



# Why participate in the Retirement Savings Plan of the Presbyterian Church (U.S.A.)?

**There's no savings opportunity like it:** The RSP is a church plan that offers a unique combination of investment choices and convenience.

## ACTION PLAN

- Learn why it's easy and smart to save
- Understand the RSP options

## ENROLL TODAY!

- Complete the Salary Deferral Agreement
- Complete the Fidelity Enrollment Form

### Q. What is the RSP?

A. The Retirement Savings Plan of the Presbyterian Church (U.S.A.) (RSP) is a 403(b)(9) plan that offers the opportunity to save for retirement on a pretax and/or Roth after-tax basis. You choose how much of your paycheck to put into your plan account each pay period. You may increase or decrease that amount at any time. And you decide how your money is invested, by selecting from the available investment options in the plan.

### Q. What is the purpose of the RSP?

A. The plan was established for employees of participating employers of the Presbyterian Church (U.S.A.) to save for retirement.

### Q. Why do I need a plan like this?

A. Every day, the prospects grow brighter for a longer, healthier retirement; however, Social Security, personal savings, employer-provided pensions, and even part-time work are probably not enough. This makes voluntary savings essential if you want to maintain your quality of life after you stop working.

### Q. Who is the plan's provider of record keeping services?

Fidelity Investments provides record keeping services for the RSP. Fidelity is committed to providing exceptional money management, investment flexibility, and state-of-the-art technology to benefit plan sponsors and participants. Through Fidelity, you have access to a breadth of educational tools and resources in addition to outstanding customer service, flexibility, and choice.

### Q. What kind of investment choices do I have?

A. The plan offers a variety of investments from conservative to aggressive, so you can choose a fund or a product that matches your risk profile and time horizon. In addition to socially responsible investment options, the RSP also offers the Fidelity Freedom® Index Funds Class W (target date funds), which provide a blend of stocks, bonds, and short-term investments within a single fund, and rebalance regularly. The Fidelity Freedom® Index Funds Class W are designed for investors who want a simple approach to investing for retirement.

The Fidelity Freedom® Index Funds Class W are designed for investors expecting to retire around the year indicated in each fund's name. The funds are managed to gradually become more conservative over time as they approach the target date. The investment risk of each Fidelity Freedom® Index Fund Class W changes over time as the fund's asset allocation changes. The funds are subject to the volatility of the financial markets, including that of equity and fixed income investments in the U.S. and abroad, and may be subject to risks associated with investing in high-yield, small-cap, and foreign securities. Principal invested is not guaranteed at any time, including at or after the funds' target dates.

### Q. How do I enroll?

A. If your employer offers the RSP, just complete a Retirement Savings Plan Salary Deferral Agreement, available on [pensions.org](https://pensions.org). This form allows your employer to deduct contributions from your paycheck. Also, complete the Fidelity Enrollment Form, also available on [pensions.org](https://pensions.org). This form tells Fidelity which funds you wish to invest in and the percentage of contributions you want in each fund.

Give both forms to your church treasurer or business administrator who will review, sign, and retain your Salary Deferral Agreement and forward your Fidelity Enrollment Form to Fidelity to open your account.

# Top Five Myths About Saving for Retirement

Don't let these myths prevent you from using the RSP to invest in your financial future.

## Myth #1: I can't afford to save.

You could start saving a small percentage in the plan and see how well you are able to manage day-to-day expenses. Then, each time you receive an increase in pay you automatically will be saving more.

## Myth #2: If I contribute, I'll have less spending money.

If you contribute to the RSP on a pretax basis, you could actually end up with more money in your pocket than if you put the same amount in a taxable account. Here's how. When you contribute on a pretax basis, your contributions are tax deferred. This means that you can put off paying taxes on your contributions and any earnings until you withdraw them from your plan account, leaving more money in your account to potentially grow and compound while you're saving.

You also have the option to make Roth (after-tax) contributions. A Roth contribution to the plan allows you to make after-tax contributions and take any associated earnings completely tax free later — as long as the distribution is a qualified one.<sup>1</sup>

Depending on your income and a few other factors, if you contribute to the RSP you may qualify for a federal tax credit of up to \$1,000 per year (\$2,000 if married, filing jointly), called the Saver's Tax Credit.

## Myth #3: I can't save money because I'm not disciplined enough.

You contribute to the plan through payroll deductions. That means your contributions to the plan come out of your paycheck automatically. You don't see the money, so you're not tempted to spend it!

## Myth #4: A small contribution is not going to get me any closer to reaching my future savings goals.

Don't underestimate how a little bit of money can grow over time. You'll be surprised how your invested contributions have the potential to produce earnings, and those earnings are automatically reinvested in your account for the potential to produce additional earnings. When the earnings generate earnings the result is "compound" earnings. The longer this process goes on, the greater your opportunity to build a substantial account.

## Myth #5: I can't join a savings plan because I may change my mind or want to reduce my contributions.

No problem. You may be able to stop, start, or change the amount of your contributions at any time. Therefore, there is no reason to wait.

## So Why Haven't You Joined?

Now is the time to consider joining the RSP. Each day that you delay is a missed opportunity to contribute a percentage of your pay toward your long-term savings goals. Enroll in the plan today!

## Where to get more help

Call Fidelity at 1-800-343-0860.

1. A distribution from a Roth IRA is tax free and penalty free, provided the five-year aging requirement has been satisfied and one of the following conditions is met: age 59½, disability, qualified first-time home purchase, or death.

**Before investing in any mutual fund, consider the investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.**

**Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.**