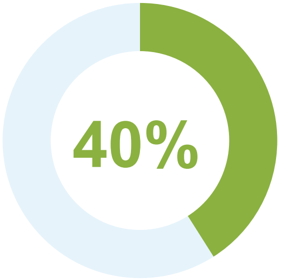
Put time on your side.

ascensus®
Always have a plan

www.ascensus.com

Why is it important to save for the future?

- Living longer lives
- Physically unable to work
- Risk of inflation
- Retirement plans have changed
- Family financial responsibilities



Social Security benefits will likely only replace about **40%** of your earnings during retirement[1]

[1] Long-range constant pre-retirement earnings replacement rate for a scaled medium earner retirement at age 67 in 2030 or later, 2021 Social Security fact sheet, Feb. 2021.

How much should we save?

90%

of your pre-retirement after-tax income

X

The number of years you'll be retired

=

You need a lot of money

If you have average earnings, Social Security retirement benefits will replace only about 40% of your income*

*Source: Learn about Social Security Programs, Social Security Administration ssa.gov/planners/retire/r&m6.html (accessed December 12, 2019).

Where will your retirement paycheck come from?

A – Social Security

B – My personal savings, like my 401(k)

C – I plan to continue to work in retirement

Create your retirement plan

How much you have when you retire will mostly depend on:

- How much you save
- When you start saving
- Your asset allocation

Volatility

Remember…

Volatility is a normal feature of the markets

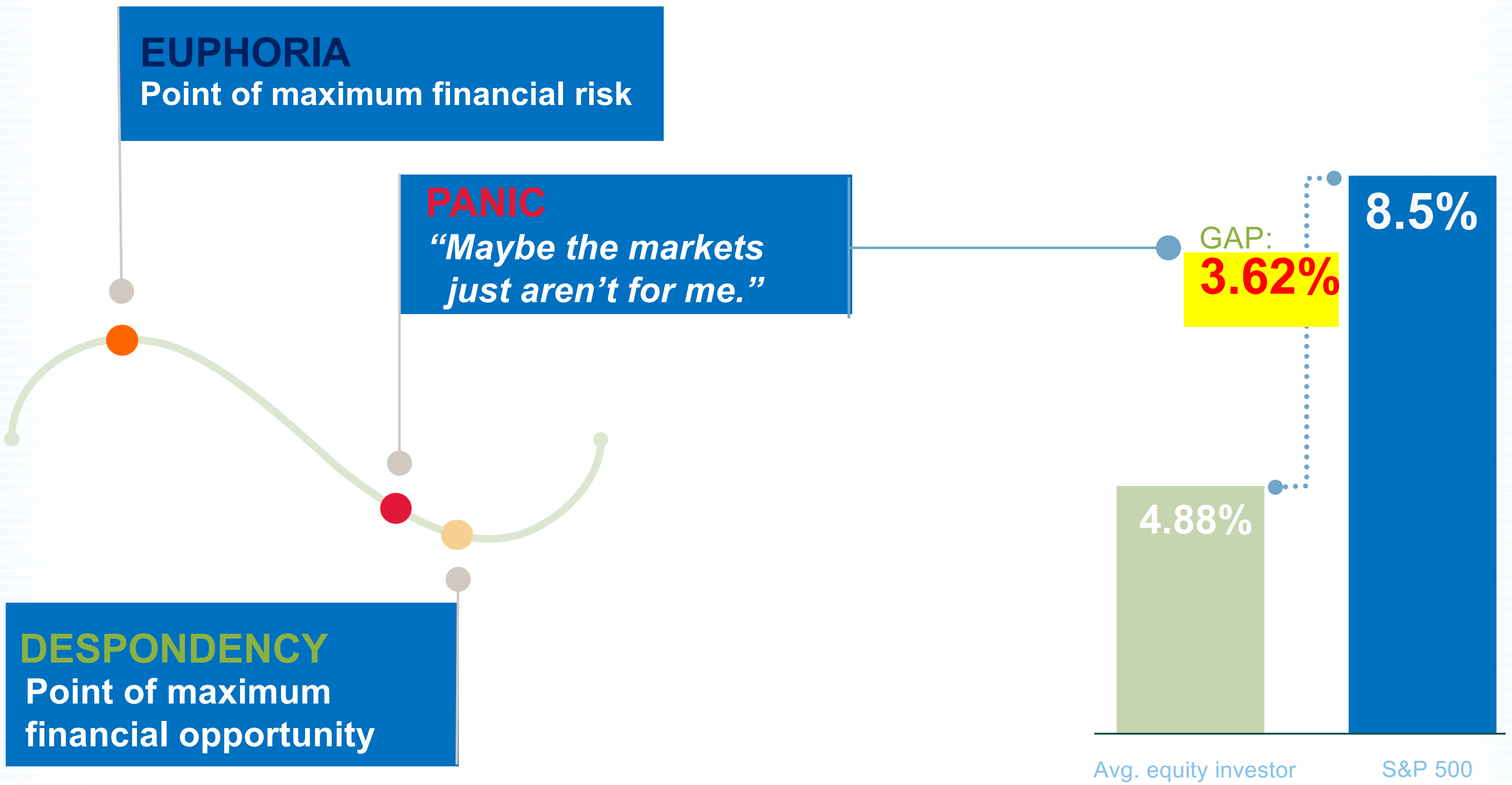
Daily headlines may be alarming, but keep perspective

Selling after large decline may “lock in” losses

Waiting until recovery may mean missing potential gains

Past performance does not guarantee future results.

Letting emotions take over can lead to lagging results



[1] Annualized Returns 2008–2018. DALBAR: Quantitative Analysis of Investor Behavior, 2018.

- S&P 500 Index: Widely regarded as the best single gauge of the U.S. equities market, this world-renowned index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large-cap segment of the market, with approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market. An investor cannot invest directly in an index.

Starting later may cost more than you think!

Let’s look at Robin and Chris

Robin
$200 per month
22 to 42 years of age
$48,000 Total

Chris
$200 per month
45 to 65 years of age
$48,000 Total

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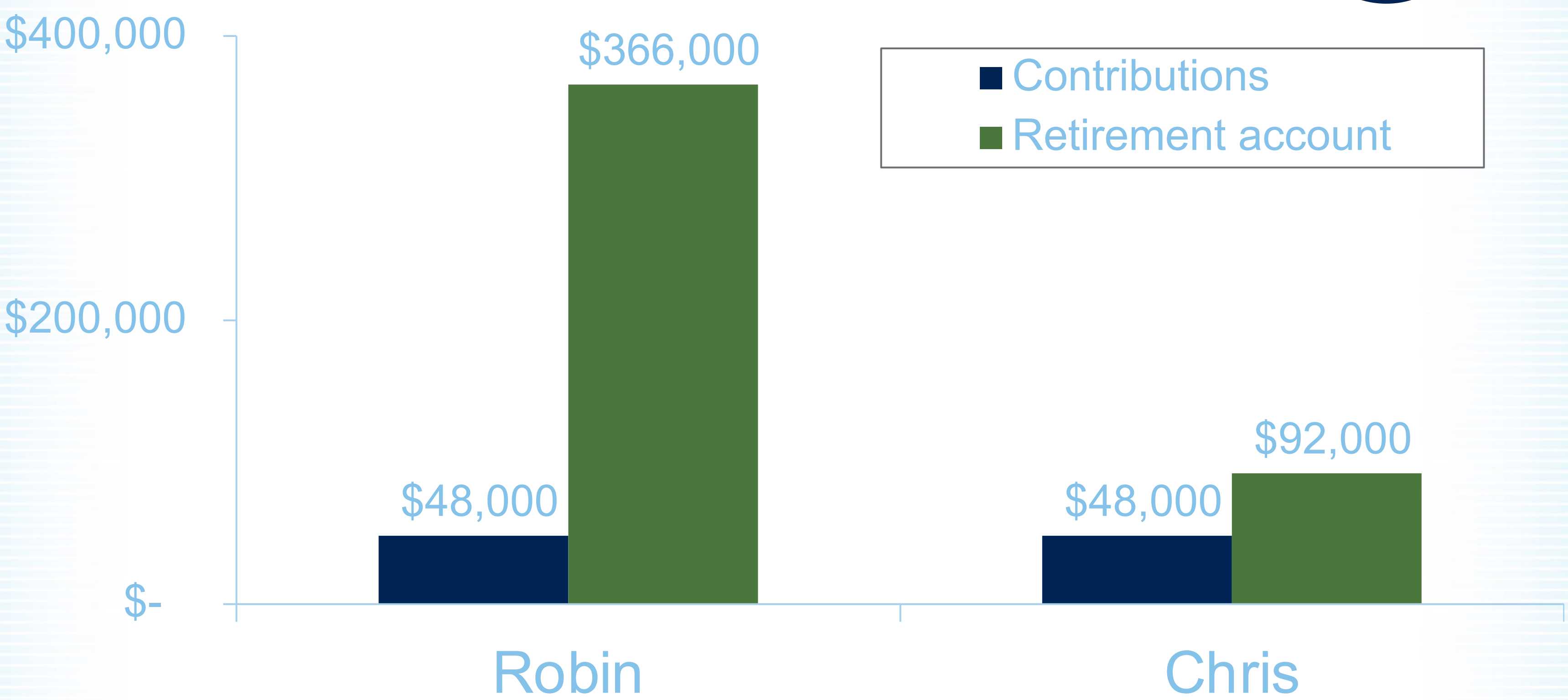
*Representatives do not offer or provide investment, fiduciary, financial, legal or tax advice or act in a fiduciary capacity for any client unless explicitly described in writing. Please consult with your investment advisor, attorney and/or tax advisor as needed.

Employee contributions — Cost of waiting

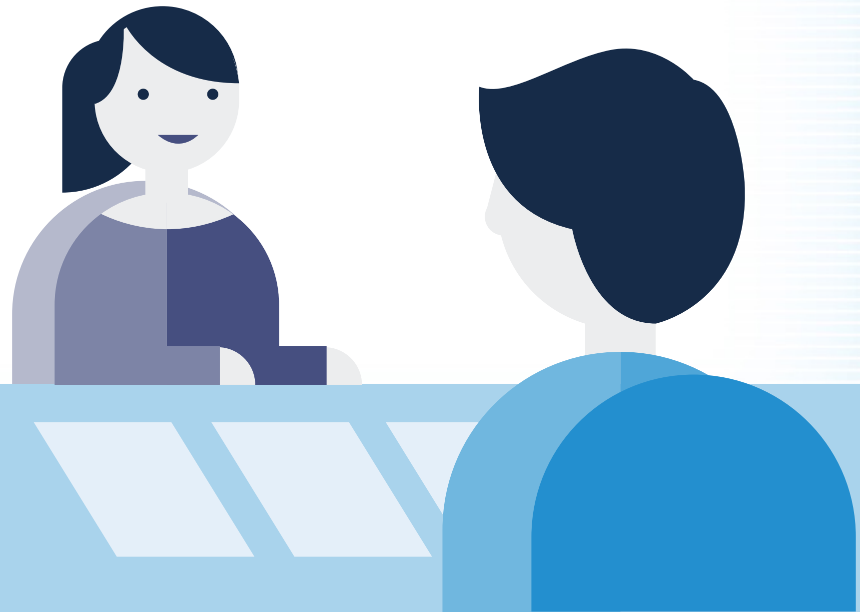


FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes a 6% annual rate of return and reinvestment of earnings with no withdrawals. Rates of return may vary. The illustration does not reflect any associated charges, expenses or fees. The tax-deferred accumulation shown would be reduced if these fees were deducted. Robin invested $200 at the end of each month beginning at age 22 and ending at age 42, then let her investment grow until age 65. Chris invested $200 at the end of each month beginning at age 45 until age 65. Final account balances rounded to the nearest thousand.

How do I save for retirement?

Contribute through your paycheck

Your employer offers a retirement savings plan



How do I save for retirement?

	Taxed contributions	Taxed withdrawals
Pre-tax	✗	✓
Roth	✓	✗*

*A Qualified distribution is one that is made after a participant reaches age 59½, death or disability and must be made at least five years after the first Roth 401(k) contribution was made.

How much should we save?

Take small steps to reach 10%

Studies suggest you may need to save at least **10% of your pay plus employer contributions** throughout your career.

3% + 1% bump each year

6% + 3% employer match

11% + catchup contributions

Based on analysis conducted by the Principal Financial Group®, November 2019. The estimate assumes a 40-year span of accumulating savings and the following facts: retirement at age 65; a combined individual and plan sponsor contribution of 12 percent; Social Security providing 40 percent replacement of income: 4.5% withdrawal of retirement savings; 6 percent annual market returns; 2 percent annual inflation; and 3 percent annual wage growth over 40 years in the workforce. This estimate is based on a goal of replacing about 80 percent of salary. The assumed rate of return for the analysis is hypothetical and does not guarantee any future returns nor represent the return of any particular investment. Contributions do not take into account the impact of taxes on pre-tax distributions. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.
80%, Based on our industry experience and GAO Retirement Security Report to Congressional requestors. The estimated average total spending for post-retirement households was about 77 percent of the spending levels for pre-retirement households. GAO, 2013 CE Data; 16-242, Retirement Replacement Rates.

Missing the Forest for the Trees?

Make time for your 401(k).

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INVESTMENTS

What matters most?

Drivers to secure a better retirement

Base Case

- 28 years old
- Earned $25,000 in annual income
- Received a 3% annual cost-of-living increase
- Employer Match $0.50 on dollar up to 6%

-Conservative Asset Allocation

-Picked funds in bottom 25% of its Lipper peer group

Twenty-Nine Years Later

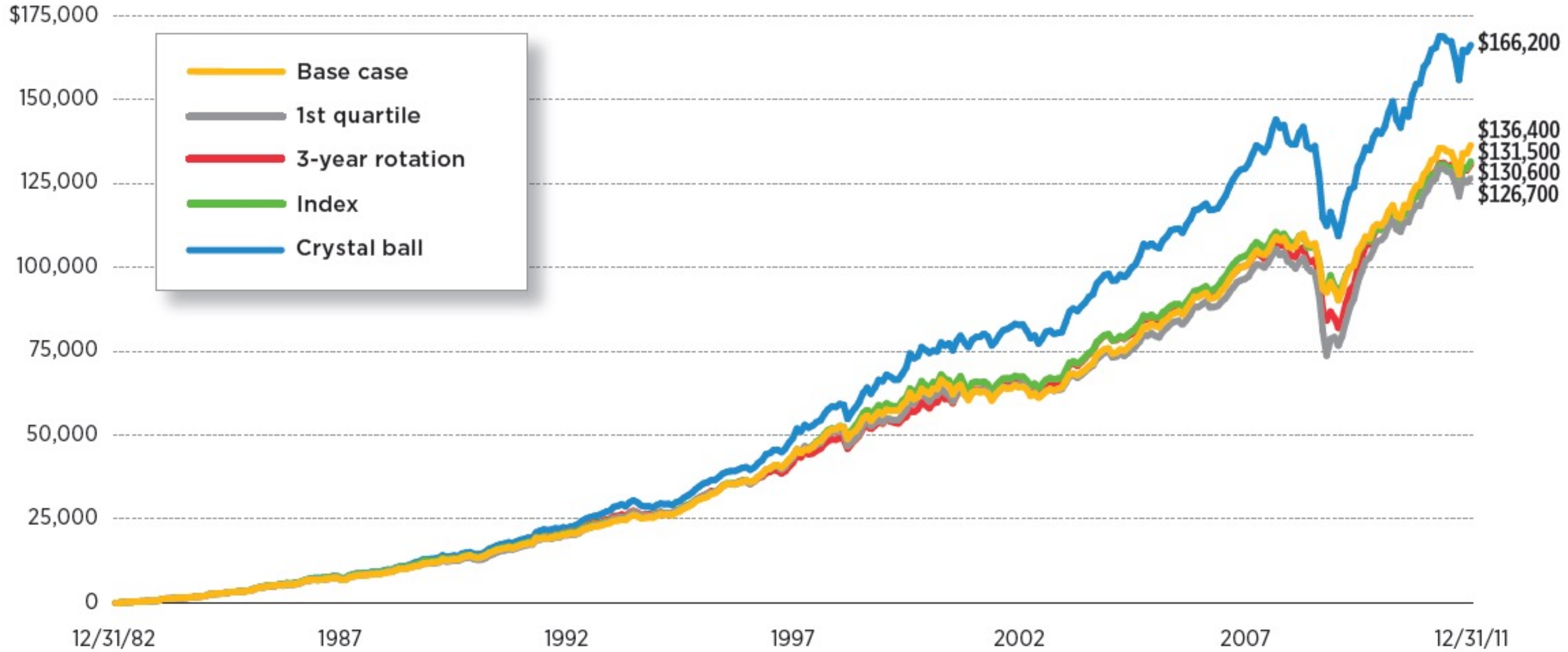
-57 years old

-Earned income of $57,198 per year

-401(k) balance of $136,400

The First Driver: Fund Selection

Figure 1. The impact of fund replacement in a hypothetical portfolio



Data are historical and based on hypothetical investment scenarios outlined in Section 1 using the base case. Past performance is not a guarantee of future results. More recent returns may be higher or lower than those shown. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

The Second Driver: Asset Allocation

Figure 2. Asset allocation scenarios

Portfolio	Conservative	Balanced	Growth
U.S. equity			
Large growth	10%	20%	25%
Large value	10	20	25
Small cap	5	10	15
International equity	5	10	20
U.S. bonds	60	35	15
Money market	10	5	0

The Second Driver: Asset Allocation

Figure 3. Changing asset allocation (hypothetical portfolio)

Data are historical and based on hypothetical asset allocations modeled in Section 2 with the base-case funds. Past performance is not a guarantee of future results. More recent returns may be higher or lower than those shown. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

The Third Driver: Account Rebalancing

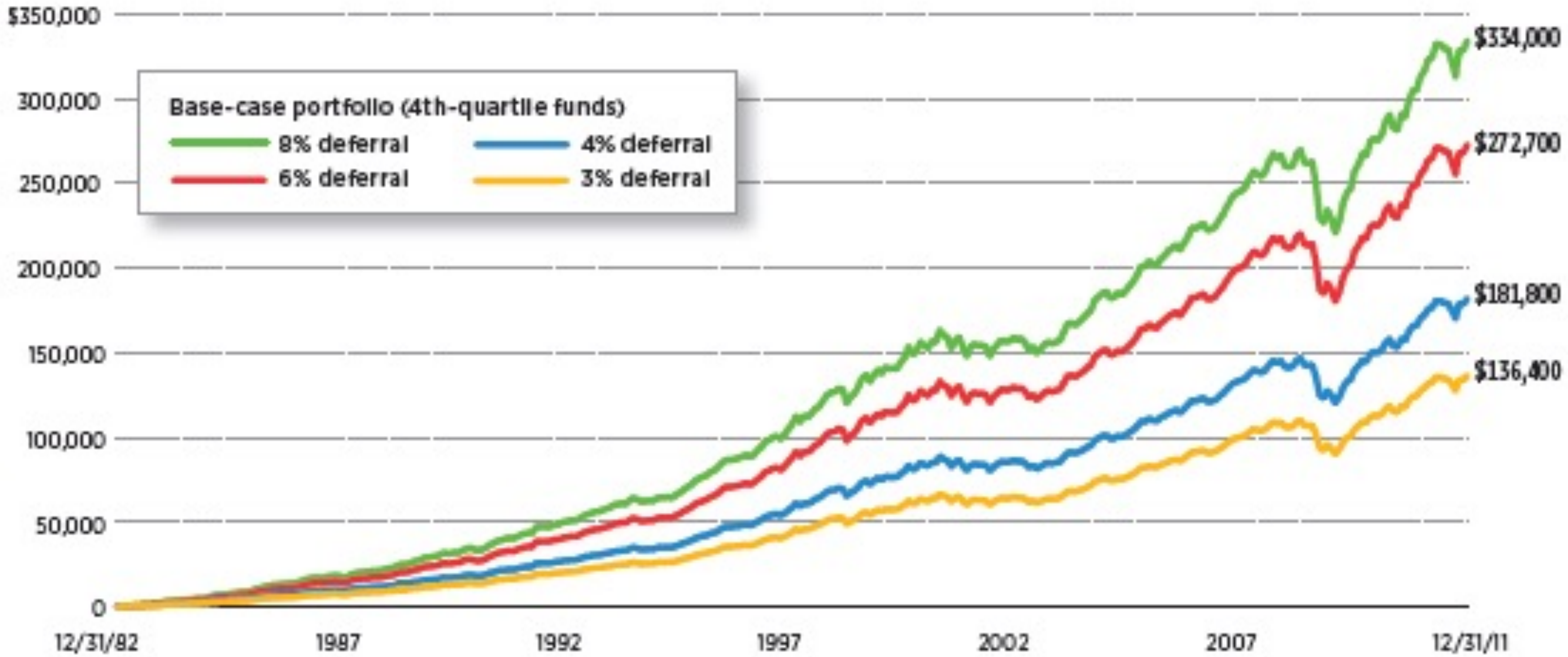
Figure 4. Rebalancing can help reduce risk (4th-quartile funds)

Rebalance?	Terminal wealth	Annualized return	Annualized risk	Return/Risk ratio
No	$136,353	9.4%	7.5%	1.24
Yes	138,464	9.5	5.5	1.73
	More money	Slightly better returns	Less volatility	Better return/ risk ratios

Data are historical and based on hypothetical conservative aset allocation portfolio rebalanced quarterly, outlined in Section 3. Past performance is not a guarantee of future results. More recent returns may be higher or lower than those shown. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

The Fourth Driver: Deferral Rates

Figure 5. Changing deferral rates (hypothetical portfolio)



Data are historical and based on hypothetical investment scenarios outlined in Section 4. Past performance is not a guarantee of future results. More recent returns may be higher or lower than those shown. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

Save as much as you can today

Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information about any fund, please call 1-888-411-4015. Please read the prospectus carefully before investing.

Putnam Retail Management
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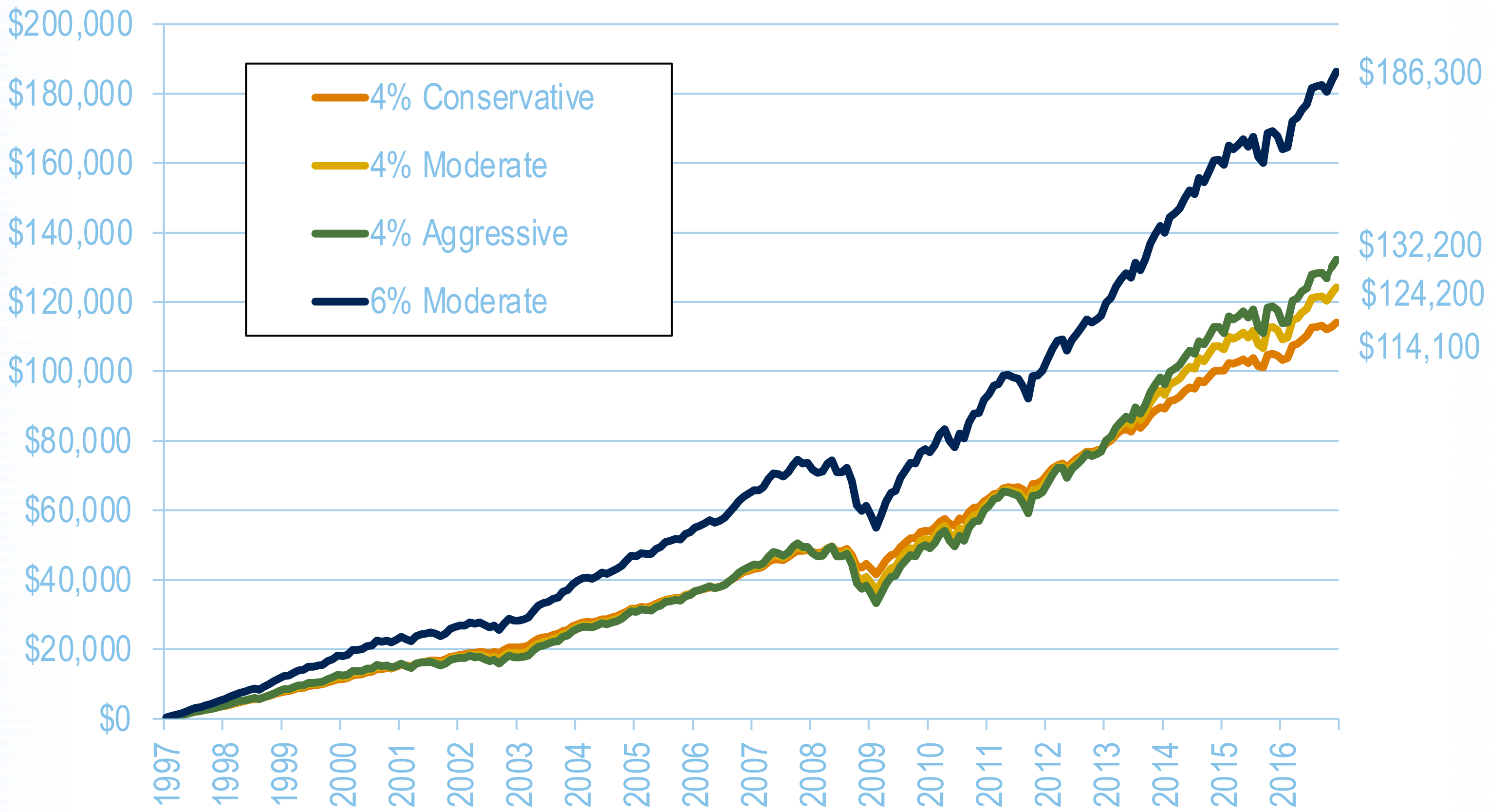
What do I need to know about contributing?

Contribution limits[1]

- $20,500
- $6,500 catch-up contributions over 50[2]

[1] As indexed by the IRS for the 2022 calendar year.
[2] If plan allows.

Benefits of increasing your contribution



Source: Morningstar® Direct[SM] FOR ILLUSTRATIVE PURPOSES ONLY. Assumes a salary of $80,000 invested at various contribution rates at the end of each month. Conservative portfolio consists of 15% T-bills, 45% bonds, 40% S&P 500. Moderate portfolio consists of 10% T-bills, 30% bonds, 60% S&P 500. Aggressive portfolio consists of 5% T-bills, 20% bonds, 75% S&P 500. This is for illustrative purposes only and is not intended to represent any particular investment product. Account balances are rounded to the nearest hundred. Data as of 12/31/16. This hypothetical illustration is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes reinvestment of earnings with no withdrawals. Rates of return may vary. The illustration does not reflect any associated charges, expenses or fees. The tax-deferred accumulation shown would be reduced if these fees had been deducted.

Time makes all the difference.

Who do you think comes out ahead?

- Sam starts saving early and keeps saving until retirement.
- Sherry starts saving early, but only saves for 16 years before stopping.
- Sally starts saving later, but saves double what Sam and Sherry save per year.

Projected monthly income in retirement [to age 90]

Time makes all the difference.

Let your money work for you

Projected monthly income in retirement [to age 90]

The results:

- Sam saves the most by more than **$170,000**.
- Sherry and Sally are neck-and-neck, although Sally contributed much more money to the account.

There can be a cost to delaying saving. Put time on your side.

The illustrations above assume a retirement age of 65 and that the individual receives the monthly retirement payment shown until age 90. The amount saved until retirement assumes an annual investment return of 6%. The monthly payment amount in retirement assumes an annual investment return of 5%. The investment performance shown does not represent the return of any particular investment and does not guarantee any future rate of return.

The final account balance does not reflect any taxes or penalties that may be due upon distribution. Withdrawals from a tax-deferred account before age 59½ are subject to a 10% federal penalty tax unless an exception applies.

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Registration only takes a moment.

1. Go to **myaccount.ascensus.com/ml**.
2. Look for **Set Up Your Online Account** at the bottom of the screen.
3. Click **Get Started**.

Enroll in the plan

Once you've registered online, enrolling is simple. Just follow the prompts to set your contribution rate and select your investments. Information about the choices available in your plan is always just a click away.

Go Online — Stay on Track

Retirement plan resources you can access anytime, anywhere

Your retirement plan website gives you the tools you need to help prepare for the future you want.

Plan

Use the Retirement Outlook calculator to try out personalized planning scenarios.

Stay informed

Make decisions with easy access to investment account information, educational materials, and more.

Take action

- Select your contribution rate.
- Manage your investments.
- Choose a beneficiary.

Our service team is available Monday through Friday, 8:00 a.m. to 8:00 p.m. ET, to assist you at 888-800-5359.

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