

It's never too soon to plan for retirement: The most effective planning happens in "stages."

YourROCKforRETIREMENT

Naturally, the current state of the financial markets has a lot of retirement investors questioning their investment strategy. But there are some basic guidelines that hold true when investing for the long term, *regardless* of market conditions or your lifestage.

The fundamentals of saving for retirement at any age

- **Put time on your side:** Be sure to join your plan as soon as you become eligible.
- **Identify your tolerance for risk and how long you have until retirement,** then invest in a diversified mix of funds that you feel will help you achieve your long-term financial objectives.
- **Consider *increasing* your contribution rate**—and do so on a regular basis. The current market conditions have underscored the importance of saving as much as you can for the future. Generally speaking, you are eligible to contribute up to \$16,500 to your plan account in 2009. (If you are 50 or older, you may be eligible to contribute even more.)
- **Review your account periodically** and make the appropriate changes, based on your years to retirement, your feelings about risk and whether or not your account is "out of balance," as a result of changes in the financial markets. You can make your changes quickly and easily by accessing your account online, at www.prudential.com/online/retirement.

Action Plan for Retirement Investors

- Call **1-877-778-2100** and say "Retirement Counselor" when prompted to obtain complimentary personalized retirement planning assistance.
- Use the Retirement Income Calculator (www.prudential.com/online/retirement) to help you plan for a secure retirement.
- Visit www.prudential.com/prep and click on the "Retirement Readiness" section for more information about financial topics and saving for retirement.

Become "retirement ready"

Regardless of your age, there are five questions that individuals should ask themselves over time in order to prepare themselves financially for retirement:

- What kind of lifestyle do I want—and how much will it cost?
- What will my health care expenses be?
- Where will my income come from?
- How can I save more for retirement?
- How can I protect my future income?

Because some people need help answering these questions, we suggest you speak with your financial professional or a Prudential Retirement® Counselor. Our Counselors can offer you complimentary personalized assistance in answering these and other important financial-related questions. They can also help you identify and prioritize your financial goals—and develop a long-term plan to help you reach them.

Simply call **1-877-778-2100**, toll free, Monday through Friday, from 8 a.m. to 6 p.m. ET, and say "Retirement Counselor" when prompted. Or, visit the Prudential Retirement Education & Planning (PREP) website, www.prudential.com/prep, and click on the "Retirement Readiness" section to learn more about the steps you can take to prepare yourself for retirement.

The lifestages of retirement planning

The retirement planning process spans various stages, and a number of years. Knowing which stage you are in can help you staying focused on your long-term investment strategy. And when it comes to that strategy, remember that your long-term planning needs—like your life—will change over time. So we've provided some ideas for retirement investors of various ages to consider.



The “Starting” Stage: For those who are ages 20-35

- Your other financial priorities shouldn't stop you from planning for the future. Even small contributions today may make a tremendous difference in your retirement income down the road.
- Don't let current market conditions stop you from enrolling in your plan. In fact, with many stocks now available at “sale” prices, there's never been a better time to invest. And if your account has lost some value, you still have plenty of time to recover.
- As you earn more, you can save more without it affecting your lifestyle. Adjust your budget as you go along to include periodic contribution increases. Give your retirement account a “raise.”
- Increasing your contributions by as little as 1% on a regular basis can make a huge difference in your account balance over time.
- As you pay off car, student or other loans, put that extra money towards your retirement.
- To see how little a contribution increase can affect your paycheck, visit PREP (www.prudential.com/prep) and use the Payroll Deduction Calculator on the Tools tab.

The “Planning” Stage: For those who are ages 35-50

- Now is the time to get on track for funding your retirement.
- Don't let current market conditions alarm you: Your retirement account has time to recover.
- Use the Retirement Income Calculator and other calculators on the Tools tab of PREP (www.prudential.com/prep) to help you model various financial scenarios that can help you plan for a secure retirement.
- Although you may be concerned with putting money away for college tuition, remember that *your* future won't wait. Learn about as many college scholarship and loan programs as you can.

The “Preparing” Stage: For those who are ages 50+

- Don't let current market conditions scare you. Even when you begin to withdraw money from your account, a portion of your money will likely remain invested for a number of years—so you potentially have time to recover your losses.
- Visit www.prudential.com/prep and click on the “Retirement Readiness” section, where you will find a retirement budget calculator and other important tools and articles to help you start preparing *today*.
- Try to take advantage of catch-up contributions: If you are age 50 or over by December 31, 2009, you may be eligible to contribute up to \$22,000 per year to your retirement account.
- Consider consolidating your savings from other retirement savings accounts so you can simplify your finances. Our Retirement Counselors are happy to assist you.
- Focus on building a retirement income stream that will potentially last your lifetime.

The help you need is at your fingertips!

- Prudential Retirement Counselors are available Monday through Friday, from 8 a.m. to 6 p.m. ET. Call **1-877-778-2100**, toll free, and say “Retirement Counselor” when prompted.
- Go online to learn more about planning for retirement and other financial-related topics: Visit PREP, www.prudential.com/prep, to access a wide variety of articles on money matters as well as other helpful tools, such as online courses and calculators.

Keep in mind that application of asset allocation and diversification concepts does not ensure safety of principal and interest. **It is possible to lose money by investing in securities.** Neither Prudential Financial nor any of its representatives are tax or legal advisors and encourage you to consult your individual legal or tax advisor with any specific questions. Securities products and services are offered by Prudential Investment Management Services LLC (PIMS), Three Gateway Center, 14th Floor, Newark, NJ 07102-4077. PIMS is a Prudential Financial company. Insurance products and services are provided by Prudential Retirement Insurance and Annuity Company, Hartford, CT, or its affiliates. Retirement Counselors are registered representatives of PIMS. Prudential Retirement, Prudential Financial, PRU, Prudential and the Rock logo are registered service marks of The Prudential Insurance Company of America, Newark, NJ and its affiliates. Prudential Retirement is a Prudential Financial business.