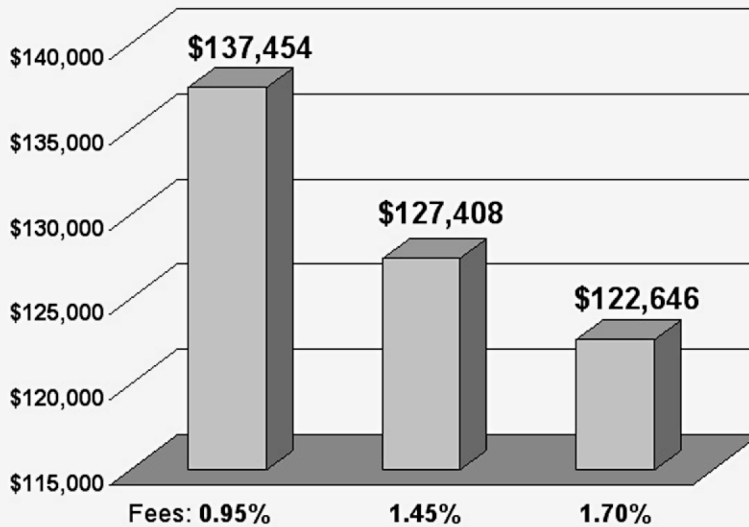


## How Fees Affect Retirement Savings

Accumulated values after 15 years on \$50,000 deposit



*This example is for illustrative purposes only and is not representative of any specific investment. It assumes no additional deposits or withdrawals over the 15-year period. (T)*

## Six Things To Know About Retirement Investments

(NAPS)—A growing number of people are beginning to save for retirement at an earlier age. Participation in the stock market is at an all-time high and long-term investments are becoming a common topic of conversation.

What's usually not discussed are investment fees and taxes. Certainly, all of us want fees and taxes on investment products to be held to a minimum. However, each product—annuities, life insurance, mutual funds, etc.—is treated differently.

For example, fees usually cover the cost of developing and maintaining a product. Some fees cover the cost of selling you that product, whether you buy it from a salesperson, over the Internet or by phone.

While some products in general have higher fees than others, they might also have more features. Variable annuity and mutual fund fees are often compared, but those comparisons often do not take into account the many features that variable annuities have, such as the option for lifetime income, that mutual funds typically do not. If an annuity fits your needs, it can be a tremendous value in

your retirement plan.

On top of that, products are treated differently under tax codes. Products that help you save specifically for retirement generally have tax advantages. Contributions to Individual Retirement Accounts (IRAs), for example, may be deductible from federal income tax and 401(k) contributions are pre-tax.

How do you decide whether a given product is right for you and worth the costs you will incur?

- Use an investment professional to help sort through various options.
- Look at all fees and expenses associated with the product.
- Find out whether low fees mean fewer features.
- Examine the tax implications of the products.
- Consider the tax implications of investment trades.
- Look at when investment earnings are taxed.

Choosing the product that provides the greatest value will vary with every person, depending on his or her needs. Talk to your investment professional about what product will best meet your needs.