

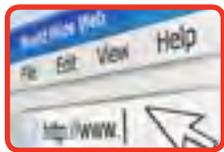


RENEW

Your Commitment to Retirement Planning



Review



Educate



Navigate



Evaluate



Watch



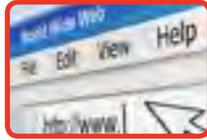


Investing in the stock market can be an effective way to build long-term wealth. That's what makes stock, bond, and cash-equivalent investment choices so popular with retirement plan accounts. After all, the reason to participate in a retirement plan is to accumulate enough money while working to provide lifetime retirement income.

RENEW Your Commitment to Retirement Planning



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Retirement plan investors typically invest over several decades to reach their retirement goals. Over the long term, market volatility can be managed and minimized to some degree by keeping to proven investing principles and by having a clear savings strategy. But sometimes world events, the economy, and stock market activity conspire together to create market instability that can be dramatic or sustained, or both. Wide swings in market activity can in turn cause steep declines in account values.

This was the case during the recession of 2007 and we are still feeling its effects today. Instability and uncertainty in the market makes investors understandably nervous. But the answer is not to overreact, but to **RENEW your commitment to retirement planning**. Maintaining a solid savings strategy can help you make sustained progress toward your retirement savings goals regardless of the current state of the economy, the political landscape, or stock market fluctuations. This RENEW

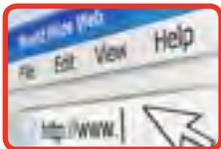
Transamerica Retirement Solutions is committed to helping you achieve retirement readiness and has created a wide range of online resources in the [Transamerica Institute for Retirement Readiness](#). There you will find videos, planning calculators, quizzes, and educational brochures that can help you move forward with your own personal retirement savings plan and RENEW your commitment to retirement planning.

guide presents five steps for you to consider that can help you reenergize your commitment to retirement saving.

STEP 1



Review your goals



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Effective retirement planning starts with a strategy—an approach to saving for retirement that is personal to you and your circumstances. Keep in mind that your strategy should be dynamic and that maintaining it is an ongoing process. The savings strategy you follow today will likely change 10, 15, or 20 years from now as your career and life circumstances develop. The basic elements of your retirement savings strategy could include:

A well-defined savings goal

You should know the amount of money you need to save now to provide adequate retirement income later. When determining your savings goal, take into account all possible sources of retirement income—your own savings (including all retirement plan accounts), expected Social Security benefits, and expected pension benefits (if applicable). Our [long-term savings calculator](#) can help you determine how much you'll need.

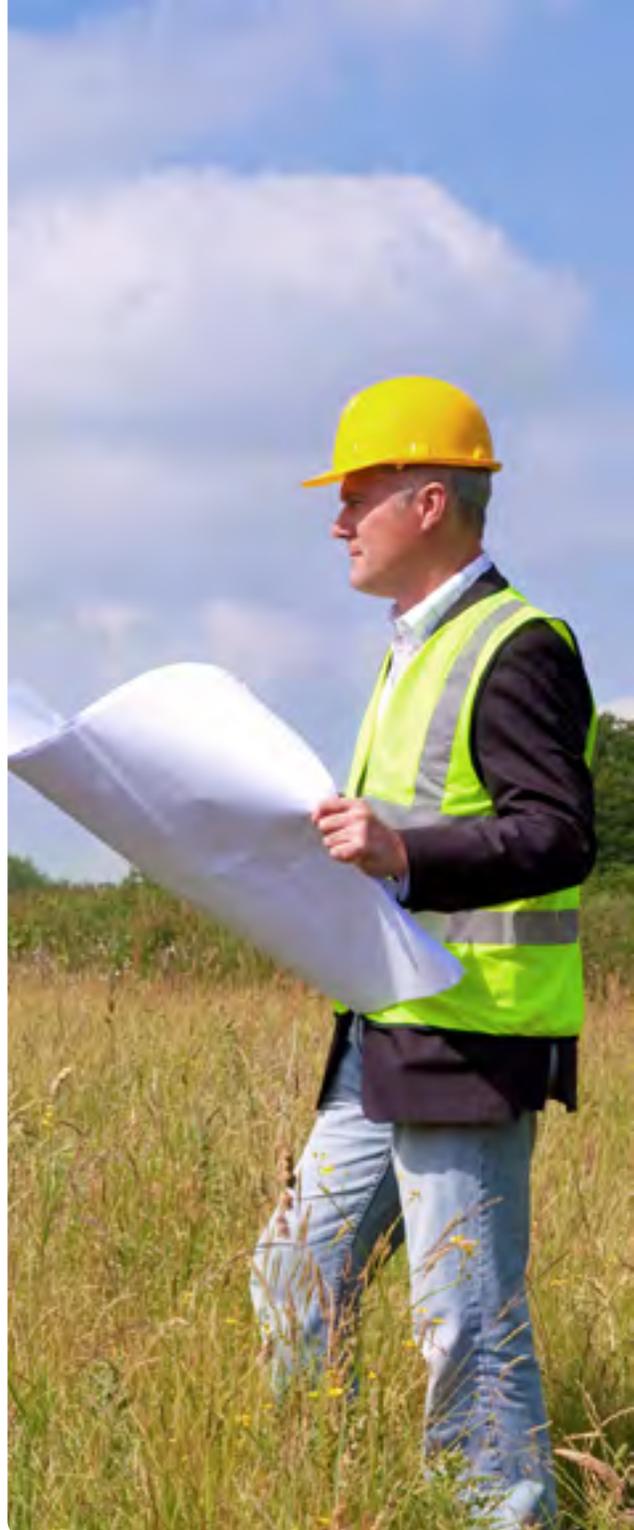
A clear risk profile

Do you know what type of investor you are? In general terms, investors are either conservative, moderate, or aggressive in their approach

to investing. The more conservative you are, the less investment risk you're willing to take. Your potential returns will be lower than someone willing to assume more risk. Conversely, if you're an aggressive investor, you're comfortable with short-term market fluctuations in the hopes of earning greater long-term gains. Our [Risk Profile Questionnaire](#) helps you determine your personal level of risk.

Effective asset allocation

Studies have shown that how you allocate your portfolio among stocks, bonds, and cash has the greatest influence over how your account performs over the long term. When you allocate your assets,



you decide what percentage of your contributions and existing account balance will be invested in each type of investment in your retirement plan account.

A well-chosen investment portfolio

Select the investment choices with the potential to provide

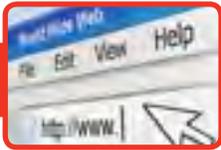
the rate of return needed to meet your long-term savings goals.

Diversify your account by choosing a variety of investments with differing risk and return characteristics to help manage your account’s overall risk.



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STEP 2



Educate to create a successful plan



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Learning about retirement planning takes initiative and commitment. But it's worth it. You're making a commitment to yourself and to your future. Don't worry, though, you're not doing it alone. Transamerica is committed to helping you by providing information and tools that make learning and planning easier.

The Transamerica Institute for Retirement Readiness is a great place to start.

The [Transamerica Institute for Retirement Readiness](#) is our online educational resource center for employees. Once you sign in, you can select the most relevant information for you based on where you are right now on the Investor Continuum. By choosing one of four investor types: Eligible, Participant, Saver, or Investor, you are immediately connected to educational resources, interactive planning calculators, and videos that give you the information you need to move forward along the Investor Continuum as your knowledge and confidence increase.

In addition, the Transamerica Retirement Solutions website at www.TA-Retirement.com offers information and planning tools under the Resources tab.

[OnTrack®](#) helps you develop and analyze your saving and investing strategy, and allows you to integrate all of your household income and retirement assets into one cohesive retirement planning strategy.

Key features include:

- Adjustable savings rate, so you can model different scenarios.
- Adjustable investment strategies, so you can model different investing scenarios (using five sample investment mixes).
- A customized *retirement outlook* tailored to your individual situation, providing a future income estimate based on current and alternative saving and investment strategies.

The Investor Continuum

To get started, identify the description below that most closely matches your situation. When you click on one of the four stages, you'll be taken to the tools and resources most relevant to where you are along the investor continuum.

ELIGIBLE



PARTICIPANT



SAVER



INVESTOR



ELIGIBLE

I am eligible to join, but have not enrolled yet.

PARTICIPANT

I am in the plan, but save only a small amount.

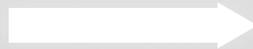
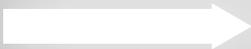
SAVER

I want to grow, protect, and manage assets. I may benefit from adjusting my asset allocation.

INVESTOR

I am comfortable making investing and planning decisions, but may benefit from account building strategies.

I N C R E A S E D F I N A N C I A L L I T E R A C Y

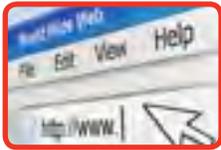


The [Budget Organizer](#) provides worksheets that walk you step-by-step through the process of creating a budget. This helps you understand your overall financial situation and determine how much you can and should be saving for retirement.

A variety of [online presentations](#) can help you learn how to enroll, understand more about investments and the economy, and take advantage of saving opportunities that may be available to you at specific times during your career, such as the [Saver's Credit](#).



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STEP 3



Navigate the market's ups and downs



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It is easy to recognize that the stock market is currently volatile and has been since the start of the recession. While it is important to understand and to keep informed about current market conditions, it's also important to note that our markets have been through significant volatility many times before and historically have eventually recovered and even increased in value.

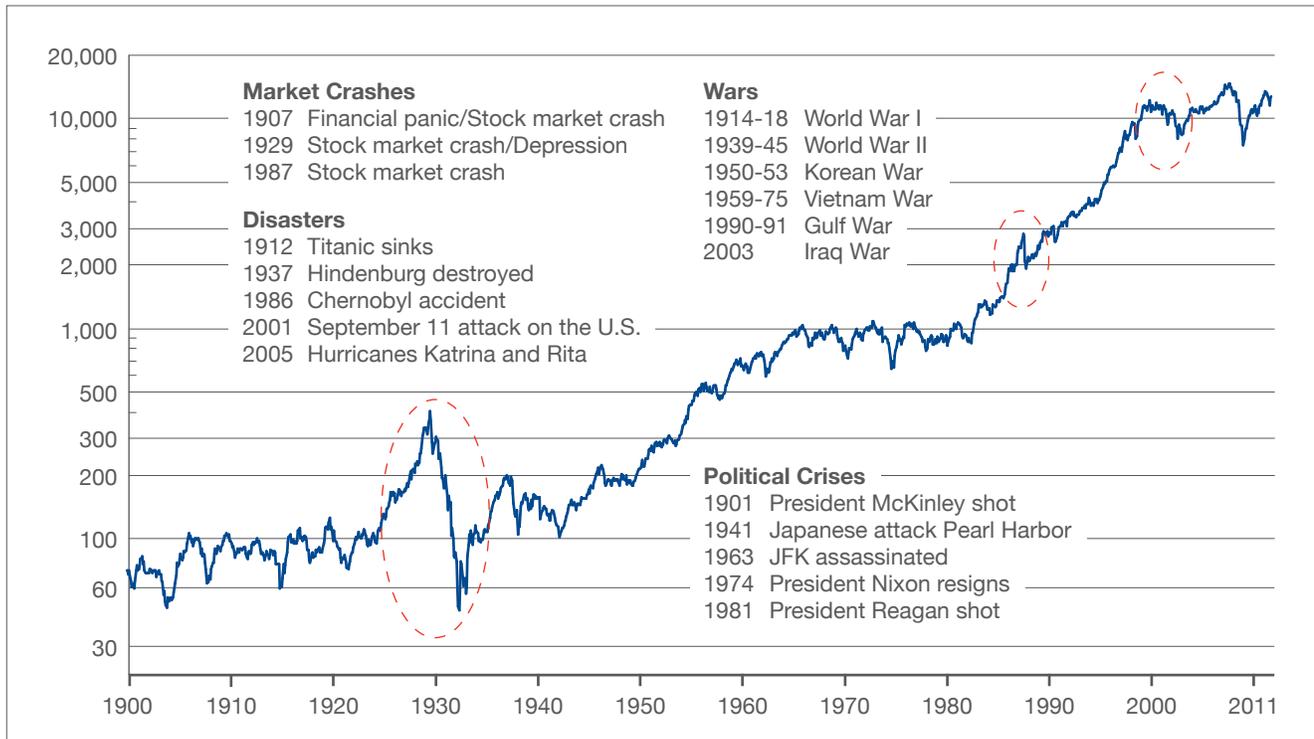
Looking at the performance of the stock market over a period of years provides important perspective.

Past performance does not guarantee or predict future results, but being aware of historical stock market performance may help you put current market volatility into context and help inform your short- and long-term investing decisions.

There are many factors that affect a particular stock's value, for example: company earnings, new legislation, and national events. That's what makes the stock market speculative. Even expert investors can lose money in the market.

However, for more than 100 years, since the Dow Jones stock index was created in 1896,

Dow Jones Industrial Average



Price-weighted average of 30 actively-traded blue-chip stocks, traditionally of industrial companies. This is not an investment product available for purchase. Source: Dow Jones & Company; The Federal Reserve Board; The National Bureau of Economic Research; ©2008 Crandall, Pierce & Company. All rights reserved. Past performances is not a guarantee of future results.



stocks have consistently increased in value even through certain periods of time that involved severe volatility.

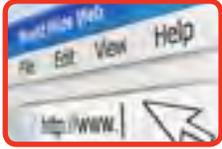
This graph above illustrates the long-term trends and growth of the stock market through the 20th century and beyond. You'll notice how stocks have responded negatively during such events as the Great Depression, the market crash of 1987, and the events of September 11, 2001. However, in each case, the stock market eventually rebounded and continued to increase in value.

As a long-term investor, proven investing principles may help you stay the course during times of extreme or sustained market volatility. One of those principles is dollar cost averaging, which can actually work to your advantage during a market downturn.

With **dollar cost averaging**, you invest a fixed amount of money at regular intervals. This means that through up and down markets, you continue contributing to your retirement account. During market declines, historically you pay less per share for an investment, and your contribution buys more shares. When the market rises, historically you pay more per share, and your contribution buys fewer shares. But over time, dollar cost averaging may reduce the average cost per share of your investment and potentially lessen the impact of market fluctuations on your account.



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STEP 4



Evaluate your risk tolerance



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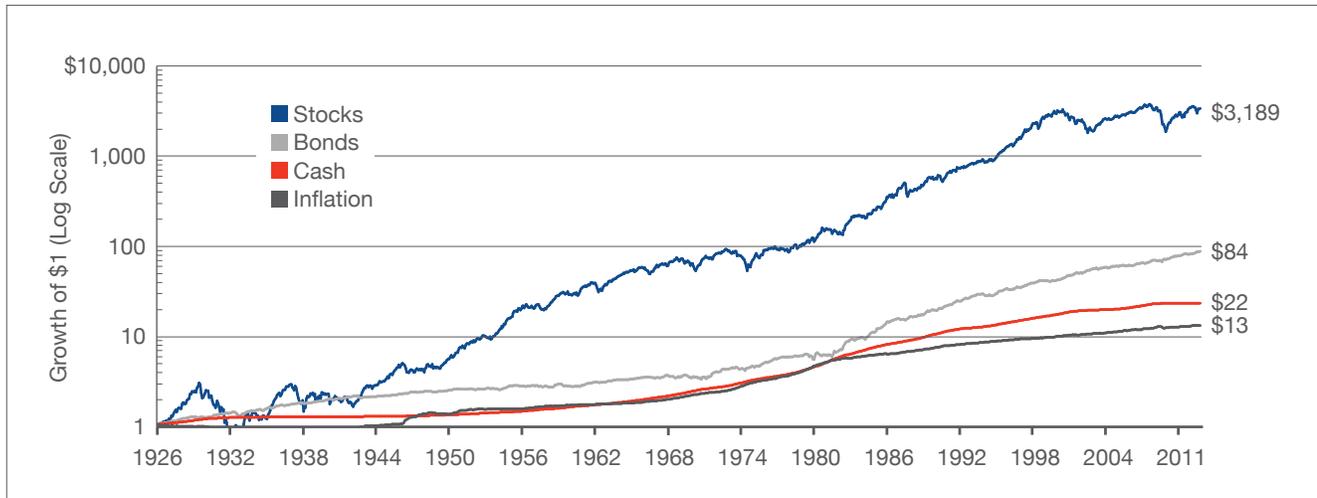
Market turmoil can be emotionally exhausting—you may have felt a range of emotions recently with each news report or update from Wall Street. It's easy for emotions to swing as the market swings.



At times like these it is helpful to remember that sometimes the best financial opportunities are created during periods of volatility.

Start by completing or revising your [Risk Profile Questionnaire](#). The [Transamerica Institute for Retirement Readiness](#) can also help you position yourself to withstand the downturn and reap the rewards over the long term.

Growth of \$1 invested in stocks, bonds, and cash versus inflation — 1926 to 2011



Source: ChartSource®, The McGraw-Hill Companies. For the period from January 1, 1926 through December 31, 2011. Stocks are represented by Standard & Poor's Composite Index of 500 Stocks. Bonds are represented by a composite of returns on long-term government bonds, constructed from yields published by the Federal Reserve, the Barclays Long-Term Government Bond index, and the Barclays U.S. Aggregate index. Cash is represented by a composite of the yields of 3-month Treasury bills published by the Federal Reserve and the Barclays 3-Month Treasury Bills index. Inflation is represented by the monthly change in the Consumer Price Index. It is not possible to invest directly in an index. Past performance is not a guarantee of future results. Copyright © 2012, The McGraw-Hill Companies. All Rights Reserved. Not responsible for any errors or omissions.



As you can see from the chart above, over the last 85 years, stocks have outpaced bonds, cash-equivalent investments, and also the rate of inflation. Rising values are rarely a straight ride up for stocks, which make them the riskiest of the three asset classes described here. However, if you have many years to go before you will begin withdrawing your retirement plan savings, you may be able to ride out any declines in stocks to come out ahead of where you might have been investing only in less risky investment options.

Of course, you need to weigh all of the factors related to your financial situation when making investing decisions in every area of your life, including your retirement plan account. Resisting the temptation to invest based on emotion, carefully considering your options and potential risks, and making informed decisions can help you avoid potentially costly mistakes.



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STEP 5



Watch your account

It is important to regularly monitor your progress toward reaching your retirement savings goal and review your investment allocations as your personal situation changes. In times of greater than usual market volatility or economic uncertainty, it is even more critical to manage your account to maximize its potential. Be sure to review:



Your savings goal

Are you on track to meet your retirement savings goal? Use **OnTrack®** to periodically check your progress.

Your asset allocation

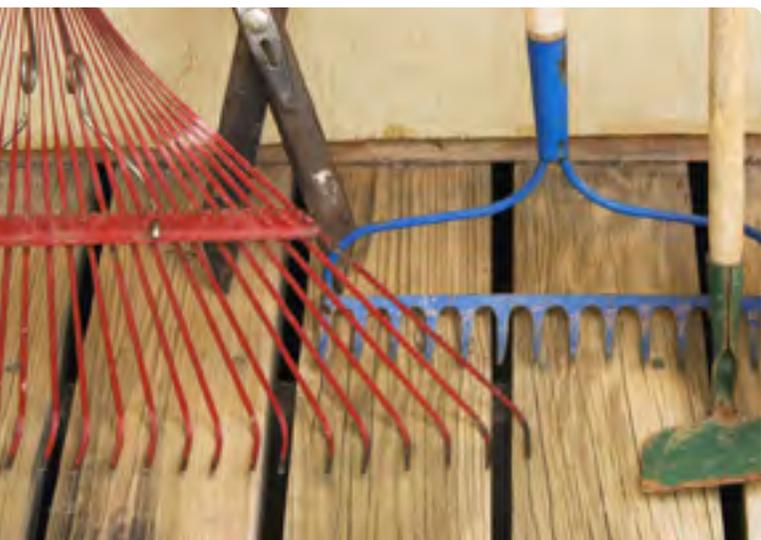
The percentages you chose for each type of investment when you joined the plan will not remain the same indefinitely. The daily performance of your investments changes the weighting of your portfolio over time. At least annually, consider rebalancing your account to ensure it remains true to your intended asset allocation.

Important: The projections or other information generated by OnTrack regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results derived from the OnTrack tool may vary with each use and over time. Please visit OnTrack for more information regarding the criteria and methodology used, the tool's limitations and key assumptions and other important information.

Current events

Stay informed and take note of news, world events, and market updates, but remember that your goal is to maintain a long-term perspective. Resist the temptation to make rash decisions based on emotion. Carefully consider what changes, if any, you should make at any given time. Remember, periods of market volatility may actually work in your favor as a long-term investor.

The [Transamerica Institute for Retirement Readiness](https://www.ta-retirement.com) can help you every step of the way as you save for retirement. In addition, you'll find helpful information about a variety of retirement plan topics at www.TA-Retirement.com.



RENEW your commitment to retirement planning

Taking advantage of educational resources, staying informed, and actively managing your account all take time and commitment. But remember, it's a commitment to yourself, to your future, and to a financially secure retirement. Spending time learning about retirement planning may be time very well spent.

Visiting the [Transamerica Institute for Retirement Readiness](https://www.ta-retirement.com), especially whenever you feel your goals are shifting or you just want to make sure you're on track, might be a very wise choice.

Saving for retirement is up to you, but you're not alone. Transamerica Retirement Solutions is here to help you along the path to retirement readiness.





About Probability Illustrations, Limitations and Key Assumptions

The probability illustrations OnTrack® generates are based on “Monte Carlo” simulations of 500 possible investment scenarios for a given time period, and assume a range of possible returns. The illustrations are generated according to models developed by Ibbotson Associates, a leading independent provider of asset allocation, analytical and wealth forecasting software. The “retirement outlook” graphic reflects the difference between the model’s estimated annual income (an amount that corresponds to a 70% probability of achieving your income goal in the investment scenarios simulated) and your annual income goal.

To forecast the probability of achieving your income goal, the model considers historical performance and other information for selected investment asset classes using all available and relevant data (from 1926 and 1970 forward for equity and fixed income, respectively), as represented by the common benchmark indexes noted below:

- Cash: Citigroup 3 Month Treasury Bill
- Short-Term Bonds: The Barclays Capital 1-3 Year US Government Bond Index
- Aggregate Bonds: Barclays Capital US Aggregate Bond Index
- Long-Term Bonds: Barclays Capital Long Govt/Credit Bond Index
- High-Yield Bonds: Barclays Capital US Corporate High Yield Bond Index
- TIPS: Barclays Capital Global Inflation Linked US TIPS
- International Bonds: Citigroup WGBI
- Large-Cap Stocks: Russell 1000 Index
- Mid-Cap Stocks: Russell Mid-Cap Index
- Small/Mid-Cap Stocks: Russell 2500 Index
- Small-Cap Stocks: Russell 2000 Index
- REITS: FTSE NAREIT Equity REITs
- International Stocks: MSCI EAFE Index
- Emerging Markets: MSCI EM Index
- Commodities: DJ UBS Commodity

The model does not consider other asset classes such as hedge funds or private equity, which may have characteristics similar or superior to those used in the model. Unless you choose otherwise or your employer supplies different information, the probability illustrations assume retirement at the age at which you qualify for full Social Security benefits and an annual retirement income goal of 80% of your projected final working salary. Social Security estimates are based on the Social Security Administration methodology and your current salary. The probability illustrations also assume a consistent contribution percentage and asset allocation (no future changes or rebalancing), annual inflation of 2.5%, and annual salary increases based on a calculation that incorporates multiple factors including a salary growth curve and inflation. Mortality assumptions are based on the Society of Actuaries tables. The models are subject to a number of limitations. Returns associated with market extremes may occur more frequently than assumed in the models. Some asset classes have relatively limited histories; for these classes the models use historical data for shorter time periods.

There is no guarantee that your income goal will be achieved or that the aggregate accumulated amount will ensure a specified annual retirement income. Also, the model results may vary with each use of OnTrack and over time.

IMPORTANT: The projections generated by the simulation model regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results, and do not guarantee future results.

Moreover, even though OnTrack’s estimates are statistically sound based upon the simulations it runs, the tool cannot foresee or account for every possible scenario that may negatively impact your financial situation.

Thus you should monitor your account regularly and base your investment decisions on your time horizon, risk tolerance and personal financial situation, as well as on the information in the prospectuses for investments you consider.

Securities offered by Transamerica Investors Securities Corporation (TISC), 440 Mamaroneck Avenue, Harrison, NY 10528. Transamerica and TISC are affiliated companies.

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Asset allocation and diversification do not assure or guarantee better performance, cannot eliminate the risk of investment losses and do not protect against an overall declining market.

Dollar cost averaging does not guarantee a profit or protect against a loss in a declining market, so you should consider your ability to continue investing through periods of adverse market conditions.

We do not provide investment advice. Nothing presented herein should be construed as a recommendation to purchase or sell a particular investment or follow any investment technique or strategy. Transamerica Retirement Solutions does not act as a fiduciary.