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COMPLETE

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**Q7** If you were to advise co-workers about why they should contribute to (and/or maximize) their 401(k)s, what would you say? This is your chance to tell your story about why you "love" your 401(k). If your 401(k) plan has a match, be sure to explain how the match affects your participation, if at all. The judges will use the following criteria to evaluate your response: (1) persuasiveness of explaining the importance of employee participation in 401(k)s; (2) conveying your own appreciation of the value of your 401(k) as a retirement goal; and (3) clarity and demonstration of overall knowledge of 401(k) plans as a retirement tool.

There are so many reasons to contribute to your 401(k)!

First, it reduces the income tax you pay. When you put money away in your 401(k), you pay income tax on it later, after you're no longer working and you're in a lower tax bracket. If you don't put it away in your 401(k), you're paying taxes on it during your prime earning years when you're in a higher tax bracket. Why lose a portion of your hard-earned paycheck to a higher tax rate?

Second, because the money you put in your 401(k) each year doesn't count toward your federal income tax bracket, you might fall into a lower tax bracket right now, paying less tax on your other income. Woohoo!

Third, since there's a limit on your yearly contribution, you can't later make up for the years you didn't contribute. The opportunity to save that lower-taxed money is gone forever. You also miss out on decades of investment growth and compounding, which is where the real retirement-boosting magic happens!

Fourth, most employers match a portion of your 401(k) contribution. That employer match is part of your total compensation! If you don't make the most of it, it's like not depositing a paycheck or not taking your paid time off.

Fifth, that money isn't really locked away until you're 59.5. You definitely shouldn't touch it during your working years, but if you're a diligent saver and can afford to retire early, the government has thoughtfully provided a way for you to access the money you saved in your 401(k), provided that you plan ahead and budget carefully.

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**Q8** If you were to be named as a 401(k) Champion, what would you be willing to do to inspire non-participants to participate in the 401(k)? Please be as specific and detailed as possible. The judges will use the following criteria to evaluate your response: (1) willingness to inspire others to participate in their 401(k) plans; (2) creativity and innovation in the methods you would use; and (3) clarity of expression, eloquence, mechanics of word choice, grammar and spelling.

There is an abundance of excellent articles, infographics and podcasts on this topic on the internet. A curated collection of those is an excellent starter package to spark a person's interest in their 401(k) and lets people jump to the mechanism by which they learn best -- reading prose, getting a high-level summary from an infographic, or listening to a verbal explanation. To catch the attention, I might add something entertaining like a song parody on the topic. Below is a first draft of a riff on Timbuk 3's "Future's So Bright, I Gotta Wear Shades".

I study index funds,  
I love asset classes,  
I'm looking to the future through field glasses.  
Things are going great, and they're only getting better.  
I'm stashing my cash in my 401(k).  
The future's so bright, I gotta wear shades.

I'm making contributions, every month I'm saving.  
Nineteen five a year gets my savings into gear.  
Things are going great, and they're only getting better.  
Compound for 30 years, 1.6 mil in the clear!  
The future's so bright, I gotta wear shades.

Well I'm heavenly blessed and worldly wise,  
I went to work for a generous enterprise,  
Matching my contributions, my account is getting bigger.  
I'm doing it right, investing my pay,  
The future's so bright, I gotta wear shades.

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**Q9** How did you first learn about 401(k)s?

I've been contributing to a 401(k) since I got my first salaried position at the age of 20. A coworker sat me down right away and made me fill out the forms. I had only the vaguest understanding of retirement accounts at the time, but I'm sure glad someone cared about my future enough to take the time to set me on the right financial path early. My coworker also instructed me to open a Roth IRA and impressed upon me the need to max it out every year!

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