



# Inflation – an Important Factor in Your Retirement Plan



## INVEST NOW TO OUTPACE INFLATION

Health care. Basic living expenses. Leisure activities. These are all important factors to consider when determining how much you'll need to save for retirement. However, don't forget about the potential impact of inflation.

### WHAT IS INFLATION?

Inflation is a calculation of average price increases over a given year, typically shown as a percentage. Traditionally, the U.S. has seen prices increase about 3 percent annually.<sup>1</sup> This means that an annual income of \$40,000 today, will only have the buying power of \$19,104 in 25 years.<sup>2</sup>

Inflation is a real threat to your retirement-income sufficiency, but saving early and investing wisely can help you safeguard your savings.

## TAKE A LOOK AT HOW PRICES MAY CHANGE OVER TIME:

	2014	In 15 years	In 25 years
New car	\$24,000	\$30,700	\$36,200
Week-long vacation	\$2,500	\$3,200	\$3,773
Winter coat	\$150	\$192	\$226
1 lb. of coffee	\$2.87	\$3.67	\$4.33

Sources: InflationData.com 2014

Current prices are estimates. Future prices based on an annual 1.66 percent rate of inflation.

### WHAT CAN YOU DO ABOUT INFLATION?

Inflation is an inevitable reality, but there are steps you can take to plan ahead. Following are your best defenses against inflation:

1. Participate in your company retirement plan, and do so at a level that will allow you to save enough to maintain your lifestyle despite rising prices.
2. Make sure your overall portfolio includes an investment lineup that addresses inflation.

## GET RETIREMENT RIGHT<sup>1</sup>

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<sup>1</sup> "Savings, Taxes, and Inflation." [usbank.com/calculators/jsp/SavingsVariables.jsp](http://usbank.com/calculators/jsp/SavingsVariables.jsp) 2014

<sup>2</sup> [buyupside.com/calculators/inflationjan08.htm](http://buyupside.com/calculators/inflationjan08.htm) 2014

Investment options are offered through a group variable annuity contract (Forms 902-GAQC-09, 902-GAQC-09(OR), 903-GAQC-14, 903-GAQC-14 FL, 903-GAQC-14 MN, 903-GAQC-14 OR, 903-GAQC-14 TX, or state equivalent) underwritten by United of Omaha Life Insurance Company for contracts issued in all states except New York. United of Omaha Life Insurance Company, Omaha, NE 68175 is licensed nationwide except in New York. Companion Life Insurance Company, Hauppauge, NY 11788 is licensed in New York and underwrites the group variable annuity (Form 900-GAQC-07(NY) or 903-GAQC-14(NY)). Each company accepts full responsibility for each of their respective contractual obligations under the contract but does not guarantee any contributions or investment returns except as to the Guaranteed Account and the Lifetime Guaranteed Income Account as provided under the contract. Specific features of the Lifetime Guaranteed Income Account vary by state. Restrictions apply. The Lifetime Guaranteed Income Account is not available in Nevada or New York. Neither United of Omaha Life Insurance Company, Companion Life Insurance Company, nor their representatives or affiliates offers investment advice in connection with the contract.

Group variable annuities are long-term investment vehicles designed to accumulate money on a tax-deferred basis for retirement purposes. Distributions may be subject to ordinary income tax and, if taken prior to age 59½, a 10 percent federal tax penalty may apply. Investing in a group variable annuity involves risk, including possible loss of principal.

***Prior to selecting investment options for your retirement account, you should consider the investment objectives, risks, fees and expenses of each option carefully. For this and other important information, you should review your enrollment materials or the participant website. Read this information carefully.***