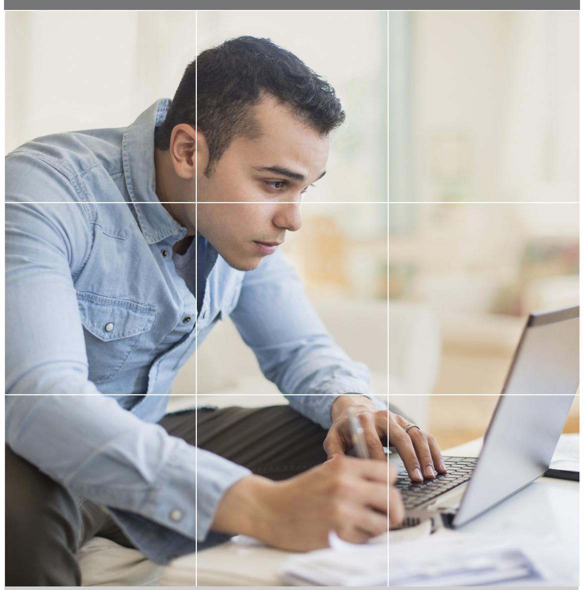
T.RowePrice®

# Why save more? Because great retirements don't just happen.



RETIRE WITH CONFIDENCE®

Everyday life gives us lots of reasons to put off saving for retirement or not saving enough. Mortgage payments, credit card debt—the list goes on. But if you don't "pay yourself first," you could shortchange your future.

We believe that most retirees need to replace 75% of their preretirement income to maintain their lifestyle through the retirement years. That includes Social Security and possibly a pension, but the rest will have to come from retirement savings and other assets. We suggest that retirement savers should save at least 15% of their income each year. If you've put off saving for retirement for a while, you may need to save even more.

If setting aside 15% of your pay isn't practical right now, start with 6% and increase the amount by 2% each year.

To free up more money for saving, try these tactics:

- Create an emergency reserve fund over one to two years to equal about 20% of your salary or more.
- Pay down high-interest debts like credit card balances over the next three years.
- Start college savings only after you're well funded for retirement.

## WHAT YOU CAN DO NOW

Just log in to your account at **rps.troweprice.com** and select Tools & Calculators under the Plan & Learn tab.

## STEPS TO MAKE SAVING EASIER

1. **Take advantage of the plan.** Participate in your workplace retirement savings plan. It really is one of the best and most convenient ways to save.
2. **Check for employer contributions.** Take full advantage of any employer contributions to your plan. They count toward that 15% savings goal.
3. **Increase your savings annually.** Put a reminder on your calendar to increase your savings rate once every year by 2% (or more). Some plans will let you do this automatically. It's a great way to boost your savings.

## HOW SAVING SAVES ON TAXES

Saving and investing through your plan can lower your current tax bill. Typically, the amount you save in the plan is considered "before tax"—it doesn't count toward your current annual taxable income.

## PATIENCE PAYS

While there are many things in life you can't control, saving for retirement is something you can. Instead of thinking of it as an expense, consider it to be an investment in your future lifestyle.

(continued on back)

**TWO BIG IDEAS:**

**Are you saving?** If you're not enrolled in your workplace retirement plan, sign up now.

**Are you saving enough?** Increase your savings rate regularly to build your savings faster.

# Connect with us.

We'll help you feel confident about saving and investing for your retirement.

**YOUR RETIREMENT PLAN WEBSITE**
Go to **rps.troweprice.com**.

**DEDICATED REPRESENTATIVES**
Call your plan's toll-free number.

**MOBILE SOLUTIONS**
Visit **troweprice.com/mobilesolutions** to choose the option that's best for you.

**rps.troweprice.com** |

MDB45CART 11/20
202011-1387237 ORAD13-WHYS

All investments involve risk, including possible loss of principal.

This material has been prepared by T. Rowe Price Retirement Plan Services, Inc., for general and educational purposes only. This material does not provide recommendations concerning investments, investment strategies, or account types. It is not individualized to the needs of any specific investor and is not intended to suggest that any particular investment action is appropriate for you, nor is it intended to serve as the primary basis for investment decision-making. T. Rowe Price Retirement Plan Services, Inc., its affiliates, and its associates do not provide legal or tax advice. Any tax-related discussion contained in this material, including any attachments/links, is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding any tax penalties or (ii) promoting, marketing, or recommending to any other party any transaction or matter addressed herein. Please consult your independent legal counsel and/or tax professional regarding any legal or tax issues raised in this material.



T. Rowe Price Retirement Plan Services, Inc.