Because of her late start, the 45-year-old woman must save $593 per month in order to achieve the same amount of savings as the 25-year-old woman. Time plays a critical role in allowing you to achieve your investment goals. Make a commitment to save as much as you can now, stick to your plan, and don't touch your savings. Any financial sacrifices you make today will go toward providing for the security of your retirement. Financial professionals recommend that you put 10% of your earnings into savings vehicles. Although you may be hesitant to do more than maintain a savings account, for fear of taking any risk, remember that a regular passbook account, while fully insured and backed by the FDIC, has a small return and will not keep up with inflation. Utilize a range of financial vehicles, including **employer-sponsored 401(k)s**, **IRAs**, **money market accounts**, **certificates of deposit (CDs)**, **mutual funds**, **stocks**, **bonds**, **life insurance**, and **annuities**.

College Funding

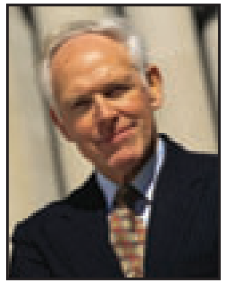
Every mother wants the best for her children, and education fosters success. But with skyrocketing tuition costs, college can seem cost prohibitive. How can you meet the financial challenge? There are many options, including scholarships, loans, grants, and financial aid. To round out your plan, start saving what you can as early as you can. You might be surprised at what you can accomplish with a disciplined approach and time on your side. To help you, there are federal tax credits and tax-efficient savings vehicles tailored specifically for education, including prepaid tuition programs, 529 plans, and Coverdell Education Savings Accounts (ESAs).

Additional Planning Measures to Consider

- **Emergency reserves** — In the event that you should lose your job or have a sudden illness or disability that will keep you from working, how will you manage financially? Having a liquid (cash) reserve of approximately six months of living expenses is generally thought of as prudent.
- **Disability income insurance** — In addition, you may want to consider coverage under an employer-sponsored disability income plan (if available) or an individual disability income policy. Disability income policies replace income in the event that you are unable to work due to illness or injury. They pay a benefit after a prescribed waiting period (30, 60, 90, or 180 days typically) and will replace a percentage of your salary (60 – 70%). A prolonged disability can have disastrous financial consequences, so it may be in your best interest to explore the purchase of disability income insurance.
- **Life insurance** — You may need life insurance to provide adequate income for your dependents in the event of your death. Your surviving spouse could use the benefit to help pay off your outstanding mortgage and car payment, or pay for childcare and maintain your family's current standard of living.

The Choice Is Yours

Planning for your financial future involves many choices that can only be made by you. It's never too soon to start saving for a new home, a child's education, or a comfortable retirement. With foresight, planning, and professional guidance, you can achieve your financial goals. The time you invest today will pay off in the future.

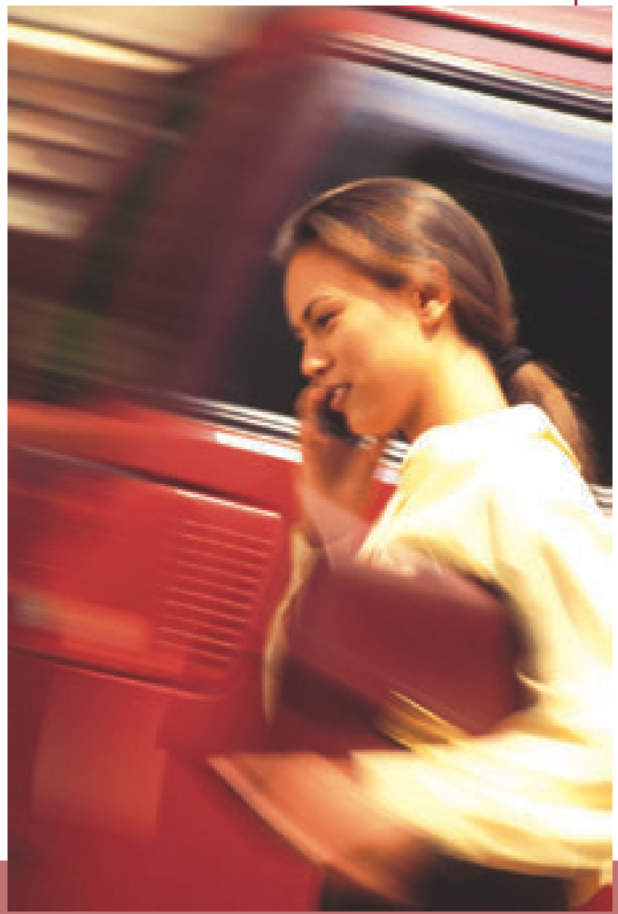


Name, Designation(s)
Title

Company Name
Street Address
City, State Zip Code
Phone Number
Fax Number
E-mail Address

Financial Planning for Women

With a longer life expectancy, every woman wants to be able to provide for herself. Here are the steps you need to take to make it happen.



It's a fact — the average woman's life span exceeds the average man's by almost seven years. Women live longer, yet they still have not caught up to men in the earnings department. Women tend to earn 20 – 30% less than men in the same job and industry classification. Longer lives, lower earnings, and changing lifestyles mean that women have different, and arguably more challenging, financial planning hurdles to overcome in order to have security through every stage of life.

We've all heard the figure — women earn $.70 for every dollar a man earns. Thanks to the projected longevity of women, there is a 90% chance that at some point, a woman will have to depend on herself for financial security. How can she support herself, much less save for retirement? The answer lies in proper planning.

Act Now to Maximize Savings Opportunities

Even if you think you're too young to start saving for your financial future — or that there are other, more pressing priorities right now — consider the advantages if you were to start a financial plan today:

- **Discover your dreams:** Too often, women put the needs of their families, particularly their children, ahead of their own. While your plans for the future will certainly include your family, make certain that your own dreams are incorporated in your plans for the future. Ask yourself where you would like to be financially in the next year, in ten years, and at retirement. Where would you like to live? Would you like to continue your education? Would you like to start your own business? At what age would you like to retire? If you have particular goals to work toward, you will be more likely to adhere to a financial plan tailored to make your dreams come true.
- **A financial plan will put you on solid ground:** If you currently have a lot of revolving debt, create a financial plan designed to ultimately eliminate that debt, and switch the focus from debt management to a strategic savings plan.
- **Time is on your side:** The most obvious advantage is that the earlier you start saving, the more money you will have set aside for your future. A savings plan, any savings plan, will work as long as you get into the habit and contribute regularly. How much money you accumulate depends not only on *how much* you save, but also on *when* you start to save.

How Much Money Will You Need to Retire?

The amount of money needed for retirement depends on your current living costs, your plans for the future, and inflation. The general consensus of many is that you will need 80% of your current income to maintain your present standard of living when you retire. The money you save for retirement should grow, at the very least, with the rate of inflation. For example, at a steady 4% inflation rate, the cost of living will double in 18 years.

Sources of Retirement Income

It's important to get into the habit of saving for retirement, no matter what age you are. And it might not be as hard as you think. Retirement income can come from the following sources:

- **Social Security —** Social Security provides a basic level of retirement benefits on which to build a comprehensive plan. More than likely, benefits received from Social Security will be insufficient to meet your retirement income needs fully, so they should be supplemented through other sources such as **pensions**, **401(k) plans**, **IRAs**, **savings**, and **investments**. A woman who has worked will be provided with approximately 40% of pre-retirement earnings, but that amount will depend upon *how long* she worked and *how much* she earned. If she is married, a woman is also eligible to receive a benefit that is approximately 50% of the amount that her husband will receive. There are other instances that may constitute eligibility, so check with Social Security for answers to your specific questions. Visit them on the web at www.ssa.gov.
- **Company-sponsored retirement/pension plans —** If your company offers a 401(k) or another retirement vehicle, you should take advantage of it as soon as you're able, particularly if the company offers a matching contribution. For example, if your employer matches each dollar of your contributions by $.50, up to 6% annually, then you should plan to contribute 6% of your pay to take full advantage of your employer's match. If you're considering leaving your job to stay home with your children, you may want to explore a part-time opportunity with your current employer, so you can continue in the 401(k) plan.

  If your employer offers a pension plan, either alone or in addition to a 401(k) plan, check to see what the benefit is worth and whether it belongs to you at retirement even if you do not remain with the company. If your spouse has a pension plan, find out if and when you will be entitled to survivor benefits.
- **Individual Retirement Accounts (IRAs) —** You may deduct annual contributions to an IRA on your tax return. The maximum deduction is $5,000 in 2008. You may be eligible to contribute additional money if you are age 50 or older, in the form of "catch-up" contributions, limited to $1,000 in 2008. As these contributions are free of tax, benefits will be taxed upon withdrawal (after age 59½ to avoid any penalties). The exception would be a **Roth IRA**, which is funded with after-tax money. Roth IRA benefits are tax free at the time of withdrawal. Contribution limitations (as well as "catch-up" contributions) for Roth IRAs are the same as for traditional IRAs. If you don't work, you may still be able to set aside retirement funds in a "spousal" IRA.
- **Savings —** The less you have saved, the more important it is to begin putting money aside *now*. Social Security and employer-provided retirement plans (if available) will usually provide only two-thirds of retirement income. The difference between starting a savings plan at age 25 and age 45 is dramatic. Consider the following example, where each woman saves $100 per month and earns 8% interest— the difference being that one woman started saving at age 25, and the other started saving at age 45:

Value of $100 Monthly Savings at 8% Interest by Age 65