, let's take a look at coming up with the money to contribute…or better yet, to increase your contribution.

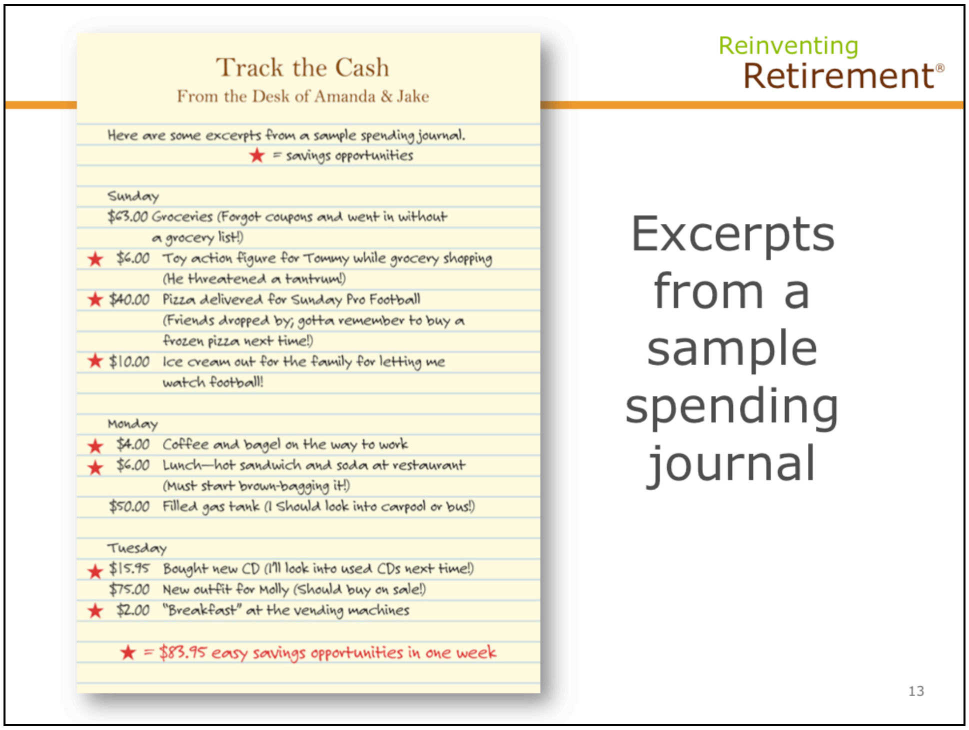
(Ask for reasons why they can't afford it, or review previously given responses. Acknowledge these are real concerns.)

Let's face it, there are a lot of obstacles to saving for retirement. Couples who work or single parents with young children know that childcare can be expensive. Perhaps you're saving for your teenager's college expenses. Or planning a major purchase, such as a new home or car. Maybe you're supporting an aging parent. Many people struggle just to make ends meet. It may seem impossible to find money to save for retirement.

But the truth is you can. With the right tools, you can discover a number of small savings that can really add up over time.

One of the best things you can do for your finances is to track your daily spending. Find out where all your dollars are going. A video rental or a lunch out may not seem to cost much, but the expense adds up over time. Keep a spending journal for several weeks and evaluate your spending habits. You might be surprised at what you discover!

When you see how you're spending your money each month, you can start to make a budget. A budget will help you define how much money you have available to spend in any one category each month.



Here is a sample spending journal. It's also on page 5 in your workbook.

How many of these entries sound familiar?

Keeping a spending journal is half the battle. Once you become aware of the little ways you spend money without thinking, you can begin to take action.

Shopping without a list can result in buying more than you need.

That daily coffee and bagel add up to $15 a week, or $60 a month that could be going to your retirement savings!

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Turn a Few Small Sacrifices Into a Better Retirement Deal

Give Up	How Often?	Monthly Expense	Value if Invested for 25 Years*
Coffee and bagel	Twice a week	$20.00	$19,147
Lunch out	Twice a week	$50.00	$47,868
Dinner out	Once a week	$100.00	$95,737
Movie Ticket	Once a month	$10.00	$9,574
Video Rental	Once a month	$6.00	$5,754
Vending machine soda	Once a day	$12.00	$11,488

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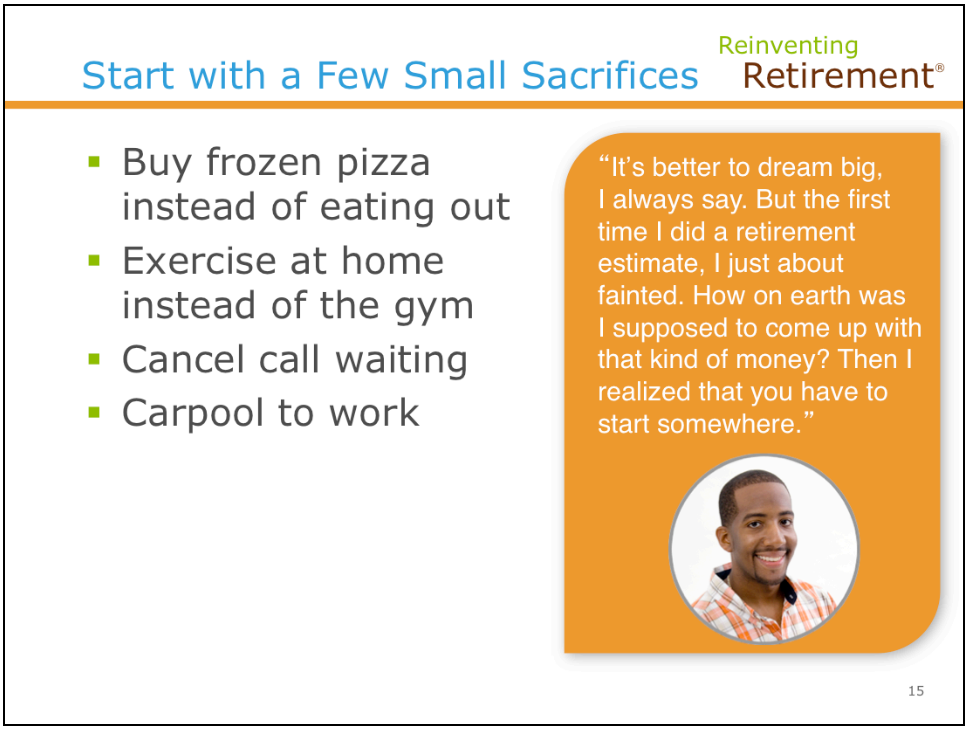
Look how changing just a few spending habits can add up. Going without some of these items over the course of a month can add up to a substantial increase in your monthly contribution.

And if you invest the money you saved for 25 years, you can see how you could potentially get a better retirement deal for yourself.



Here are a few small saving ideas you could try. You may want to make a note of these, and add a few of your own.

(Solicit some additional ideas from audience – ask if anyone has a special saving idea that they would like to share. May want to print out this slide for a handout)

Start with a Few Small Sacrifices

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- Leave the ATM card at home
- Shop for clothes on sale
- E-mail or send letters to long-distance friends instead of calling
- Take your lunch to work
- Shop for groceries with coupons and a list
- Avoid beverages at restaurants (order water instead)
- Return videos on time

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Discover Bigger Savings

Reinventing Retirement®

- Refinance mortgage at a lower interest rate
- Consolidate credit card debt at lowest interest rate available
- Shop for less expensive car insurance
- Consider renting out the spare bedroom (if you're a homeowner)

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Plus, in addition to the small nuggets you can find, there may a few larger expenses you can trim.

Think about your major financial expenses, your mortgage, credit cards, car insurance. There may be ways you could find to save on even one of them. Take a look at these examples:

You might refinance your mortgage at a lower rate;

consolidate your credit card debt at the lowest rate available;

investigate a lower car insurance rate;

or if you' re in a market for a car, buy a used one.

(May want to print out this slide for a handout)

Discover Bigger Savings

Reinventing Retirement®

- Do your homework and buy a good used car (rather than a new car that depreciates quickly)
- Plan on taking a low-budget vacation
- Pay off a car loan or personal loan Put the money into your retirement plan instead
- Use raise or bonus money to increase your retirement contribution

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Consumer Clue

Reinventing Retirement®

- Become Aware of Spending Habits
- Track Spending with a Journal
- Use a Budget
- Pay Yourself First

19

So you see, the truth is you really *can* afford to save more for your retirement.

To summarize, even a little extra a month can add up. The first step is to become aware of how you’re spending your hard-earned money by using a spending journal; making saving for the kind of retirement you want a priority; and living within a budget.

Plus you could try to find smarter ways to handle large expenses. Often there’s a less expensive way if you do some investigating.

Remember our great principle of saving, pay yourself first? Well, it’s a good bit of advice. Take the money you’d normally spend on impulse items and have it deducted from your paycheck. Then you won’t have it to spend on unnecessary items.

You can do it! Finding extra money doesn't mean giving everything up, but it may mean becoming more aware of your finances and living within a budget.

The Price of Your Retirement

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- Do the math
- Revisit calculations annually
- Retirement planning is an on-going process

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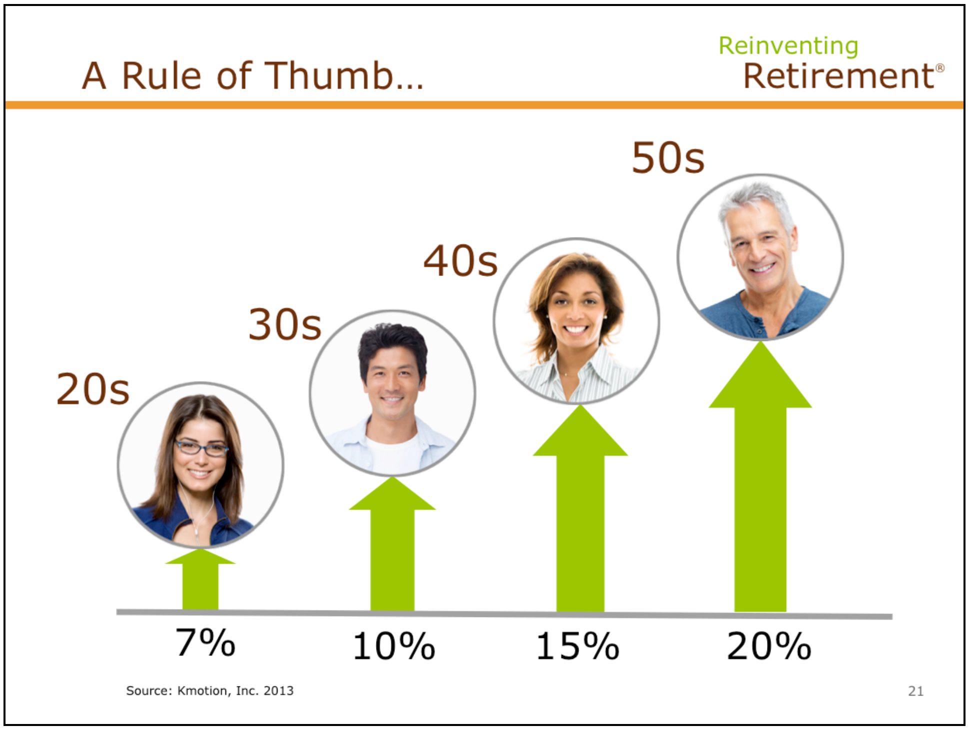
With the many factors to consider, it can be overwhelming to try to figure the exact amount of money you’ll need for your future. Especially when you’re trying to figure out how much you need to save in addition to any Social Security or pension benefits you’re expecting. On pages 6 and 7 of your workbook you’ll find a general worksheet which will help guide you through the process of determining what you will need for retirement, and how much you should be saving to get there. Make a goal to work through this calculation on your own at some point in the near future. It will help you clearly see the valuable role that your 401 (k) Plan can play in funding your retirement future.

It’s also a good idea to file the worksheet away for reference, and revisit the calculation annually as your personal circumstances change.



For now, here's a simple rule of thumb that many financial advisors use to help you determine a starting point:

If you're in your 20's, you may want to think about saving 7% of your salary as a starting point…

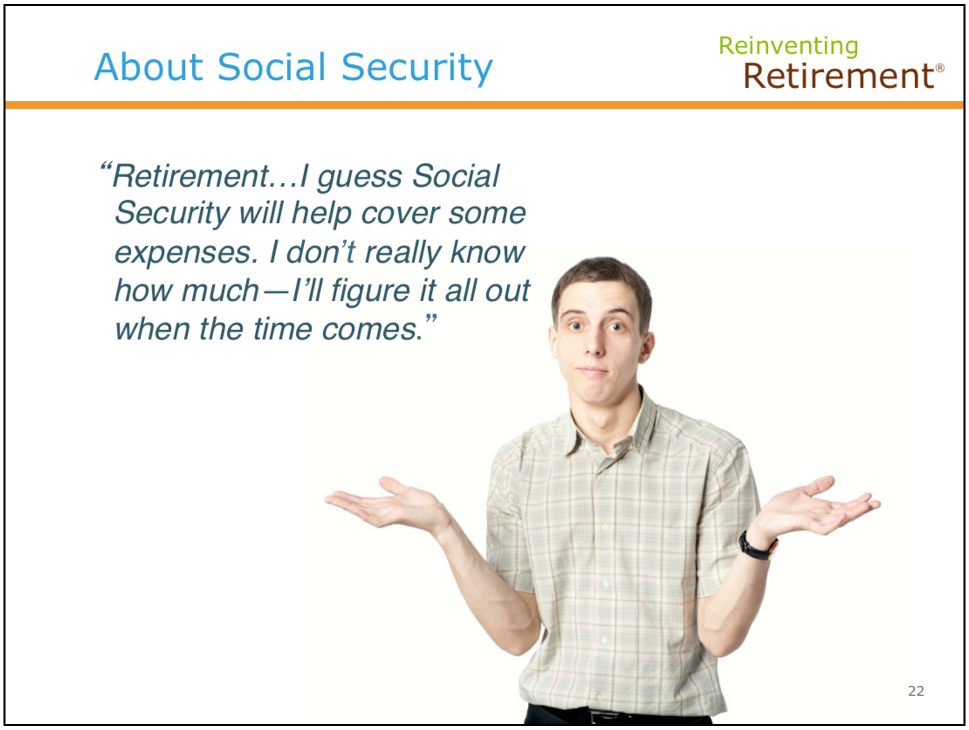
If you're in your 30's…

If you're in your 40's…

If you're in your 50's…

You may be able to save more; or, you may be unable to save this much. Regardless, the important thing is to *start saving as much as you can right now*! And the best way to get started is to save through your 401(k) Plan, with convenient payroll deductions! You may want to make a note of these figures for use later, when you fill out your enrollment form.

Now , to further emphasize why it's so important to start saving as much as you can right now, let's turn our attention to Social Security benefits.



How many people here think Social Security will take care of all your retirement income needs?

How many people here think Social Security will take care of at least half of your income needs?

Well, the truth is, many people have a false sense of what Social Security is about. And that's okay. One thing to keep in mind about reinventing retirement is that it's about staying informed. After all, *knowledge is retirement power!*

Knowledge is Retirement Power

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Average Annual Pay	Approximate Annual Benefit* Age 35	Approximate Annual Benefit* Age 62	Percentage of Annual Pay Replaced by Social Security Age 35	Percentage of Annual Pay Replaced by Social Security Age 62
$20,000	$8,016	$7,104	40%	36%
$40,000	$12,360	$10,272	31%	26%
$60,000	$16,272	$13,452	27%	22%
$80,000	$18,312	$16,620	23%	21%
$100,000	$20,340	$18,312	20%	18%

*Source: Social Security Administration

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Social Security is intended to provide only a minimum level of retirement income to go toward covering the basic necessities: food, shelter and clothing. It was never intended to be your only source of retirement income. The rest will be up to you! Here's a rough estimate of what a 35-year-old and a 62-year-old today might expect in Social Security Benefits, based on current pay. (Note with the audience the income replacement figures and the fact that the more you make, the less money you can expect to receive from Social Security).

Consumer Clue

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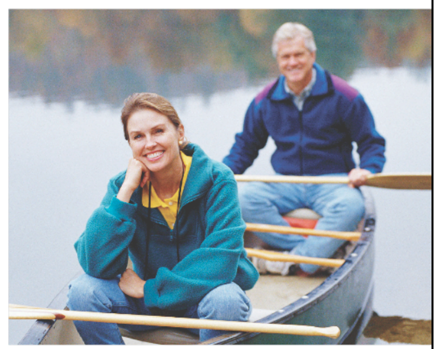
- People are living longer
- Outlook for Social Security is uncertain



People are living longer, healthier lives. In fact, it is estimated that the number of people age 65 and older will nearly double by 2030. If no changes are made, the Social Security Administration estimates that by 2037, the tax income it receives may be able to meet just 72% of its benefit obligations.

Changes are Afoot

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- Full retirement age is being increased
- Increased reduction in benefits at age 62

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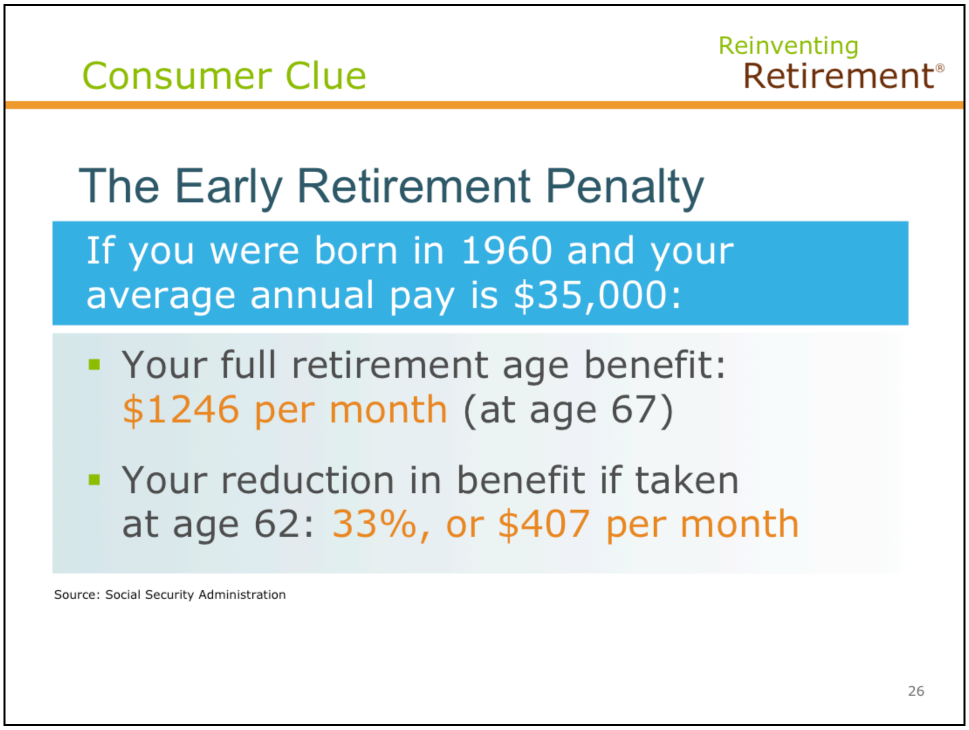
Because of this, the age at which the Social Security Administration considers a "full" retirement age (currently age 67) is being increased in gradual steps starting in 2003. If you were born after 1937, this means that you don't get your full benefit until later than you may have thought! Also, those seeking *early* retirement at age 62 (which is the earliest age you can start receiving benefits) face a continuing reduction in the percentage of Social Security benefits they can draw. You can refer later to the chart on page 9 of your planning guide to get an idea of what you can expect. For now, let's look at an example of a person who was born in 1960.



Let's assume that the average annual pay for our child of the sixties is $35,000. Beginning at their "full" retirement age of 67, they can generally expect a monthly Social Security benefit of about $1,246. (Note that this replaces about 43% of what their monthly pay was before they retired).

But like many people, our person would like to retire early. How would retiring at age 62 affect their monthly benefit?

Their full monthly benefit of $1,246 would be reduced by 33% -- they will be giving up $407 per month! Another way of looking at it is this: by retiring earlier, their Social Security benefit will now only replace about 29% of what their monthly pay was before they retired.

Does everyone see this? (Encourage audience to speak up if they do not)

So, if you think the best retirement deal for you involves retiring early, this is some information you want to keep in mind.

Reinventing Retirement

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Retirement®

- Staying informed — www.ssa.gov
- Taking responsibility for your own financial security
- Planning for retirement *now* - no matter what your age

27

For most of us who want to retire early, or even those of us who want to retire right on time, the reality is this: we'll need to save as *early* as we can and as *much* as we can through our 401(k) Plan!

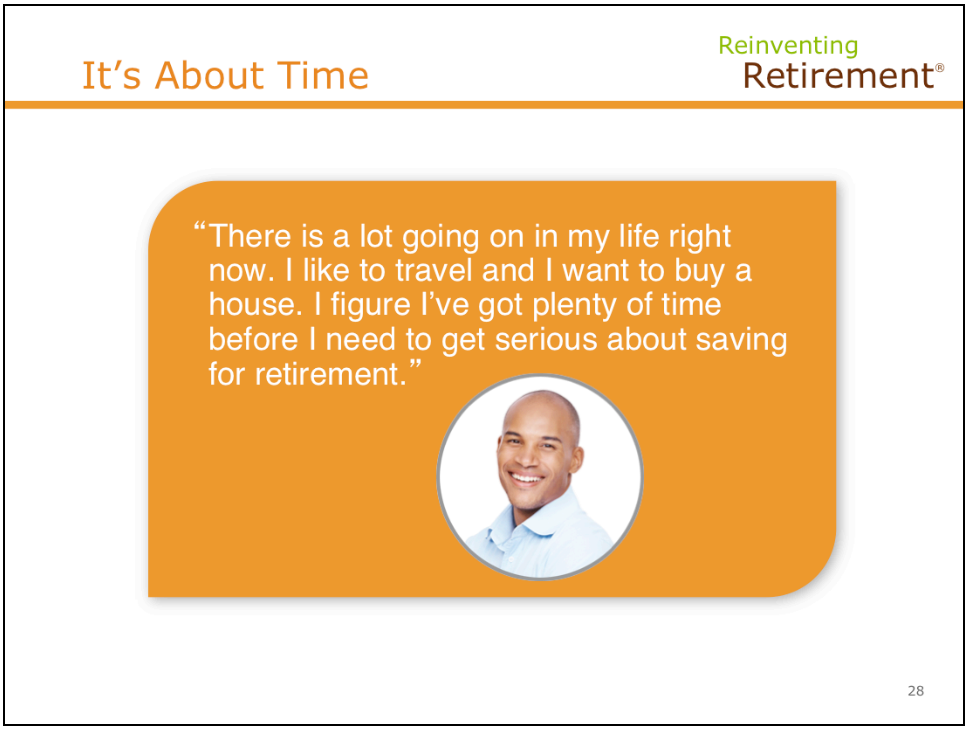
When it comes to Social Security, reinventing retirement is about 3 things…

Staying informed. Make a note of the Social Sec. Website. It's the best way to stay up to date on what's happening. They've got some interactive calculators to help you figure out what your benefit may be when you retire.

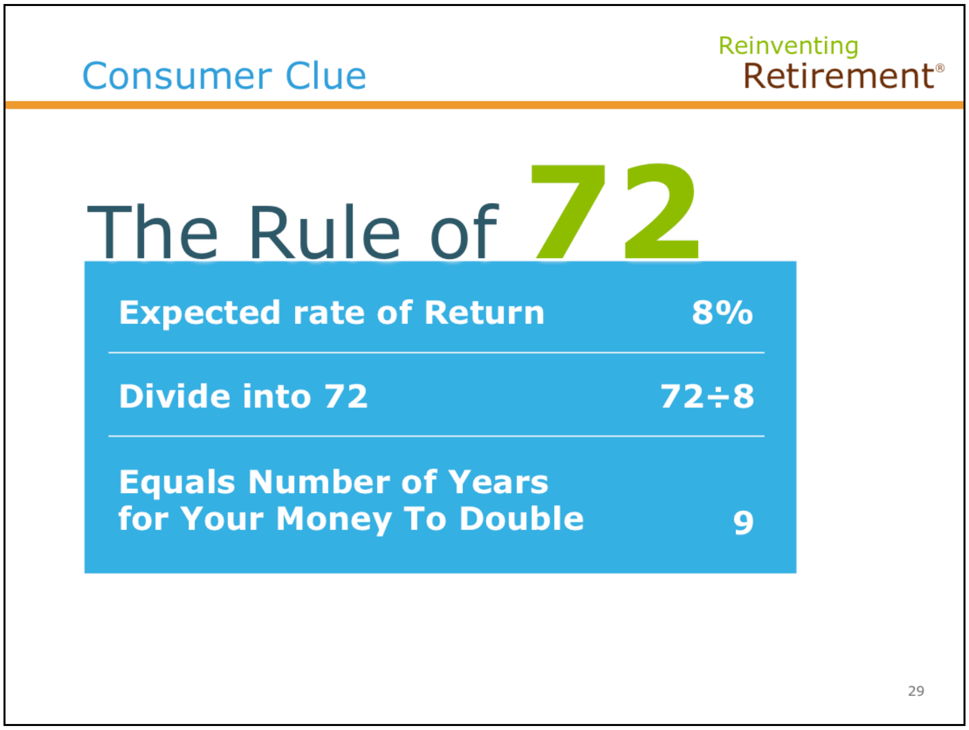
Taking responsibility for your own financial security…

…and planning for retirement NOW, no matter what your age is.

But why is starting to save as early as you can so important?



Many people feel that retirement is a long time away, and that there is plenty of time to get going on a serious savings plan. But don't underestimate the power of time. Time greatly improves your chances of having enough money at retirement. The earlier you start saving, the better retirement deal you can get!



The Rule of 72 is one of the easiest ways to find out what an impact time can have on your savings. It simply calculates the number of years it will take to double your money. Here's how it works:

Take the rate of return you expect to receive on your investment…

Divide it into 72…

The result is the number of years it will take for your investment to double.

This means that in 9 years, a $5,000 investment earning a hypothetical rate of return of 8% would double in value to $10,000. The sooner you start saving, the more "doubling periods" you will have in your remaining working career!

Doubling Your Investment

Reinventing Retirement®

Expected Rate of Return	Years for Investment to Double
6%	12 years
8%	9 years
10%	7 years
12%	6 years

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Let's see how our math is today. Can anybody tell me how long it would take for an investment earning a hypothetical rate of return of 6% to double?

How about 12%?

Does everyone see how this works? (Encourage people to speak up if they do not)

Can You Afford to Wait?

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An Initial $2,500 Investment Will Double Every 9 Years	If You Start At Age:		
Age 22	$2,500		
Age 31	$5,000	$2,500	
Age 40	$10,000	$5,000	$2,500
Age 49	$20,000	$10,000	$5,000
Age 58	$40,000	$20,000	$10,000
Age 67 (Full Retirement Age)	$80,000	$40,000	$20,000
Cost of Missing 1 Doubling Period:		**-$40,000**	
Cost of Missing 2 Doubling Periods:			**-$60,000**

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Assuming a hypothetical annual investment return of 8%, we can use the Rule of 72 to show how time affects the potential growth of an initial investment of $2,500.

As you can see, starting early (in this case, age 22) gets you the best retirement deal. Your investment doubles every 9 years, and by your full retirement age of 67, your money will have doubled 5 times, and your initial $2,500 investment now equals $80,000. If you wait until age 31, you miss out on one doubling period, and your $2,500 has only grown to $40,000 by age 67. And, if you wait until age 40, you miss out on two doubling periods, and your $2,500 has only grown to $20,000. The moral of the story is this: waiting costs you real money. And the longer you wait, the more money it costs you.

Not only that, but there's another thing to consider when thinking about time.

The Impact of Inflation

Reinventing Retirement®

The Impact of Inflation Over Time

Item	1983	2013	2043
Gallon of milk	$1.52	$3.35	$8.13
Postage stamp	$.14	$.44	$1.07
Cup of coffee	$.15	$1.55	$3.76
Gallon of gas	$.66	$3.90	$9.47
Movie ticket	$2.35	$9.00	$21.85
Mid-priced car	$3,579	$25,000	$60,682

Source: 1983 prices are based on the historical Consumer Price Index (U.S. city averages). 2013 prices are based on general averages. Projections for 2043 prices assume a 3% annual inflation rate.

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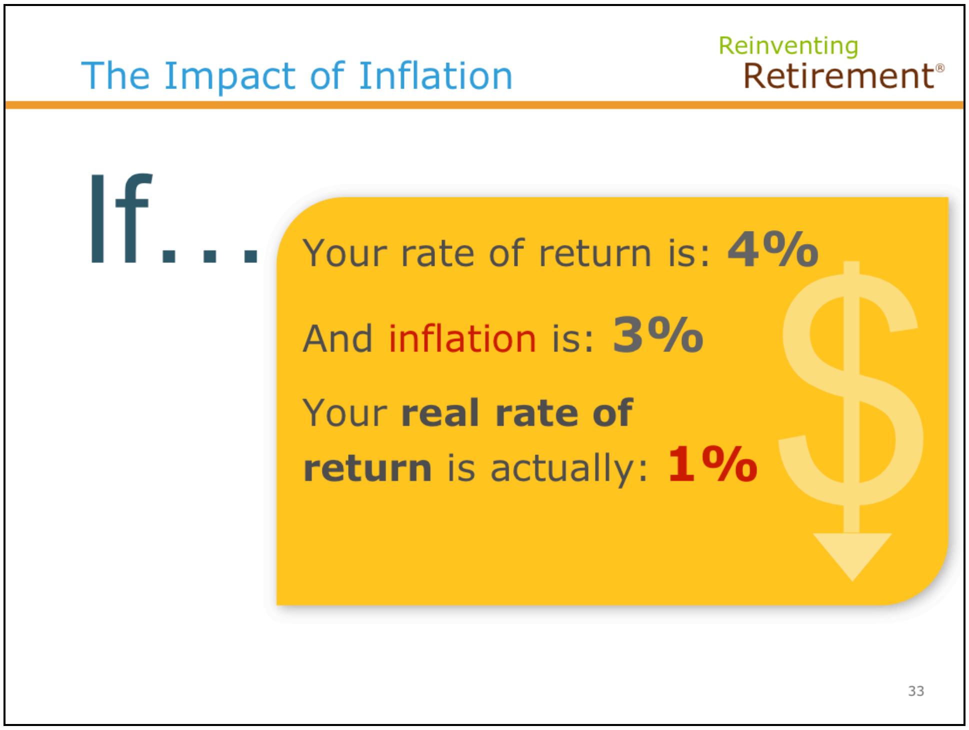
Inflation eats away at your money's purchasing power, and may not buy as much retirement in the future as it does today. After you retire, you will probably be living on a fixed income. Unfortunately, the cost of basic necessities will continue to rise. Here's a chart that can help you reinvent retirement by keeping inflation in perspective.



Not only does inflation affect your buying power, it also has an impact on investment returns. For example, cash-type investments such as U.S. Treasury Bills have earned less than 4% on average over the past few years. Over that same time, inflation has averaged about 3%. That means that the "real" return on cash-type investments (their return after adjusting for inflation) is less than 1%!

Consumer Clue

Reinventing Retirement®

Managing Inflation

- Increase your contribution each year
- Consider investments that have the potential to beat inflation

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So what can you do to help manage inflation? One thing you can do is to consider increasing your contribution each year.

In addition, you may also want to consider investments in your retirement savings account that have the potential to beat inflation, such as stock mutual funds. And speaking of investments, we’re now ready to take a look at investing basics.

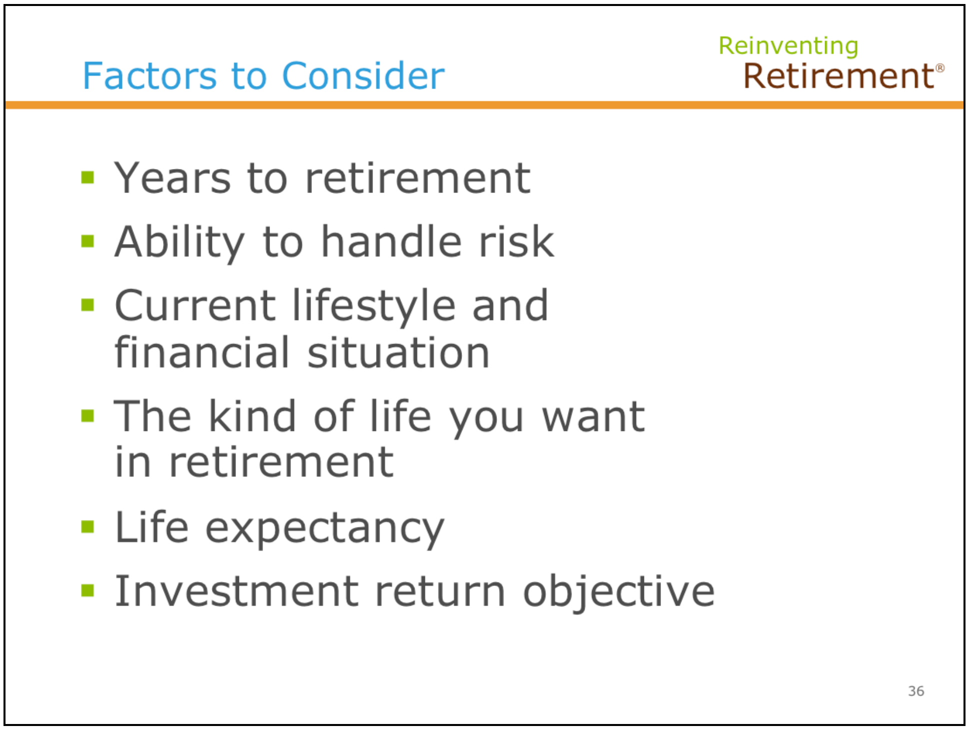
Asset allocation is the process you go through in deciding how to divide up, or allocate, your investment dollars among the various types of investments (called asset classes) offered through your 401(k) plan.

Now that you’ re ready to invest in your retirement future, it’ s important to get a feel for this process. Studies show that how you allocate your money has the greatest effect on your returns.

This guide will take you through the asset allocation process by:

- Introducing you to some common types of investments
- Educating you about the importance of diversification
- Making you aware of your feelings about risk

Reviewing some general asset allocation models to help you visualize your own personal investment strategy



Through your 401(k) plan, you are creating an investment strategy to help you accomplish the financial goals you set for yourself in retirement. Your investment strategy will depend on many factors, such as:

The number of years you have until you'll need the money…

Your ability to handle occasional and unpredictable changes in the value of your investments, also known as your *risk tolerance*…

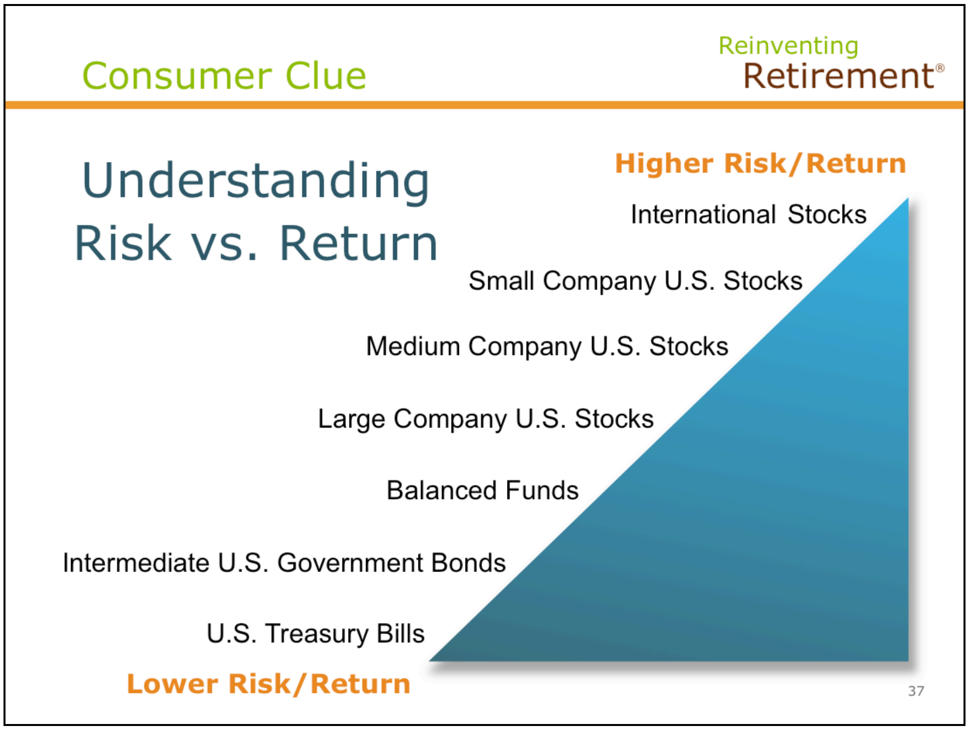
Your current lifestyle and financial situation…

The kind of lifestyle and experiences you wish to pursue during retirement…

Your life expectancy…

Your investment return objectives

The first step in choosing the right investment strategy for yourself is understanding the investment choices offered by your plan and the risks and growth potential connected with each.



Generally speaking, most retirement plans offer these three general types of investments for you to choose from- stocks, bonds and cash equivalents. Here's a look at how they fall in terms of most risky to least risky. One thing to keep in mind about choosing your investments: the greater the risk, the greater the chance for a higher return over the long haul. With less risky investments, you should expect a lower return over time.

Common Investment Choices

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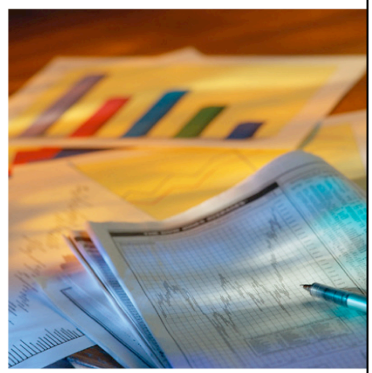
- Stocks
  - —Higher Risk
  - —Higher Growth Potential
- Bonds
  - —Moderate Risk
  - —Medium Growth Potential
- Stable Assets/Cash
  - —Lower Risk
  - —Lower Growth Potential



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STOCKS

The first type of investment we will look at is stock investments.

By investing in stocks, you are actually buying shares of ownership in a corporation. Stocks have the highest potential for growth over the long haul, but also carry a higher degree of risk. Their unpredictable movement up and down in value is called *volatility*. Historically, over long stretches of time, stocks have had a greater rate of return than other types of investments.

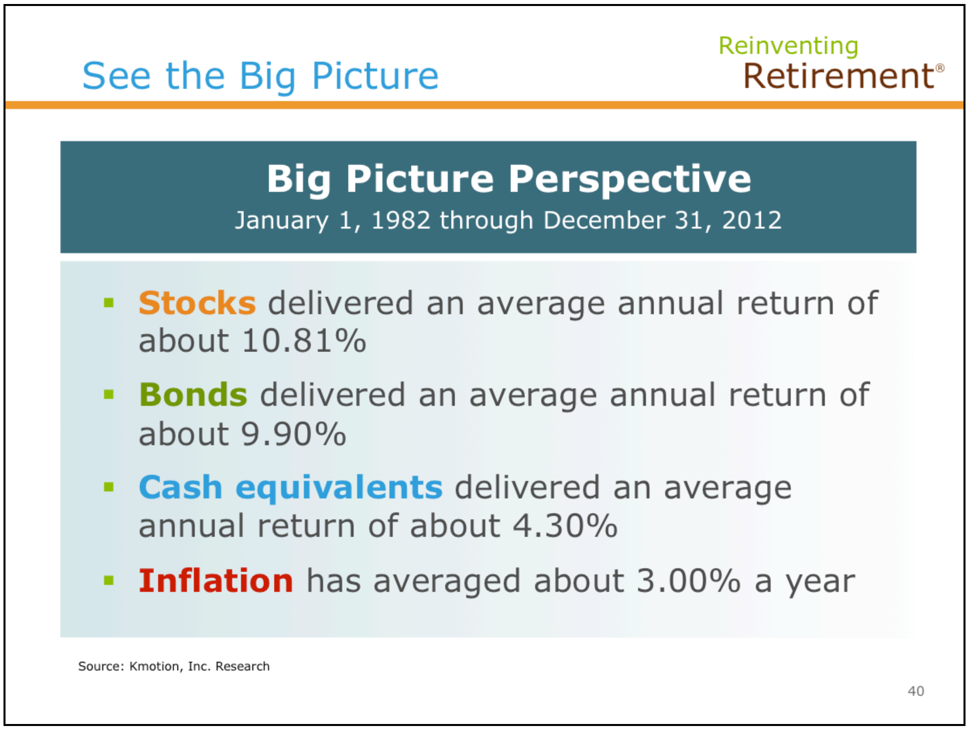
BONDS

By investing in bonds, you are actually "loaning" money to an organization (such as a corporation or the government) in exchange for interest payments. Also called *fixed-income investments*, bonds actually pay either fixed *or* variable interest rates. Principal value may fluctuate up and down, sometimes widely, but ordinarily will not vary as much as stocks.

STABLE ASSETS/CASH

By investing in stable assets (also called *cash equivalents*), your goal is to maintain a steady, or "stable" principal whose value generally does not fluctuate. Examples include money markets, U.S. Treasury Bills, and some investment contracts offered by insurance companies or banks.

Mutual funds make up the majority of investment options within most 401(k) plans. They can be made up of any mix of stocks, bonds, and stable assets. When you invest in mutual funds, your money is pooled together with the money of other investors who have the same, or "mutual" investment goals. Each mutual fund has a team of professional money managers who perform the day-to-day tasks involved in the researching, buying and selling of investments on behalf of the fund.



Here's some big picture perspective regarding the historical performance of our three investment types.

From January 1982 through December 2012:

Stocks delivered an average annual return of about **10.81%**

Long-Term Government Bonds delivered an average annual return of about **9.90%**

Cash equivalents delivered an average annual return of about **4.30%**

And also note that **Inflation** has averaged about **3.00%** a year

One important point to remember: past performance is absolutely no guarantee of future results. You'll see that disclaimer everywhere when talking about historical returns for any investment. But history does reflect the power of time. Keep in mind that investing for retirement is a

Seek Balance

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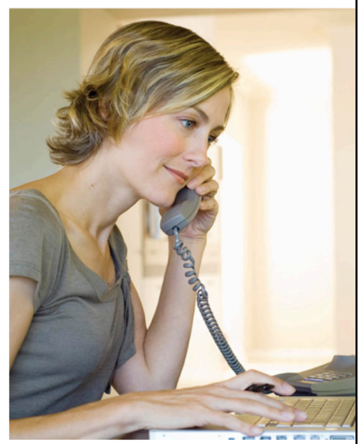
Seek Balance Through Diversification

- Help manage risk
- Diversification within a mutual fund
- A real life saver



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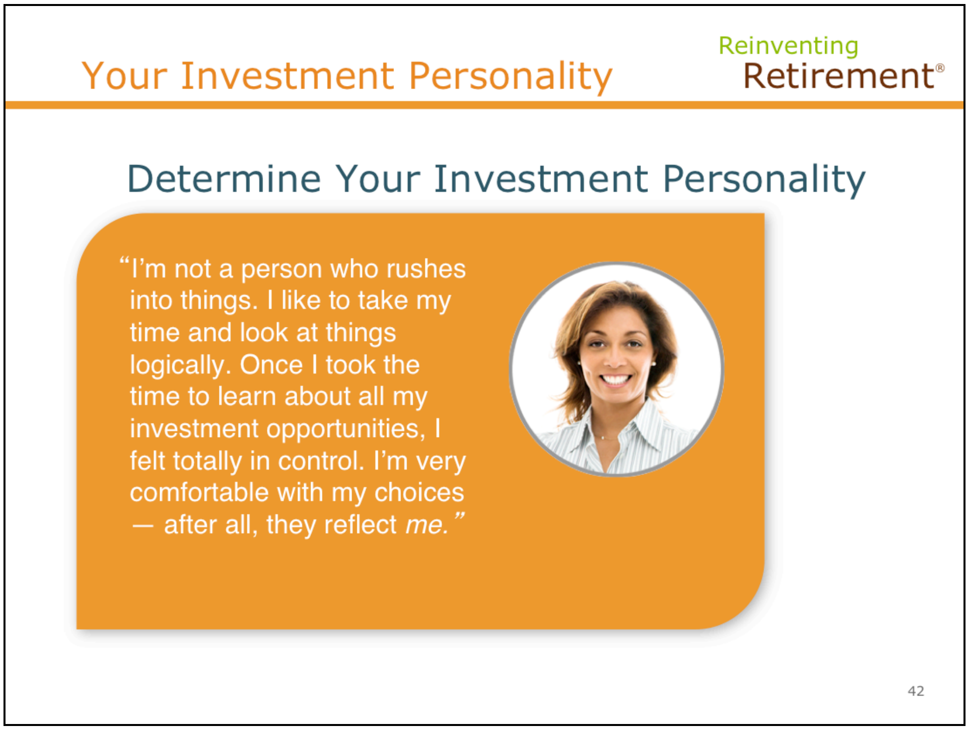
HELP MANAGE RISK

Now I'd like to spend some time talking about diversification. Diversification means spreading your money among several different types of investments in order to balance out the risks. A fancy word but a simple idea: generally speaking, if your dollars are invested in many types of investments, and market conditions cause one of your investments to not do well, all of your money won't be affected.

Diversification can also help with another kind of risk. *Inflation risk* is the chance that your investments won't grow enough over time to keep up with the rising cost of living. What can you do about inflation risk? Well, you may want to consider investments in your retirement savings account that have the potential to beat inflation (such as stocks and bonds).

DIVERSIFICATION WITHIN A MUTUAL FUND

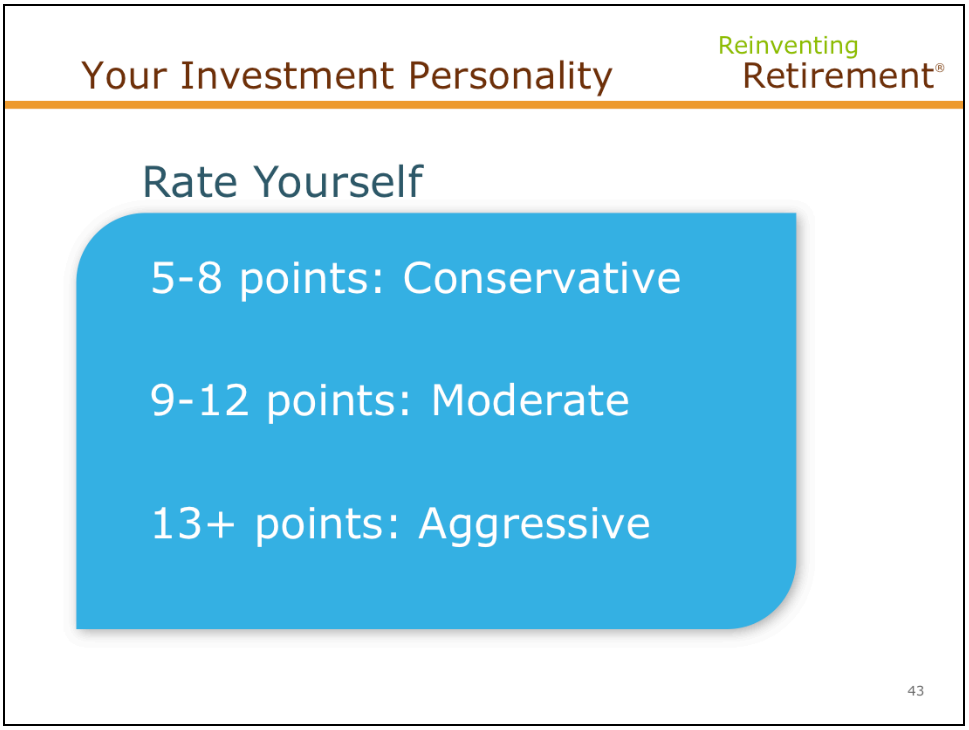
Mutual funds can help provide you with diversification. Let's take stock funds for an example. Investors who choose to make regular 401(k) contributions to a stock fund increase their shares of ownership in a variety of companies that fit that fund's objective. Money may be



Now what I'd like to do is take a few minutes and have us all get a general understanding for how we feel about risk. By considering how long you have to invest and determining how much risk you can handle, you begin to create your own personal investment strategy for your retirement future.

In your asset allocation guide, you will find a brief questionnaire in section number 3. Let's all take a pen or pencil and work through this now.

(Walk through each question verbally, allow time for marking answer, ask them to add up their scores when finished.)

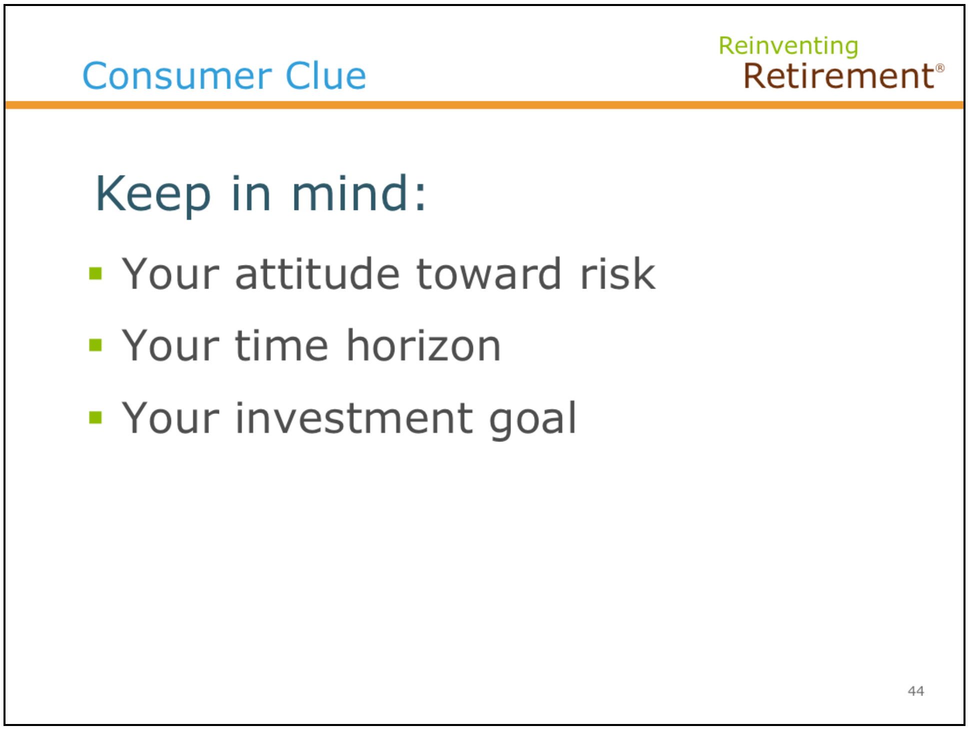


Okay, let’s rate ourselves.

5-8 points: **Conservative**. You’re an investor who likes safety and stability for your money. But remember: not having enough money when you retire is a big risk too! Keep in mind how much time you have until retirement, and the effect that inflation may have on your investments.

9-12 points: **Moderate.** You’re an investor who likes some balance between lower-risk investments and higher-risk investments. Review your situation at least once a year to make sure you’re still comfortable with how you’re dividing up your money.

13 or more points: **Aggressive**. You’re an investor who’s comfortable with taking on the higher risk associated with the chance for higher returns. Review your situation at least once a year, keep in mind how much time you have until retirement, and don’t be afraid to change things around later if you feel uncomfortable.



Remember, these are just some general guidelines to help you understand how you feel toward risk.

When making your investment selections, make sure to keep in mind ALL of the following:

Your attitude toward risk – the amount of risk you can handle to get the returns you need.

Your time horizon – how long until you will need to start taking money out of your retirement plan.

Your investment goal – the amount of money you will need in order to pursue the lifestyle and experiences you wish for in retirement.

Your Investment Strategy

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Match up the following:

- Your years to retirement
- Your risk profile

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Now, let's take a look at section number 4 in the asset allocation guide. This is a guideline to help you choose your investment strategy. Find the asset allocation model that best matches both your risk profile and years until retirement, and circle it.

(Walk them through an example).

Remember, these are just general examples. You may wish to use these models as a starting point to further fine-tune your own individual investment mix.

Does anyone need any help with this?

Congratulations! You now have a solid understanding of retirement planning and investing basics. You’re ready to make your purchase!

But first, let’s do a quick review of where we’re at:

You know about the features and benefits of your 401(k) “Payment Plan”, which include portability (you can take it with you), automatic payroll deductions, pre-tax savings, tax-deferred compounding.

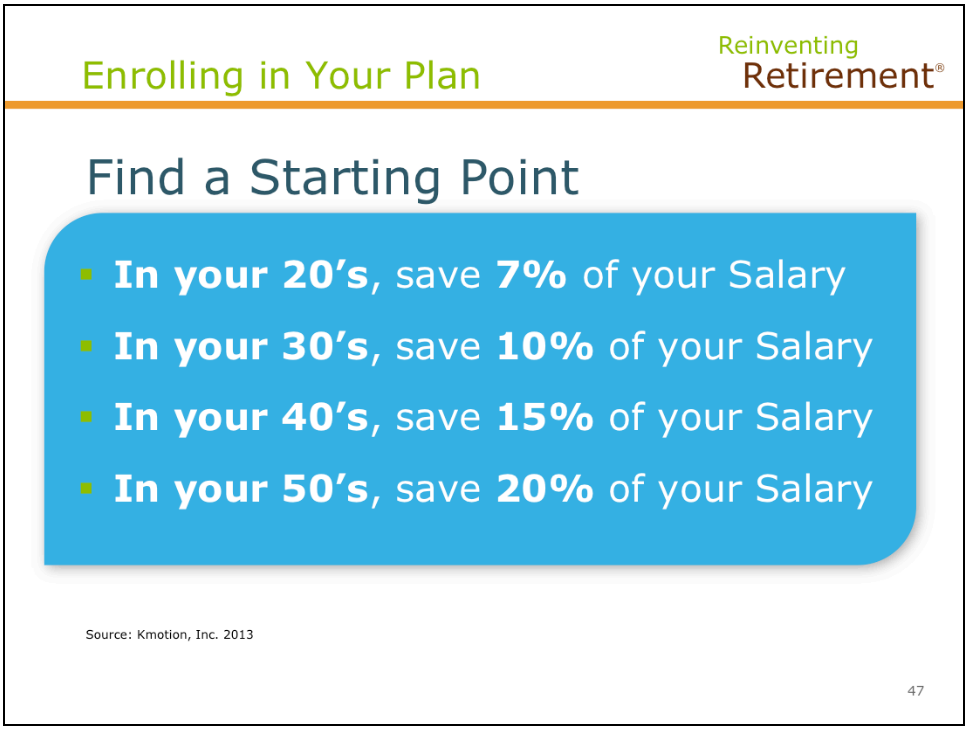
You have some great ideas for finding the money to save – or increasing your contribution.

You have a general idea of the cost of your retirement, and how much you need to start saving today.

You have a better understanding of what you can expect from Social Security.

You know about the effects of time and inflation on your retirement planning.

You understand your investment choices and the importance of diversification in your investment strategy.



Let's now pull out the enrollment form(s) located in your kit.

(Review form)

> When it comes time to determine your contribution, let's just focus on a starting point. We can review our general rules of thumb:

In your 20's, save **7%** of your salary
In your 30's, save **10%** of your salary
In your 40's, save **15%** of your salary
In your 50's, save **20%** of your salary

(If there is a company match, tell them to consider contributing at least enough to receive the maximum of any company match offered).

Or consider starting with something conservative – say 5% of your current salary.

Set a Goal

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A Goal Worth Striving For

Year	Contribution Limit
2013	$17,500
2014+	Future increments will reflect a cost of living adjustment

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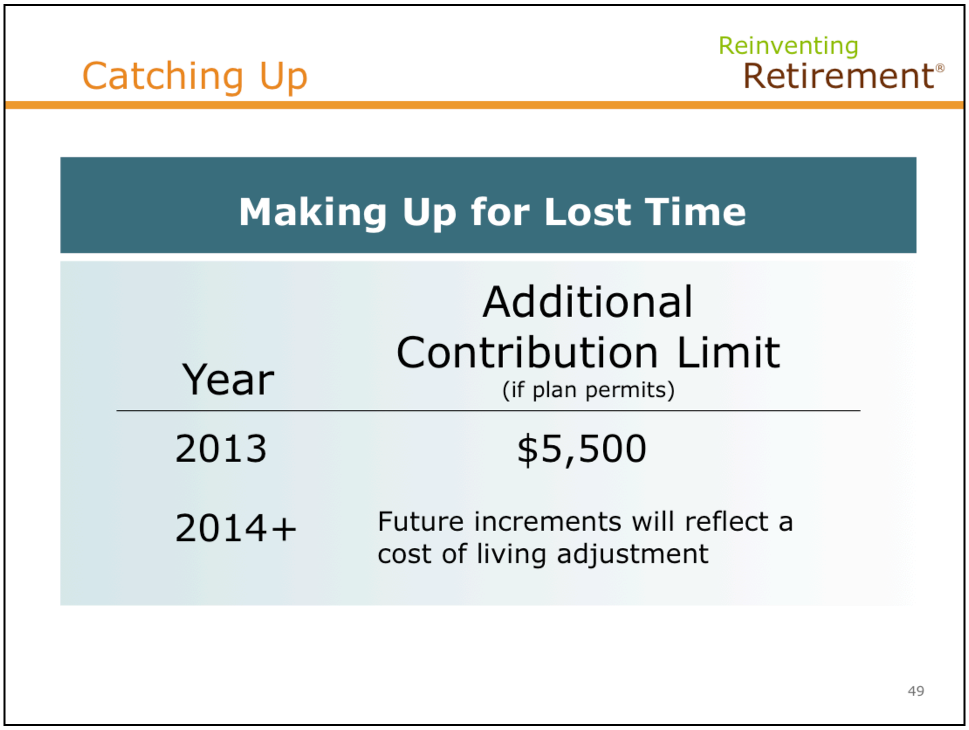
You'll also want to be aware of something else.

In June of 2001, President Bush signed into law the Economic Growth and Tax Relief Reconciliation Act of 2001, which created a number of enhanced 401(k) plan savings opportunities that went into effect in 2002. (RELIEF is the acronym for Restoring Earnings to Lift Individuals and Empower Families).

Consider these figures a goal worth striving for!



(OPIONAL SLIDE)

Also, 401(k) savers who will be age 50 or older by the end of the year are allowed to contribute an extra amount over and above the new annual limits. If you' re over age 50 and find yourself needing to play a little catch-up with your retirement savings, here' s what it can mean for you:

Selecting Your Investments

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Fund Name	Allocation %
....	....
....	....
....	....
....	....
....	....
TOTAL	....

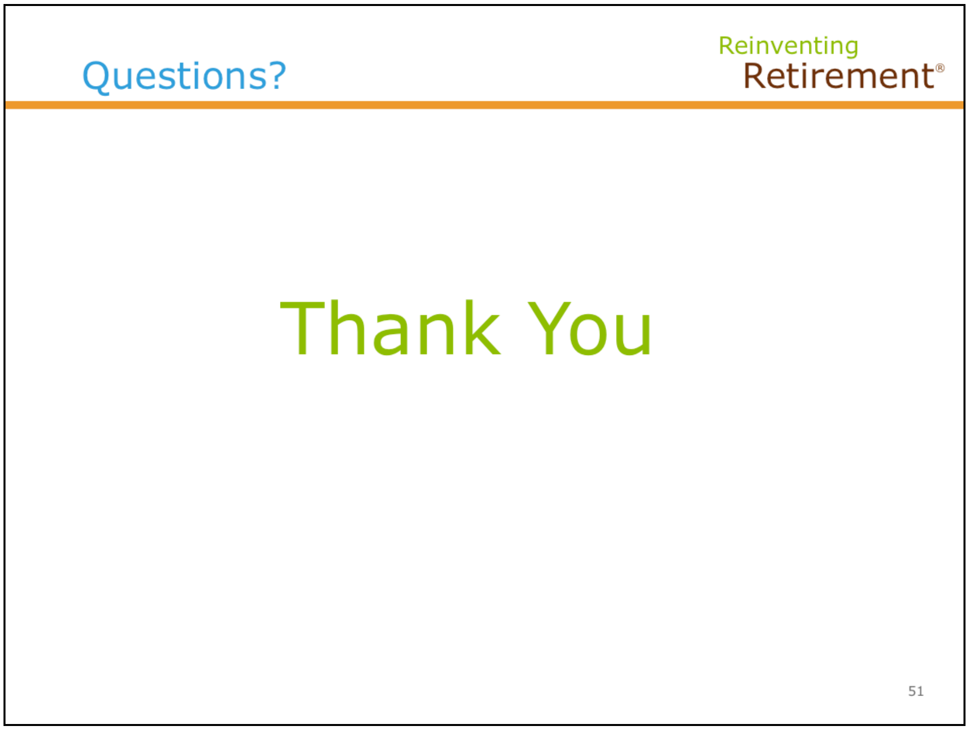
(Must add up to 100%)

50

In making your investment selections, carefully review and consider the investor profile you determined for yourself and the general asset allocation models in your asset allocation guide.

Then fill out on your enrollment form your chosen investment options and allocation percentages. Remember, your total must add up to 100%.

Don't forget to carefully read the Plan's investment option profiles located in the back pocket of your enrollment kit.



Thank you for your time. Are there any questions?