



## The story of Jack and Jill

Take a lesson from Jack and Jill. They start out as equals: same school, same job, same salary. Smart Jill socks \$50 a pay period (24 times a year) into her retirement account right away. Tardy Jack waits 10 years.

Look at what happens.\* Jill's contributions in the first 10 years—totaling \$12,000—grow to \$103,530 by age 55 even if she stops contributing at age 32. Jack, who begins investing at age 32, contributes \$28,800 over 24 years, but his account value at age 55 is still less than Jill's.

Jack contributed more money and still doesn't catch up with Jill...all because he procrastinated.

*\*Your actual situation may be different from the value shown here. This example uses a projected earning rate of 7.5% for illustrative purposes only. No guarantees are expressed or implied. Results will vary depending upon the actual rate used in the calculation. Over time, the results of any investment will fluctuate and are not guaranteed.*

The story of Jack and Jill illustrates the power of compounding interest or the time value of money. It pays to start saving early.

## THE TIME VALUE OF MONEY

At Age	Jill Saves \$50 per pay period	Jack Saves	
22	\$1,200	\$0	
23	\$1,200	\$0	
24	\$1,200	\$0	
25	\$1,200	\$0	
26	\$1,200	\$0	
27	\$1,200	\$0	
28	\$1,200	\$0	
29	\$1,200	\$0	
30	\$1,200	\$0	
31	\$1,200	\$0	
	↓	If Jill stops	If Jill continues ↓
32	\$0	\$1,200	\$1,200
33	\$0	\$1,200	\$1,200
34	\$0	\$1,200	\$1,200
35	\$0	\$1,200	\$1,200
36	\$0	\$1,200	\$1,200
37	\$0	\$1,200	\$1,200
38	\$0	\$1,200	\$1,200
39	\$0	\$1,200	\$1,200
40	\$0	\$1,200	\$1,200
41	\$0	\$1,200	\$1,200
42	\$0	\$1,200	\$1,200
43	\$0	\$1,200	\$1,200
44	\$0	\$1,200	\$1,200
45	\$0	\$1,200	\$1,200
46	\$0	\$1,200	\$1,200
47	\$0	\$1,200	\$1,200
48	\$0	\$1,200	\$1,200
49	\$0	\$1,200	\$1,200
50	\$0	\$1,200	\$1,200
51	\$0	\$1,200	\$1,200
52	\$0	\$1,200	\$1,200
53	\$0	\$1,200	\$1,200
54	\$0	\$1,200	\$1,200
55	\$0	\$1,200	\$1,200
Total Value	↓ \$103,530	↓ \$183,902	↓ \$80,373