

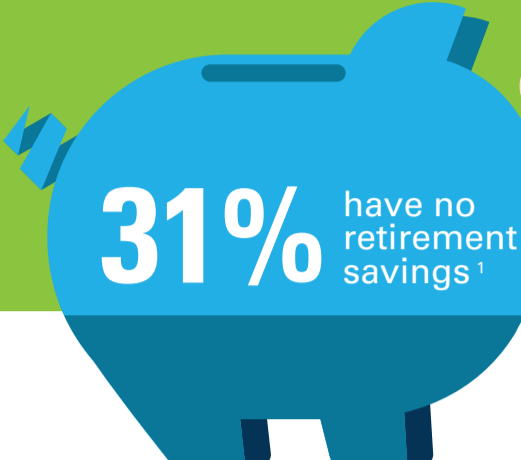
# Why myRA?



Workers deserve a chance to save for retirement but millions of Americans are not saving. The U.S. Department of the Treasury designed myRA (my Retirement Account) to give people an easy way to get started.

## Here's why it's needed

Americans aren't saving enough for retirement



Near-retirement households have a median retirement savings of only

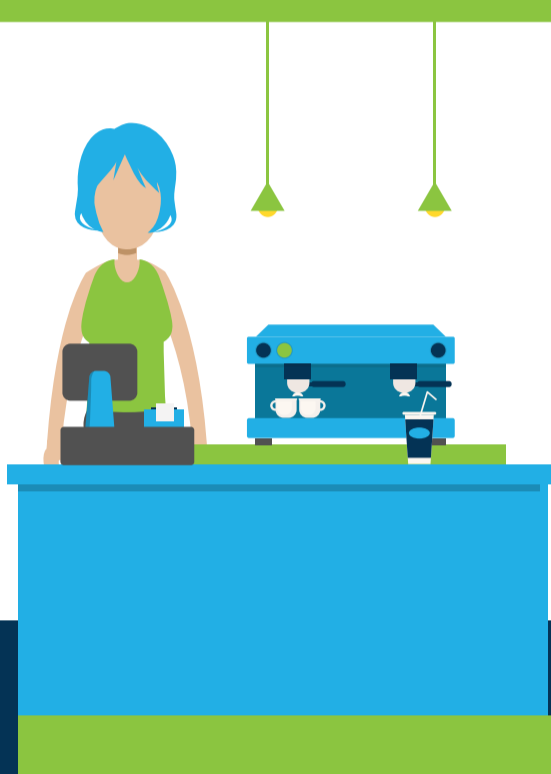
**\$14,500**<sup>2</sup>



## Many workers lack access to employer-sponsored retirement savings plans

In fact, **one out of every three private industry workers** lacks access to retirement benefits at work.<sup>3</sup> Employees at some types of businesses are more likely not to have access to a retirement savings plan.

### PERCENT OF WORKERS IN PRIVATE INDUSTRY WITH NO ACCESS TO A PLAN<sup>3</sup>



**63%** of part-time workers



**59%** of workers in service occupations



**48%** of workers at small establishments (fewer than 100 employees)

## Having access makes a big difference.

People with access to a retirement savings plan save more and have higher confidence.



The median amount saved for retirement in working-age households WITH retirement accounts is more than **13x greater** than in working-age households overall.<sup>4</sup>

Workers without a plan are more than **3x as likely**

to say they are not at all confident about their financial security in retirement compared to people with a plan.<sup>5</sup>



## That's why there's myRA

myRA is a starter retirement savings account that addresses some of the most common barriers to saving and gives more workers access, even if they don't have access to an employer-sponsored plan. It's designed to be:



**Simple**

- ✓ Set up automatic contributions
- ✓ If you change jobs, or work multiple jobs, the account stays with you
- ✓ Withdraw the money you put in without tax and penalty – Withdraw interest without tax and penalty under certain conditions \*



**Safe**

- ✓ No risk of losing money
- ✓ The investment is backed by the U.S. Treasury
- ✓ Your account safely earns interest \*



**Affordable**

- ✓ No cost to open and no fees
- ✓ No minimum account balance and contributions
- ✓ You choose how much to save (\$2, \$20, \$200 – whatever fits your budget) \*\*
- ✓ Enjoy the tax advantages this type of investment brings \*

## It can be a way to start on a savings journey

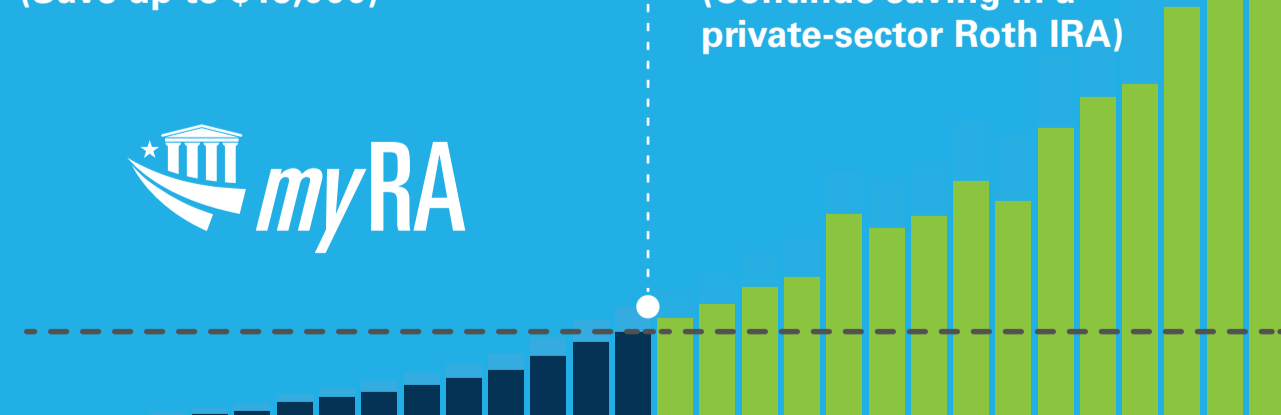
Start saving with myRA, build momentum, move to another Roth IRA and then keep saving all the way to retirement

Now

(Save up to \$15,000)

Retirement

(Continue saving in a private-sector Roth IRA)



## Learn more at myRA.gov

### Sources:

1. Federal Reserve Report on the Economic Well-Being of U.S. Households in 2015 (May 2016); refers to non-retired adults
2. National Institute on Retirement Security report "The Continuing Retirement Savings Crisis" (March 2015). Near retirement households are defined as those in which the head of household is 55-64. Working-age households are defined as those in which the head of household is 25-64.
3. BLS Economic News Release, March 2016; private-industry workers
4. National Institute on Retirement Security report "The Retirement Savings Crisis: Is It Worse Than We Think?" (June 2013).
5. EBRI 2016 Retirement Confidence Survey. Includes anyone with a work-sponsored plan, IRA or other retirement benefit, or anyone married to a person with such savings.

\*Withdraw interest earned without tax and penalty five years after your first contribution if you are over age 59 1/2 or meet certain other conditions, such as using the funds for the purchase of your first home. Accounts earn interest at the same rate as investments in the Government Securities Fund, which earned 2.04 percent in 2015 and an average annual return of 2.94 percent over the ten-year period ending December 2015.

\*\*Annual and lifetime contribution limits and annual earned income limits apply, as do conditions for tax-free withdrawal of earnings. Limits may be adjusted annually for cost-of-living increases. To learn about key features of a Roth IRA and for other requirements and details, go to myRA.gov/roth-ira.

