

EPIC's 3rd Quarter Participant Newsletter 2013

MARKET OVERVIEW

As of the date of this memo, and for the first time since the year 1789, there is talk of allowing the US to default on its bond interest and other current obligations. The markets have remained calm for the first two weeks of the government shutdown. Many economists believe the shutdown to be a scare tactic, understanding that if the US government defaults, there will be financial collapse that will affect every market in the world.

The market will have ups and downs. Unfortunately, we cannot control or predict the timing or severity of either. However, as Plan participants, you can directly influence and control your retirement readiness.

RETIREMENT READINESS – WHAT DOES IT MEAN?

“Retirement Readiness” is definitely the buzz word, in the world of 401(k) and retirement, for 2013. Why the buzz? Well, when it comes down to it, the average American is not financially ready for retirement.

Human resources consulting firm, Aon Hewitt, recently released an estimate of what we need to save for retirement. They estimate 11 times your final working salary if you plan to retire at age 65 and maintain the same standard of living. Chances are, you are not saving enough.

A Bankrate.com report published recently reported that only 18 percent of working Americans are saving more for retirement now than they were a year ago. Seventeen percent are saving less and 54 percent are saving about the same amount. Employed Americans between the ages of 50 and 64 are the most likely of all age groups to be saving less this year than last. With higher health care costs and longer life spans, the amount that we need to save for retirement has escalated.

So, what can you do about it?

1. We urge you to increase your 401(k) contribution amount, even if by just 1%. By increasing your contribution, you will be saving more for retirement and increasing your tax savings. You need to defer your way to retirement, as opposed to invest your way to retirement. Your 401(k) investments are second to what you actually save in the Plan.
2. If you have a company match, please ensure that you are taking advantage of it. Make sure you are saving, at the minimum, the amount required to receive the full match.
3. If you are over the age of 50, don't forget about the catch-up contribution of \$5,500 for 2013.
4. Take a retirement readiness quiz. Make sure you understand if you are on track for retirement or if you have a shortfall. Please visit our Knowledge Center at www.epicretirellc.com for Participant information and tools available to help you Plan. You may also visit your Plan Provider website for additional resources as well.

FOR QUESTIONS AND PERSONAL INVESTMENT GUIDANCE, PLEASE CONTACT EPIC

You may feel free to contact EPIC directly. EPIC consultants are available between 9:00 am – 5:00 pm Eastern Standard Time Monday – Friday. You can call or email:

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When contacting EPIC, kindly identify yourself and your employer and if possible provide a copy of your 401(k) statement.

PLEASE READ YOUR RETIREMENT PLANNING NEWSLETTER ATTACHED