

Time Value of Money

The cost of delayed investment

SAMPLE

Frequency of Contributions

Monthly



All Investment payments assumed to occur at the beginning of the period.

Investment Return

8.00%

Assumption

| | Valid Ages 20-65 | | Valid Ages 20-65 | | Valid Ages 20-65 | |
|----------------------------|--------------------------------------|--------------------------|--------------------------------------|--------------------------|--------------------------------------|--------------------------|
| | Person A | | Person B | | Person C | |
| Contributions begin at age | 23 | | 32 | | 43 | |
| Contributions end at age | 32 | | 65 | | 65 | |
| Total Annual Contributions | \$5,000 | | \$5,000 | | \$16,110 | |
| Age | Total Annual Contribution To Account | Year End Account Balance | Total Annual Contribution To Account | Year End Account Balance | Total Annual Contribution To Account | Year End Account Balance |
| 20 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 21 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 22 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 23 | \$5,000 | \$5,222 | \$0 | \$0 | \$0 | \$0 |
| 24 | \$5,000 | \$10,878 | \$0 | \$0 | \$0 | \$0 |
| 25 | \$5,000 | \$17,002 | \$0 | \$0 | \$0 | \$0 |
| 26 | \$5,000 | \$23,636 | \$0 | \$0 | \$0 | \$0 |
| 27 | \$5,000 | \$30,819 | \$0 | \$0 | \$0 | \$0 |
| 28 | \$5,000 | \$38,600 | \$0 | \$0 | \$0 | \$0 |
| 29 | \$5,000 | \$47,025 | \$0 | \$0 | \$0 | \$0 |
| 30 | \$5,000 | \$56,150 | \$0 | \$0 | \$0 | \$0 |
| 31 | \$5,000 | \$66,033 | \$0 | \$0 | \$0 | \$0 |
| 32 | \$5,000 | \$76,736 | \$5,000 | \$5,222 | \$0 | \$0 |
| 33 | \$0 | \$83,105 | \$5,000 | \$10,878 | \$0 | \$0 |
| 34 | \$0 | \$90,002 | \$5,000 | \$17,002 | \$0 | \$0 |
| 35 | \$0 | \$97,473 | \$5,000 | \$23,636 | \$0 | \$0 |
| 36 | \$0 | \$105,563 | \$5,000 | \$30,819 | \$0 | \$0 |
| 37 | \$0 | \$114,324 | \$5,000 | \$38,600 | \$0 | \$0 |
| 38 | \$0 | \$123,813 | \$5,000 | \$47,025 | \$0 | \$0 |
| 39 | \$0 | \$134,090 | \$5,000 | \$56,150 | \$0 | \$0 |
| 40 | \$0 | \$145,219 | \$5,000 | \$66,033 | \$0 | \$0 |
| 41 | \$0 | \$157,272 | \$5,000 | \$76,736 | \$0 | \$0 |
| 42 | \$0 | \$170,326 | \$5,000 | \$88,327 | \$0 | \$0 |
| 43 | \$0 | \$184,463 | \$5,000 | \$100,880 | \$16,110 | \$16,825 |
| 44 | \$0 | \$199,773 | \$5,000 | \$114,475 | \$16,110 | \$35,047 |
| 45 | \$0 | \$216,354 | \$5,000 | \$129,198 | \$16,110 | \$54,782 |
| 46 | \$0 | \$234,311 | \$5,000 | \$145,144 | \$16,110 | \$76,154 |
| 47 | \$0 | \$253,759 | \$5,000 | \$162,413 | \$16,110 | \$99,301 |
| 48 | \$0 | \$274,821 | \$5,000 | \$181,115 | \$16,110 | \$124,368 |
| 49 | \$0 | \$297,631 | \$5,000 | \$201,369 | \$16,110 | \$151,516 |
| 50 | \$0 | \$322,334 | \$5,000 | \$223,305 | \$16,110 | \$180,917 |
| 51 | \$0 | \$349,088 | \$5,000 | \$247,061 | \$16,110 | \$212,759 |
| 52 | \$0 | \$378,062 | \$5,000 | \$272,789 | \$16,110 | \$247,243 |
| 53 | \$0 | \$409,441 | \$5,000 | \$300,653 | \$16,110 | \$284,589 |
| 54 | \$0 | \$443,424 | \$5,000 | \$330,829 | \$16,110 | \$325,036 |
| 55 | \$0 | \$480,228 | \$5,000 | \$363,510 | \$16,110 | \$368,839 |
| 56 | \$0 | \$520,087 | \$5,000 | \$398,903 | \$16,110 | \$416,278 |
| 57 | \$0 | \$563,254 | \$5,000 | \$437,234 | \$16,110 | \$467,654 |
| 58 | \$0 | \$610,003 | \$5,000 | \$478,746 | \$16,110 | \$523,295 |
| 59 | \$0 | \$660,633 | \$5,000 | \$523,703 | \$16,110 | \$583,554 |
| 60 | \$0 | \$715,465 | \$5,000 | \$572,393 | \$16,110 | \$648,814 |
| 61 | \$0 | \$774,849 | \$5,000 | \$625,123 | \$16,110 | \$719,491 |
| 62 | \$0 | \$839,161 | \$5,000 | \$682,230 | \$16,110 | \$796,033 |
| 63 | \$0 | \$908,811 | \$5,000 | \$744,077 | \$16,110 | \$878,929 |
| 64 | \$0 | \$984,242 | \$5,000 | \$811,057 | \$16,110 | \$968,705 |
| 65 | \$0 | \$1,065,933 | \$5,000 | \$883,596 | \$16,110 | \$1,065,933 |
| Total Investment | \$50,000 | | \$170,000 | | \$370,531 | |