

John,

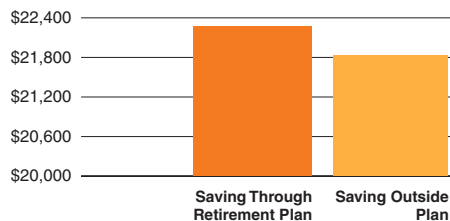
401(k) accounts, like redwoods, don't get big over night. They both require time and the right conditions. For your 401(k) plan, the right conditions include contributing as much as you can as soon as you can.

Enroll in the 401(k) plan today.



Why is the 401(k) plan a good place to invest for retirement?

Take Home Pay



Gross Annual Salary	\$30,000	\$30,000
Retirement Contribution	\$3,000	0
Taxable Income	\$27,000	\$30,000
Federal Taxes*	\$4,700	\$5,150
After-Tax Savings	0	\$3,000
Take Home Pay	\$22,300	\$21,850
Increase in Take Home Pay	\$450	

Because you don't have to pay current income taxes on your 401(k) contributions, your take home pay can actually increase as compared to investing outside of the plan.

For example, if you decide to invest \$3,000 in your 401(k) plan, you will pay taxes on only \$27,000 instead of \$30,000.

The chart at the left compares investing in the 401(k) plan to investing outside of the plan. You can see how take-home pay is affected.

*This chart takes into account only Federal taxes and does not consider state or local taxes. Taxes are based on the IRS 2006 Tax Rates for a single filer plus 2006 OASDI and Medicare taxes. The 2006 standard deduction of \$5,150 and one exemption (\$3,300) have been applied in calculating the Federal taxes. Withdrawals made prior to age 59½ may be subject to a 10% Federal tax penalty and are subject to plan restrictions. Taxes are due upon withdrawal from a tax-deferred account.

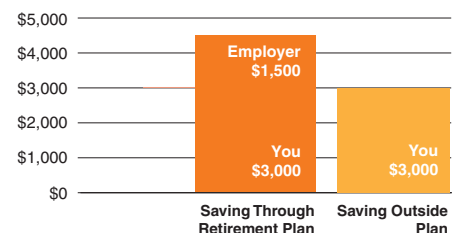
Does my employer's contribution really give me more "bang for the buck"?

Absolutely. When you invest in your 401(k) plan, your employer may match all or part of your contributions. When your employer's match is combined with the tax savings described above, you can see the power of the 401(k) plan (see chart at right).

Employer Match Schedule:

50% on first 10% of pay contributed,
Maximum match: \$10,000

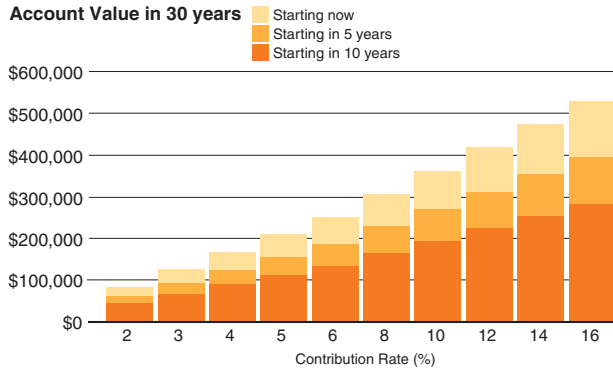
Total Contribution



Take Home Pay	\$22,300	\$21,850
Total Savings	\$4,500	\$3,000
Total Amount Working For You	\$26,800	\$24,850
You are ahead	\$1,950	

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Is it best to start saving for retirement as soon as possible?



It sure is. The chart at the left shows how much your account could grow over the next 30 years. It also shows that it is in your best interest to start your retirement savings program as early as possible. The chart assumes:

- your current annual salary is \$30,000;
- your salary increases 3% each year;
- your annual return on investment is 7%;
- and your employer matches your contributions as shown on the previous page.

Plant the seeds of a comfortable retirement.

Sign up for your 401(k) plan today by calling **1-800-555-1212**

or visiting www.theplansite.com.



Although this report is based on information about you provided by your plan, it is only preliminary in nature and should not be treated or interpreted as an exhaustive, comprehensive analysis of your total financial situation. In addition, the investment returns, employer contributions, and other assumptions used in this report are for illustrative purposes only and are not predictive of the future. None of the assumptions used in this report are guaranteed. It is up to you to periodically review where you are along the road to retirement. You might find that you have more or less money than you had anticipated.