

# Retirement Planning Invest in Your Future





## Dreaming of Retirement

Do your dreams for retirement include traveling, vacations, time with family, or continuing to work part time? You'll want to be sure you've saved enough to reach your retirement goals. Planning today for what you want tomorrow will help you reach those goals. You can start by taking advantage of your company-sponsored retirement plan.

### Living Longer – Saving Enough

Today we are living longer, healthier lives; therefore, we need to plan with this in mind if we want to have enough money saved to last a lifetime.

Social security, some pensions, and annuity payouts do not grow with inflation. Social security is really meant as a supplement to your retirement income. Almost 60 percent of your income in retirement will be left up to you. Smart planners know that they will need other forms of income, especially for the long term.

### Planning Ahead

By investing early, you can make a large difference in the amount you save by retirement age. The sooner you begin saving or contributing to a retirement savings plan, the better your chance of growing your investment over time.

## Sources of Retirement Income\*

92%  
Social Security

66%  
Personal Savings

58%  
Defined Benefit/  
Pension Plans

55%  
IRA

46%  
Defined Contribution/  
Retirement Plans

\*Source: [EBRI Retirement Confidence Survey 2021](#)

# Tax Advantages

The contributions you make to your company's traditional 401(k) plan are deducted from your pay before taxes are withheld. As a result, your taxable income is reduced and you pay less in taxes. The following chart shows the differences in taxes and take-home pay when you contribute to a 401(k) plan versus a savings account.

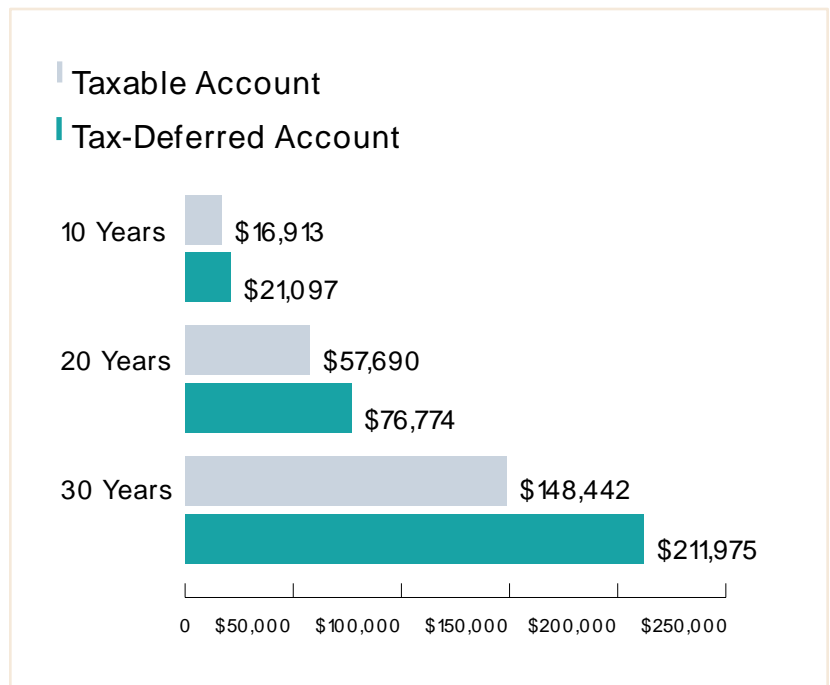
Annualized Gross Pay	\$35,000	\$35,000
401(k) Contribution	0.00	-1,750
Taxable Pay	35,000	33,250
Federal Income Tax (18%)	-6,300	-5,985
FICA (7.65%)	-2,678	-2,678
Conventional Savings Account Contribution	-1,750	0.00
<b>Net Take-home Pay</b>	<b>\$24,272</b>	<b>\$24,587</b>

The money you have invested can also grow without being reduced by current taxes. This potential growth in savings is not taxed until the money is withdrawn and is called tax-deferred compounding.

## The Benefit of Tax-Deferred Compounding

The chart to the right compares the growth of \$100 per month (adjusted for inflation over time) contributed to a tax-deferred retirement account and the same amount contributed to a taxable account.\* The balance in the tax-deferred account will be subject to income taxes on withdrawal. This example assumes an 8 percent annual return, 4 percent annual wage inflation, and 15 percent federal tax rate. Taxes are taken from the taxable account monthly on deposits and annually on gains.

If your employer offers a Roth 401(k) feature, you can contribute post-tax payroll deferrals to your 401(k) plan. You pay taxes on your contributions up front, and when you're ready to retire, your qualified plan withdrawals are tax-free. Your summary plan description will indicate if you have this option.



\* Deferrals are subject to FICA tax

# Saving the Right Amount

You must decide the amount of savings that is right for you. You can sometimes reduce your overall risk by spreading your contributions over different types of investments. Talk to your financial advisor for guidance.

Annual Salary	If you want to contribute this percent of your annual salary				
	3%	5%	8%	10%	15%
	your monthly contribution will be:				
\$20,000	\$50	\$83	\$133	\$167	\$250
\$30,000	\$75	\$125	\$200	\$250	\$375
\$40,000	\$100	\$167	\$267	\$333	\$500
\$50,000	\$125	\$208	\$333	\$417	\$625
\$60,000	\$150	\$250	\$400	\$500	\$750

Only you can determine your personal savings goal and how much you are willing and able to contribute to your 401(k) plan each year. You can change the amount you elect to defer throughout the year if necessary.

## Growth and Risk

Every investment carries some risk. Understanding the types of investments offered through your plan will help you to make smarter choices about how much and where to begin investing.

- **Cash Equivalent/Money Market Funds:** These funds seek to maintain a stable net asset value by investing in the short-term, high grade securities sold in the money market.
- **Bonds/Fixed Income Funds:** Investing primarily in bonds, these funds generally emphasize income over growth and can generate either taxable or tax-free income.
- **Stock Funds/Equities:** Much as their name implies, these funds invest primarily in stocks.



### Diversify

Diversification means spreading your money across different types of investments to reduce your overall risk. You can level out the ups and downs of market cycles by diversifying.

# Your Opportunity To Save: Enroll

By putting aside just a small percentage of your pay today, you better the chances of your savings growing over time. Now's your chance to enroll.

## GuidedChoice®Managed Accounts Service

Knowing how to make investment choices that will support your short- and long-term financial goals is difficult. To help you with those decisions, Paychex has partnered with investment advisor GuidedChoice to provide an online tool called Managed Accounts. Ask your plan administrator if this option is available for your plan.

GuidedChoice Managed Account Services provides plan advice based on your personal data and is designed to chart what may be the most effective path toward your retirement. Through appropriate asset allocation, Managed Accounts will develop a portfolio that can maximize your expected level of return based on a level of acceptable risk defined by you.



## The Saver's Credit

You may also be eligible for added savings through the Saver's Credit. Ask your tax professional if you qualify. The credit is generally a portion of the eligible contributions you make to a retirement plan or IRA and favors low-income individuals. You may be able to take a credit of up to \$2,000, or \$4,000 if filing jointly.

To claim the credit, you must be 18 or older, not have been a full-time student during the calendar year, and not claimed as a dependent on another person's return.

For more information, visit the IRS website at [irs.gov](https://www.irs.gov) or contact your tax professional.

Advisory services provided by GuidedChoice, a federally registered investment adviser. GuidedChoice is a registered trademark of GuidedChoice.com, Inc. Paychex is not affiliated with GuidedChoice and is not responsible for the content of the advice provided by GuidedChoice.

As a plan co-fiduciary, GuidedChoice accepts responsibility for the investment advice it provides.

# Registering for your Paychex Flex® Account



## What you will need:

You may need one or more of the following items to begin:

- Personal information, including social security number, primary telephone, address
- Primary email address that you can access

You can create an account from your mobile device or a desktop computer.

**PAYCHEX FLEX**

1 2 3 4 5

Personal Information Security Information Security Level Account Information Email Verification

**Sign-Up: Personal Information**

Welcome to the PAYCHEX FLEX system. To register your account, complete the information below.  
(Fields marked with a "\*" are required.)

First Name\* MI\* Last Name\*

Date of Birth\*  
Month Day Year

SSN\* Re-enter SSN\*  
000-00-0000 000-00-0000

Primary Telephone\* Extension\* Secondary Telephone\* Extension\*  
000-000-0000 000-000-0000

Please enter the home address that matches our payroll records. If another address is used, we may not be able to set up your account.

Address Line 1\* Address Line 2\*

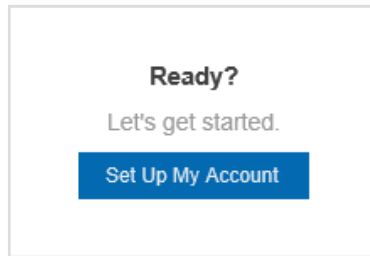
City\* State\* Zip\* Country\*  
Select State United States

Cancel Continue

Copyright © 2020 by Paychex, Inc. Learn More | Security | Terms of Use | Privacy | Trademarks

# Registering for your account

1. You will receive an email with a subject line of "Just for you — see your paycheck online"



2. Simply click, Setup My Account, and follow steps 1-5 from your browser or mobile device

A screenshot of the PAYCHEX FLEX registration interface. At the top is a dark blue header with the "PAYCHEX FLEX" logo. Below the header is a progress bar with five steps: 1. Personal Information (highlighted with a blue circle), 2. Security Information, 3. Security Level, 4. Account Information, and 5. Email Verification. The main content area is titled "Sign-Up: Personal Information" and includes a welcome message and a note that fields marked with an asterisk are required. The form contains several input fields: First Name, MI, Last Name, Date of Birth (Month, Day, Year dropdowns), SSN, Re-enter SSN (with a checkmark), Primary Telephone, Extension, Secondary Telephone, Extension, Address Line 1, Address Line 2, City, State (dropdown), Zip, and Country (dropdown). At the bottom right are "Cancel" and "Continue" buttons.

3. After completing steps 1-5, you will receive an email verification to the address you used to register. Activate your account by using the provided link.

A screenshot of the PAYCHEX FLEX registration interface at the final step. The header and progress bar are the same as in the previous screenshot, but step 5, "Email Verification", is now highlighted with a blue circle. The main content area is titled "Sign-Up: Check Your Email" and contains a success message: "Success! Email sent to jsmith@paychex.com. Open it, and use the link to activate your account."



# Plan Information Summary

Congratulations! You will soon have the opportunity to take an important step towards saving for retirement by enrolling in your company-sponsored 401(k) plan. This Plan Information Summary highlights some key components of the plan provided by Paychex Retirement Services. Please note this is an information summary only. You will receive a Summary Plan Description and General Information Sheet from your employer. These documents provide greater detail of your plan's offerings.

### General Plan Information

The Adopting Employer of the plan is:  
Employer Name: \_\_\_\_\_  
Your company 401(k) plan contact is:  
Plan Contact: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Your plan Financial Advisor is:  
Advisor Name: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

### Plan Options and Features

- \* Hardships
- \* Safe Harbor
- \* Loans
- \* Automatic Enrollment
- \* Self-Directed Brokerage Account (SDBA)
- \* Guided Savings

### Eligibility Requirements

You will become eligible to participate in the plan after you satisfy the following age and service requirements for each contribution type.

Age: \_\_\_\_\_  
Elective Deferrals: \_\_\_\_\_  
Matching Contributions: \_\_\_\_\_  
Profit Sharing Contributions: \_\_\_\_\_

Months of Eligibility Service: \_\_\_\_\_  
Elective Deferrals: \_\_\_\_\_  
Matching Contributions: \_\_\_\_\_  
Profit Sharing Contributions: \_\_\_\_\_

Entry Date \_\_\_\_\_

### Elective Deferral Options:

\* Pretax \* Roth deferrals are permitted under the plan. If making an elective deferral to the plan, a participant's compensation will be reduced each pay period by an amount up to:  
\_\_\_\_\_ % of salary up to \$ \_\_\_\_\_ in increments of 1%  
(Age 50 or older may contribute an additional catch-up contribution limited to \$ \_\_\_\_\_)  
(Age 60 to 63 may contribute an additional catch-up contribution limited to \$ \_\_\_\_\_)

### Vesting Schedule

You are always 100% vested in all contributions you make to your plan, including pretax, Roth, and rollovers.

The following vesting schedule applies to employer contributions:

Matching Contributions: \_\_\_\_\_  
Profit Sharing Contributions: \_\_\_\_\_

### Important Plan Dates

Plan's First Deferral Start Date: \_\_\_\_\_  
Plan Effective Date: \_\_\_\_\_  
Entry Dates once eligible: \_\_\_\_\_

### Employer Contributions

Your employer will make the following contributions to the plan:

- \* Matching: \_\_\_\_\_
- \* Non-Elective Contributions: \_\_\_\_\_
- \* Profit Sharing: \_\_\_\_\_

### Investment Platform

The plan Line-up name: \_\_\_\_\_  
Detailed fund information can be found on the Web Site at \_\_\_\_\_  
Plan QDIA Name: \_\_\_\_\_

### Support Information

The following employee resources are available to you to help you with your enrollment decisions:

### Employee Resources

- Paychex Retirement Services Web Site at \_\_\_\_\_
- Paychex Employee Services at 877-244-1771 from 8:00 a.m. to 8:00 p.m. ET

### Additional Resources and Retirement Calculator

- <http://www.paychex.com/401k-enroll/index.aspx>



HR | Payroll | Benefits | Insurance

# Retirement Services Employee Rollover Form

### Participant Information – All Information is Required

Participant Name \_\_\_\_\_ Email Address \_\_\_\_\_

Company Name \_\_\_\_\_ Phone Number \_\_\_\_\_

Date of Birth \_\_\_\_/\_\_\_\_/\_\_\_\_ Date of Hire \_\_\_\_/\_\_\_\_/\_\_\_\_ SSN: XXX-XX-\_\_\_\_

**Important:** Does your rollover contain Roth Contributions?  Yes  No

If **no**, skip to Investment Selection Information, then review and sign the remainder of the form.

If **yes**, complete **all** information below. *Your Roth rollover cannot be processed without this information.*

Establishment Date (date of first Roth deferral) \_\_\_\_/\_\_\_\_/\_\_\_\_

Roth Contribution Amount \$ \_\_\_\_\_ plus Roth Earnings Amount \$ \_\_\_\_\_ equals Total Check Amount \$ \_\_\_\_\_

*Note: Only plans that permit employees to make Roth 401(k) salary deferrals may accept Roth 401(k) rollovers. Refer to the General Information Sheet/Summary Plan Description or contact your plan administrator to determine if your plan accepts Roth 401(k) rollovers.*

### Investment Selection Information

- If you have made investment selections in your company's 401(k) retirement plan with Paychex, your rollover funds will be invested according to your current fund allocations.
- If you have **not** made investment selections and are currently eligible to participate in your company's plan, select funds by accessing the Paychex 401(k) participant website at <http://www.paychexflex.com>.
- If you have not made investment selections prior to your rollover being processed, your funds will be invested in the Participant Default Fund within your company's plan.

### Important Information Regarding your Rollover

- Receipt of this form by Paychex does not initiate the rollover of prior plan assets. You must contact your prior plan administrator to initiate the transfer of assets to Paychex.
- If you are not yet eligible to participate in your company's plan, you may roll funds into the plan. However, a loan from the rollover balance is not available until you are eligible to participate in the plan.
- Funds rolled into the plan become subject to the terms of the plan sponsored by your employer.
- Your rollover check must be payable to "Paychex FBO Participant Name/Social Security Number."

### Authorization

I hereby certify that this rollover represents a distribution from a qualified retirement plan, and that I understand the terms of the plan as they apply to my rollover account. The authorization set forth in this form shall become effective at the earliest time permitted by the terms of the plan. I acknowledge that I have received and reviewed the Fee Disclosure Statement for Participants.

Participant Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Electronic Signatures are not accepted

Fax this form to:  
585-389-7878

✉ Using FedEX, UPS or USPS (Signature of Certified Mail with Tracking):  
Mid Atlantic Trust Company C/O Paychex  
Attn: Lockbox 830401  
525 Fellowship Road, Suite 330  
Mt. Laurel, NJ 08054-3415

✉ Using Regular Mail (No Tracking or Signature Required):  
Mid Atlantic Trust Company C/O Paychex  
PO Box 830401  
Philadelphia, PA 19182-0401

*Note: Failure to send overnight or signature required mail to the appropriate address may result in the delay of processing of your request, as the check will be returned to sender.*