



Ten reasons to save for retirement

You hear it from all directions — “You really need to save for retirement.” Yet, many Americans, regardless of age or income, still aren’t saving enough. Here are a few good reasons to start or keep saving for retirement.

- **Tax benefits/break:** Your salary deferral contribution is taken out before taxes. As a result, your taxable income will be reduced and the taxes you pay may decrease as well.
- **Employer match:** Some employers make matching contributions — who doesn’t appreciate extra contributions?
- **Time is working for you — compound interest and account growth:** Compounding means you generate earnings on both the original investment and the reinvested earnings. The longer the interest has to compound, the more the retirement funds may grow.
- **You can afford it!** A few extra dollars out of each paycheck now can translate into a lot more during retirement, and you probably won’t even notice it’s missing from your paycheck.
- **Social Security income may not pay your bills:** Many Americans still believe their Social Security payments will 100 percent finance their retirements. Along with a decline in employer-sponsored pension plans, (defined benefit plans) it’s up to you to save for your retirement.
- **Easy to enroll:** Understanding how to invest can be overwhelming — the good news is there is help. Check out the educational opportunities online at principal.com or call a retirement specialist at the Principal Financial Group® (The Principal®) at 1-800-547-7754.
- **Easy to follow:** Don’t worry about saving each month — contributions are taken directly from your pay and placed into the retirement account to help provide more for your future.
- **Longer life expectancy:** Thanks to modern technology and advancements, many people are living longer. That means you’ll need to save more for your savings to last longer in retirement.
- **You can take your contributions with you — if you change jobs:** Even if you switch jobs you are still entitled to the contributions you made.
- **You don’t know how long you’ll be able to work:** Start today! Your employer’s retirement plan is a great way to save for retirement — and some day you may not be able to work.

Remember these tips

- **Calculate your potential retirement needs by visiting The Principal Web site at principal.com.** Putting a dollar amount on how much you may need to save can be the wake-up call most people need. Remember — if the amount you may need to save seems intimidating — don't panic. You've taken a responsible first step and have retirement planning options available to help you meet your goals.
- **For more information,** contact a retirement specialist at The Principal at 1-800-547-7754.



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