

National Save for Retirement Week  
October 17-21, 2011

## Consider Contributing More to Your Plan Account

National Save for Retirement Week is a congressionally-endorsed national event encouraging employees to take full advantage of their employer retirement plans.

This is a great opportunity to review your State of Missouri Deferred Compensation Plan account to see if you are saving enough.

Contributing even a little more to your Plan account on a regular basis may have a noticeable impact on its future growth. Consider these scenarios:

- If you save just \$15 per week in your Plan account for 40 years and earn an average rate of return of six percent, you will have over \$124,000 in your account.
- If you are saving now and increase your contributions from \$100 semi-monthly to \$150 semi-monthly, your account could potentially grow from \$195,139 to more than \$292,709, assuming a six percent rate of return for 30 years.
- If you are eligible for the Saver's Credit, you can contribute to your Plan account and receive money back when you file your federal tax return.



## Record Keeper Transition Reminders

You recently received a letter reminding you that your account records will be transferred from ING to ICMA-RC by November 10, 2011. While no action is required from you for this transition to take place, it might be helpful to know the key dates associated with this change.

### November 8, 2011

The Blackout Period begins so that your account records can be transferred without interruption from ING to ICMA-RC. Your account will not be out of the market during this time.

### November 10, 2011

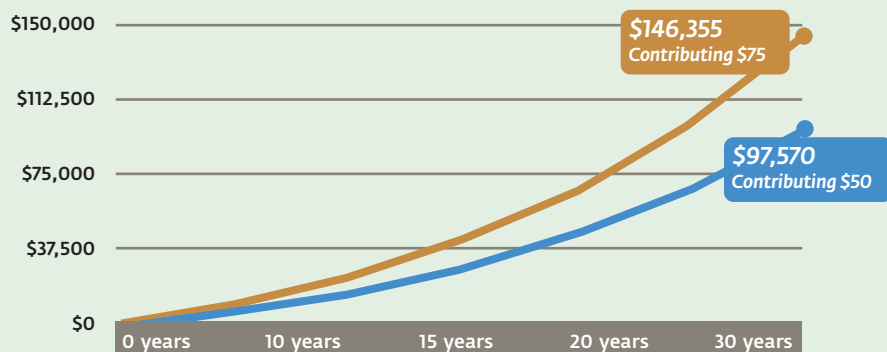
The anticipated end of the Blackout Period. ICMA-RC will send an enrollment and conversion confirmation letter, which will include your account information and balance. Please take a few minutes to ensure that your name, address, contribution information, and account balance are correct. After this date, log into your account at [www.modeferredcomp.org](http://www.modeferredcomp.org) to view your account balance or complete transactions. To log in following the transition, you will need to register for Account Access and select a new User ID and password.

### November 18, 2011

ING will mail closing statements showing a zero "Closing Value as of November 8, 2011" and the "Conversions" amount transitioned to ICMA-RC. For more information about this transition, visit [www.modeferredcomp.org](http://www.modeferredcomp.org) or call (800) 392-0925, option 2. ●

### A small increase could make a big difference

This hypothetical illustration shows the value of an increase in contributions made semi-monthly over 30 years. Contributing \$50 could potentially add up to \$97,570. By increasing the contribution by only \$25 to \$75, the savings could grow to \$146,355 — a difference of \$48,785!



*For illustrative purposes only; assumes semi-monthly contributions and a six percent average annual return. The final account balance does not account for Plan fees or expenses which would reflect lower net returns. Investment return and principal value will fluctuate so when shares are redeemed they may be worth more or less than the original cost.*

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# Investing in a Volatile Market

Wide market swings and investor jitters have been making headlines for months, and the bumpy ride may continue.

To help weather market volatility, investment professionals use a strategy known as dollar-cost averaging.

Dollar-cost averaging means investing the same amount of money at regular intervals. You may not realize it, but as a Plan participant, you are taking advantage of dollar-cost averaging by steadily investing your Plan contributions from every paycheck.

Although dollar-cost averaging does not guarantee a profit or protect against loss, it does offer several benefits.

As the market and investment prices go down, your contributions buy more shares of the investment options in your Plan account. As the market and investment prices go up, your contributions purchase fewer shares. Over time, the result is a lower average cost per share, potentially lowering the cost of investing.

Dollar-cost averaging also takes the guesswork out of when or how much to invest. You are less likely to get carried away when the market is hot by investing too much when share prices are high. And whenever the market declines, you continue to purchase shares at relatively cheaper prices, positioning yourself to potentially benefit when the market recovers. With any investment strategy, always keep in mind that past performance does not guarantee future results.

So while a down market can be unsettling, dollar-cost averaging may help you stay focused on your long-term saving objectives. ●

During National Save for Retirement Week, you may want to think about:

- How long it's been since you last increased your contribution.
- Whether it's time to restart your contributions if you stopped recently.
- Adding an annual calendar reminder to slightly increase your pay period contribution.
- How to reduce your monthly expenses to free up more money for retirement savings.

The Plan website offers an online calculator that can help you plan for an increase in contributions that fits your budget. Use it to compare how different deferral amounts could affect your take home pay and your account balance.

To increase your contributions, log into your account at [www.modeferredcomp.org](http://www.modeferredcomp.org) or call the Plan Information Line at (800) 392-0925. ●

## Why Social Security and a Pension May Not Be Enough

For generations, people have counted on their pension and Social Security to fund retirement. Unfortunately, because of rising costs and other unpredictable factors in retirement, those days are gone.

Experts predict you will need about 80 percent of the salary you are earning just before leaving employment to live comfortably during retirement. If you are eligible for a pension, your checks will be based on your length of service and age at retirement. That pension benefit, combined with Social Security, will only replace approximately 65% of pre-retirement income for the average State of Missouri employee.

Participating in the Plan helps you save and invest for retirement while you are working and generates supplemental income for after you retire. That income from your Plan account could help you manage the unpredictable factors that may affect your retirement.

### What if you live to a ripe old age?

You don't want your savings to run out.

### Money tends to lose its purchasing power because of inflation.

Even with a relatively low inflation rate of three percent, you would need twice as much money in 25 years to equal the buying power you have today.

### Your spending on health care may go up.

While you are eligible for Medicare at age 65, some medical services and prescriptions require you to pay monthly premiums plus a percentage of the expenses not covered by Medicare. If you need long-term care as you age or your health changes, you're looking at additional costs unless you have long-term care insurance. ●



### Participant Service Representatives:

Available Monday–Friday, 7 a.m.–7 p.m.  
(800) 392-0925, option 1, and from the main menu, option 0

### ING Local Office:

3349 American Avenue, Suite A • Jefferson City, MO 65109

### ING Plan Consultants:

Available Monday–Friday, 9 a.m.–5 p.m. • (800) 392-0925, option 2

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## quarterly calendar

The New York Stock Exchange is closed:

- Thursday, November 24, 2011
- Monday, December 26, 2011
- Monday, January 2, 2012
- Monday, January 16, 2012

Transactions made on these days will be processed the following business day.