



THERE'S NO TIME LIKE THE "PRESENT"

GIVE YOURSELF THE GIFT OF INCREASED RETIREMENT SAVINGS.

Just \$20 or 1 percent more in your Texa\$aver contributions now could mean a big difference in the future.

Consider celebrating your birthday each year by signing up for automatic increases.

Just log in to your account at www.texasaver.com.¹ Click the "Change Account" link in the lower left-hand side of the page, then "Deferral Update." You can schedule an increase of either before-tax or Roth (after-tax) contributions. You can also increase your contributions to the 401(k) Plan, 457 Plan, or both.

NEED MORE INFO?

Call (800) 634-5091 or email texasaver@gwrs.com.¹ ♦

THE \$102,000 DIFFERENCE

Small annual increases in your Texa\$aver contributions can pay off over time. Consider the accumulations of two accounts, starting at \$5,000, over 30 years. Account A's annual contribution rate stays at 2 percent of a \$44,410 annual salary. Account B rate increases by 1 percent of that salary each year for three years.

	Contribution	5 Years	10 Years	20 Years	30 Years
Account A*	2%	\$11,289	\$19,771	\$45,889	\$90,267
Account B**	2%-5%	\$15,935	\$34,475	\$92,591	\$192,908

* Contribution stays at 2 percent.

** Contribution starts at 2 percent in year one, with 1 percent annual boosts in years two through four. Contributions remain at 5 percent from year four on.

FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any particular investment options. Assumes an annual salary of \$44,410, the mean income of an American worker in 2010, according to the U.S. Bureau of Labor Statistics; 1 percent annual salary increases; a 4 percent annual rate of return; and reinvestment of earnings, with no withdrawals. Rates of return may vary. The illustration does not reflect any charges, expenses, or fees that may be associated with your Plan. The tax-deferred accumulation shown above would be reduced if these fees had been deducted. Dollar amounts are the accumulated assets over the different periods cited.

REMEMBER, THE TEXA\$AVER WEBSITE LETS YOU SET AN AUTOMATIC INCREASE TO YOUR CONTRIBUTIONS. ♦



HOW WILL YOU FINANCE YOUR RETIREMENT?

Working Americans typically have one source of income: their jobs. But after you retire, your income is likely to come from a few different places. However, it may not be enough to pay for all of your needs.

SOURCES OF RETIREMENT INCOME

Retirees typically rely on several sources of income. These can include:

- Social Security;
- Pensions and/or an annuity; and
- Income from retirement savings accounts, such as TexaSaver, IRAs, and brokerage accounts.

According to the Employee Benefit Research Institute, 23 percent of retirees have worked for pay in retirement, but 74 percent of current workers expect to work for pay when retired.²

CONTRIBUTE TO YOUR TEXASAVER PLAN

That's why saving for retirement now is so important. Contribute as much as you can to your TexaSaver Plan. In 2012 you can contribute up to \$17,000 in before-tax and Roth after-tax dollars combined (\$22,500 if you're age 50 or older) to each plan.

CONSIDER ALTERNATIVES

If retirement is on the horizon, you may choose to work longer in order to save more. Or you could work part-time while retired. **Another option:** Postpone taking Social Security, for which you are eligible at age 62, if you can afford to do so. Your benefit increases each year you delay collecting it. ♦

MAXIMIZE YOUR PAYCHECK

A CHANGE IN YOUR WITHHOLDING MAY HELP YOU SAVE MORE

Do you know how much money comes out of your paycheck before you see it? Effectively managing your paycheck withholding could mean an increase in your take-home pay—and the potential to save more for retirement.

LESS IS MORE ON THE W-4

Your employer uses the W-4 Employee's Withholding Allowance Certificate (Form W-4) to calculate how much federal income tax to withhold from your pay. The more dependents you claim, the smaller the tax bite (and vice versa).

Whether you owe money to the IRS or get a refund, the goal is to get your tax withholding as close as you can to your actual tax liability. **The danger:** Withhold too little and you may receive a tax bill. Withhold too much and you get a refund. A refund may seem like a good deal on paper, but in practice it's money that sat in Uncle Sam's pocket all year long when it could have been in yours. This money could be earning interest in your TexaSaver account.

PUT YOUR MONEY TO WORK

Your TexaSaver Program is a powerful savings tool. You can save up to \$17,000 of your before-tax income (\$22,500 if you're age 50 or older) to each plan. Contribute the maximum allowed for the year if you can. You'll maximize your tax-deferred growth potential and lower your taxable income. You may also contribute \$17,000 in Roth (after-tax) dollars to each plan. Visit www.texasaver.com for details on the potential benefits of saving after tax. ♦

CONTACT US

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Representatives of GWFS Equities, Inc. are not registered investment advisers and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

¹ Access to the TexaSaver Information Line and website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons. Transfer requests made via the website or Information Line received on business days prior to close of the New York Stock Exchange (3 p.m. Central Time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

² "2011 Retirement Confidence Survey," ebri.org, 2011.

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