Three strategies for staying on track

No matter where you are in life, one day you'll retire from your job. Here are three smart financial steps you can take now to help put yourself on the path toward financial freedom.

Step 1: Save like you mean it

These time-tested methods can help you move toward your goals:

Start early

- Time is your biggest ally when it comes to saving thanks to the power of compound interest.
- The sooner you start, the more time your money has to potentially grow.

Take advantage of savings with tax benefits

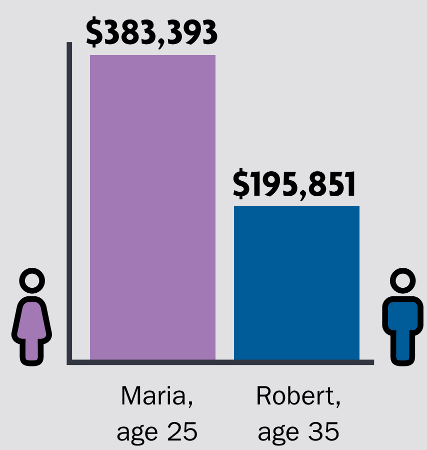
- Your employer's retirement plan is one of the best savings vehicles around because of the tax benefits.
- You can contribute directly from your paycheck on a pretax basis, which may lower your taxable income.
- You may also be able to make after-tax contributions through a Roth plan, which offers tax-free withdrawals in the future once qualifying conditions are met.[1]

Save as much as you can

- Many experts recommend saving between 10% and 20% of your gross salary for retirement.
- You can always start small and increase your contributions over time as your salary grows.
- Your employer may also match part of what you contribute. If possible, contribute at least enough to get the full match.

The power of compound interest

Maria starts saving at age 25.
Robert waits until age 35.
See the difference at age 65.



Hypothetical illustration only. Not intended to represent the past or future performance of any investment. Assumes contributions of $200 made monthly at a 6% annual effective rate, compounded monthly.[2]

Step 2: Invest for your long-term goals

Investing is all about managing risk. The greater the risk, the greater the potential reward—and the greater the potential losses. Two key ways to help manage risk are diversification and rebalancing.

Diversification

- This spreads out your investments among different asset types or classes based on your goals, years to retirement and risk tolerance.
- Your employer's plan provides a variety of investment options that can help you create a diversified investment portfolio.[3]

Rebalancing

- Once your investing strategy is in place, you should review and adjust your investments as needed to make sure you're still on track.

Step 3: Plan for your income to last a lifetime

An important part of your retirement strategy is to ensure you'll have income for life when you retire. The key is to set up a plan that includes both guaranteed assets and investments with the potential to grow.

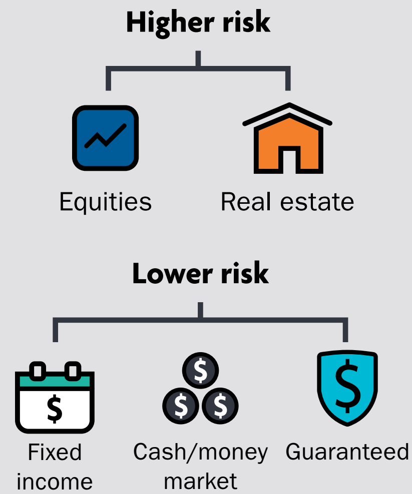
Guaranteed assets

- These assets are unaffected by market volatility and provide income you can't outlive to help cover everyday expenses in retirement.[4]

Investments with growth potential

- These assets may help you keep up with inflation and pay for your lifestyle choices.

Asset classes



TIAA is here to help

Go to **TIAA.org/stayontrack** for a brochure with details about these strategies and more.

Or call **800-732-8353** to schedule an appointment with a financial consultant.

[1] Withdrawals of earnings prior to age 59½ are subject to ordinary income tax, and a 10% penalty may apply. Earnings can be distributed tax free if a distribution is no earlier than five years after contributions were first made and you meet at least one of the following conditions: age 59½ or older or permanently disabled. Beneficiaries may receive a distribution in the event of your death.

[2] This is a hypothetical example and is not representative of any specific investment. Your results may vary.

[3] There is no guarantee that a diversified portfolio will enhance overall returns or outperform a nondiversified portfolio. Diversification does not protect against market risk.

[4] Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes.

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