



RPC NEWS

A quarterly newsletter
for Retirement Plan
Participants

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Time Is Your Friend in Investing

If an uncle died and left you \$50,000 in his will, would you prefer to get your hands on that money today or wait a year to receive it? Most likely, your answer would be: "Now, please." You know instinctively that the sooner you receive the money, the sooner you can benefit from it.

It works much the same way with saving for retirement. The sooner you begin adding more to your retirement plan, the more time your extra contribution will have to grow and compound. Compounding is basically money making money. And time is a big part of the magic of compounding. The longer your money is invested, the more you potentially benefit from compounding.

The cumulative result after years of contributions and earnings may be the nest egg you'll need to see you through your retirement years. You can put time and compounding to work on your behalf right away by increasing your retirement plan contribution.

Growing Your Savings

| | |
|---|-----------|
| An extra retirement plan contribution of \$200 a month could potentially grow to: | |
| After 10 years | \$32,776 |
| After 20 years | \$92,408 |
| After 30 years | \$200,903 |
| After 40 years | \$398,298 |

Source: DST Systems, Inc.
This is a hypothetical example used for illustrative purposes only and is not representative of any particular investment vehicle. It assumes a 6% average annual total return compounded monthly. Your investment performance will differ. Because of the possibility of human or mechanical error by DST Systems, Inc. or its sources, neither DST Systems, Inc. nor its sources guarantees the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. In no event shall DST Systems, Inc. be liable for any indirect, special or consequential damages in connection with subscriber's or others' use of the content.
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The Saver's Tax Credit -- Can You Benefit?

It's not always easy to keep contributing to your employer-provided retirement plan. Bills and unexpected expenses can eat up most of your salary, leaving little for retirement savings. You might be tempted to forget about it until you start earning more money.

But before you stop or cut back (or never start) contributing to your plan, understand that you could be entitled to a federal tax credit called the Retirement Savings Contributions Credit, or Saver's Credit, if you meet certain income requirements. In effect, the credit repays a percentage of the contributions you make to your 401(k) or other retirement savings plan by reducing your income tax liability for the year. It may be just the thing that enables you to keep participating in your retirement plan or increase your contributions.

What It Is

The credit is a percentage -- 50%, 20%, or 10% -- of up to \$2,000 in qualified retirement savings contributions for a maximum credit of \$1,000 (or twice that amount for a married couple filing jointly who each contribute \$2,000). The percentage depends on adjusted gross income (AGI) and filing status. The credit is available for contributions to a 401(k), 403(b), governmental 457(b), SIMPLE IRA, or salary reduction SEP as well as for traditional and Roth IRA contributions.

To claim the credit, you must be at least age 18, not claimed as a dependent on another person's return, and not a full-time student. You will not be able to claim the credit if your AGI exceeds the top of the range for the 10% credit.

| | 2019 Tax Credit | | | |
|------------------------|-----------------------|---------------------|---------------------|--------------------|
| | 50% of Contribution | 20% of Contribution | 10% of Contribution | 0% of Contribution |
| Tax Filing Status | Adjusted Gross Income | | | |
| Married Filing Jointly | \$38,500 or less | \$38,501-\$41,500 | \$41,501-\$64,000 | > \$64,000 |
| Head of household | \$28,875 or less | \$28,876-\$31,125 | \$31,126-\$48,000 | > \$48,000 |
| All other filers* | \$19,250 or less | \$19,251-\$20,750 | \$20,751-\$32,000 | > \$32,000 |

*Single, married filing separately, or qualifying widow(er)
Source: irs.gov

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Security Update

Retirement Plan Consultants understands the importance of cybersecurity, and we take our role in preventing fraudulent activity on retirement accounts very seriously. As such, we are committed to utilizing industry-leading policies, procedures and technology to build awareness and safeguard your hard-earned assets.

As part of our fraud prevention efforts, Retirement Plan Consultants has designed and implemented strict protocol for identity verification during phone calls. In addition, we are adding Multi-Factor Authentication (MFA) to our website and will soon be launching additional enhancements. These measures are intended to improve the layers of security and help ensure that your retirement account is not impacted by fraudulent activity.

Website

Beginning August 1, 2019, our website will require a second layer of authentication. You will be required to enter a one-time pin number (OTP) as part of the sign-in process. The time-sensitive OTP can be received via email, SMS text message, or the Google Authenticator app.



Your profile must include at least one email address and phone number. This contact information is necessary to ensure that you are able to receive their OTP codes, as well as perform other functions (such as resetting a forgotten password).

Phone Calls



All phone calls regarding account information are subject to our identity verification protocol, which will continually be updated as cybersecurity needs change. Although this may be perceived as a nuisance, our aim is to ensure every

reasonable effort is made to protect against fraudsters. In the event of a suspected fraud attempt, you and your employer will be notified.

Forms

Retirement Plan Consultants has made applicable forms available on [Participant Web](#).



Many of our web forms are updated periodically, and we require the most current version of select forms. Please download forms from the website, as they are needed, to ensure you are using the most up-to-date versions.

Electronic Communications

Email is a susceptible mode of communication, and it can be risky to transmit non-public information (NPI) over email. Please take advantage of your [Account Website](#) to securely manage your account & profile information.



FAQ

In this constantly evolving landscape of technology and cybersecurity, awareness is the first-line of defense. Retirement Plan Consultants will continue to focus on awareness with our team, and we urge you to do the same.



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