



Future**FIT**[®] Freedom. Individually Tailored

A unique style for helping your employees get —
and stay — on track for a secure retirement

VALIC[®]

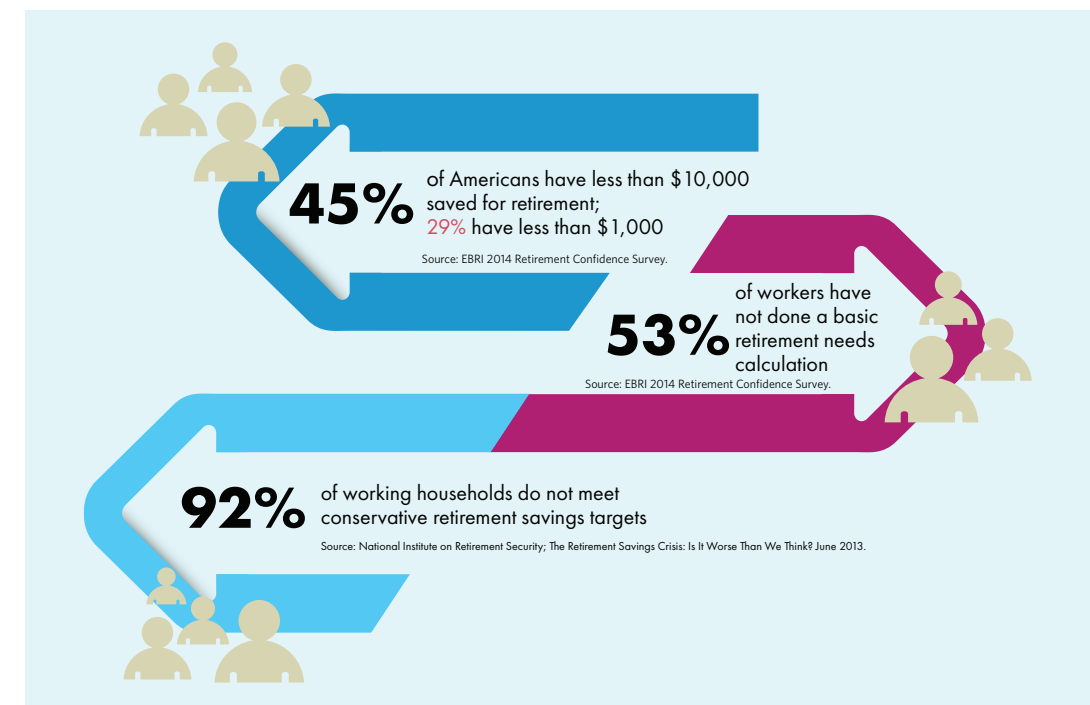
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A negative trend gains momentum

Today's retirement landscape

It should come as no surprise that more and more Americans are feeling less and less confident about their ability to retire comfortably—if at all.



Self-confidence is the foundation upon which we determine, "I can do this."

Many Americans lack confidence when it comes to retirement saving. RetireFIT is a retirement readiness program designed to reverse that trend and guide your employees to prepare for the future they envision.

Bottom line?

Only **1 in 12** American households is on track to cover even the basic necessities of retirement — what we call retirement readiness.

This reveals a significant gap between what people need to live a comfortable, no-frills retirement and what they have saved.

Exploring the excuses

Barriers to saving

Whether it's perception or reality, American workers have cited numerous reasons for not participating in their employer sponsored retirement plan. Some of these include not knowing how much to save or where to invest their money, viewing retirement as something in the distant future, or feeling like they can't commit any money from their budget. As a result, many employees feel that saving for retirement is beyond their control.

WHAT CONSUMERS **CONTROL** Your employees control **FOUR** factors in preparing for retirement:

		◆ HOW MUCH THEY SPEND
		◆ HOW MUCH THEY SAVE
		◆ WHEN THEY PLAN TO RETIRE
		◆ HOW THEY INVEST

Only 57% of workers surveyed report that they, their spouse or both are currently saving for retirement.

¹ Source: EBRI 2014 Retirement Confidence Survey.



The evidence is clear: standard solutions aren't working

Americans in general are not saving enough, and few have made even a basic retirement needs calculation, let alone a detailed financial plan. For many, hope has become their plan.

In spite of offering solutions like Web-based tools and calculators on provider websites, and financial firms offering self-serve advice, retirement confidence has not shown any significant improvement. Statistics show that Americans are not seeking out this information to use it to build a plan for their financial future.

Motivation, then action

Retirement confidence is strongly related to retirement plan participation, whether in a defined contribution plan, defined benefit plan or individual retirement account (IRA). Workers reporting they or their spouse have money in a defined contribution plan or IRA or have a defined benefit plan from a current or previous employer are more than twice as likely as those without any of these plans to be very confident about retirement (24% with a plan vs. 9% without a plan).

Instill your employees with confidence to pursue a secure retirement.

¹ Source: EBRI 2014 Retirement Confidence Survey.

A different path

Ask yourself...

Would it make a difference in your plan if:

- All employees received a written retirement analysis, based on their personal data, that suggested a contribution rate and investment allocation?
- The analysis showed their current strategy and a proposed approach for improving the probability that they will meet their monthly retirement income targets?
- The report was provided on a periodic basis?
- The analysis was personalized with images and content consistent with their age segmentation?
- A plan sponsor report showed an aggregated view of income replacement ratios, and then segmented the findings by facility, location, department, salary or age?

For too long, the industry has relied on averages and generic participation rates to guide employers.

Instead, VALIC can provide your employees with more meaningful income replacement ratios — specific information that can help steer them toward true retirement readiness.



The VALIC approach

We believe in educating, informing and empowering employees to make effective decisions to help take control of their future. We are taking a customized approach to helping employees prepare for the retirement that's right for them. Some providers focus on the total value of a participant's retirement account. We believe that projected monthly retirement income and the probability that it will be enough to meet their stated needs are more meaningful information. Our approach is to show employees the steps to take to reach their retirement goals.

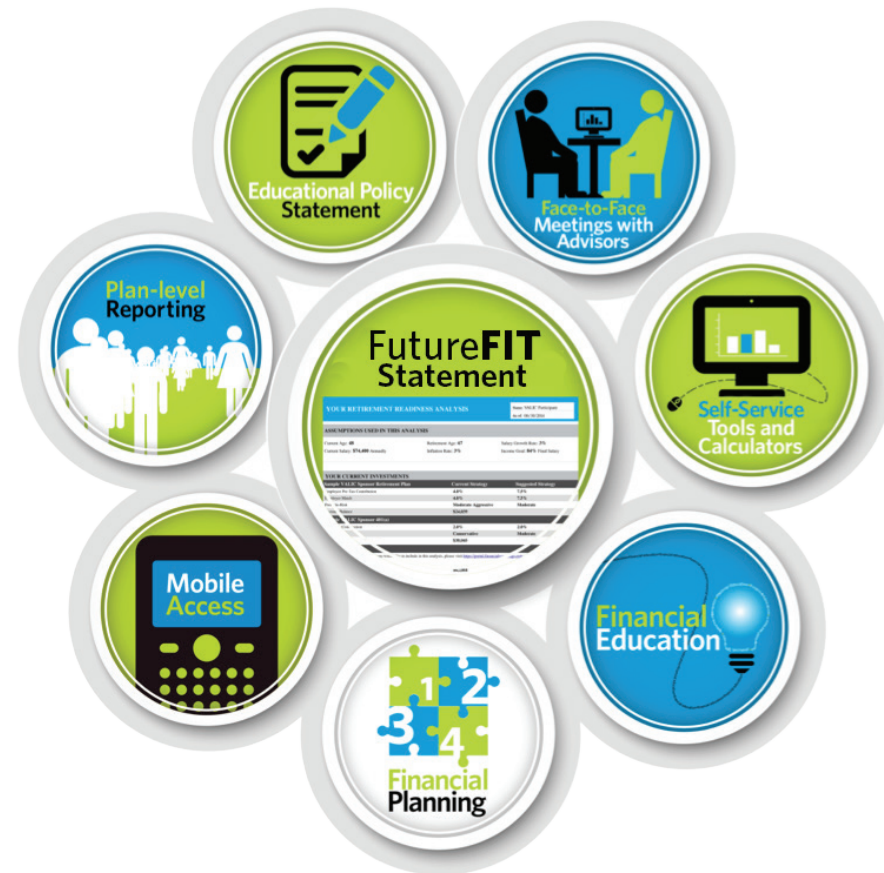
Flexibility for changing needs

As employees approach retirement, the focus turns to ensuring that they have a plan for meeting essential expenses in retirement — housing, transportation, food, clothing and medical needs. Some may choose financial products that guarantee they can meet these expenses while others will choose to invest in a manner that provides continued opportunity for asset growth. Either way, they are empowered through a documented plan for what they need and how best to get there.

Tailored to your plan's needs

FutureFIT: A suite of services including FutureFIT statements

FutureFIT begins with a retirement readiness analysis, and is enhanced by a suite of services aimed at improving retirement outcomes..



The heart of these services is the retirement readiness analysis — robust reports for both you, the employer, and your employees.

Preparing your employees for retirement

All participants, would receive a FutureFIT statement that illustrates where they are today, what they should aspire to for a secure retirement, and the steps they would need to take to help reach their financial goals.

FutureFIT statement

The FutureFIT statement is personalized to the employee. It visually displays their current financial picture including their projected monthly income needed at retirement. The statement also includes recommendations—enrolling in the plan, increasing your contributions, diversifying your investment services and more. Additionally, the messaging will be tailored to their age, gender, and plan status. The FutureFIT statement is:

- A personalized gap analysis
- A summary of all known retirement income sources
- A projected retirement income based on needs
- A tool to that recommends asset classes and contribution rates to help get employees on track for retirement

Calculating retirement savings online

Employees can enhance their projection by going online and viewing their dashboard. There, employees can add information, include assets outside of their plan, include a spouse's assets and modify various assumptions. This tool enables them to recalculate their projected monthly income and generate new recommendations.

Our strategy begins with the FutureFIT statement, but it doesn't end there. We also offer goal videos, mobile technology, advisor meetings, calculators, seminars and more.

Customized plan level reporting for plan sponsors

Meaningful, specific data personalized for employers

Rather than basing information on national averages, FutureFIT is based on your group, your plan and your employees. We provide reporting on all plan participants.

This report shows overall enrollment and deferral rates, but more importantly, you'll see income replacement ratios — a much better indicator of how well your employees are tracking for retirement. The FutureFIT Plan Report provides a retirement readiness analysis that summarizes the plan.

- Summary of the plan
- Snapshot of the plan
- Probability of Retirement Readiness
- Analysis of Contribution Rate
- Analysis of plan match
- Analysis of shortfall vs. surplus
- Analysis of projected monthly retirement income
- Analysis of projected monthly retirement income shortfall
- Projected wealth at retirement analysis
- Analysis investment risk
- Plan factors and assumptions
- Retirement Readiness — State of the Union

Based on the personalized FutureFIT statement generated for your employees and the specific action they took within the plan VALIC can track and report. The results are compiled in a report that drives the targeted communication and education program for your plan.



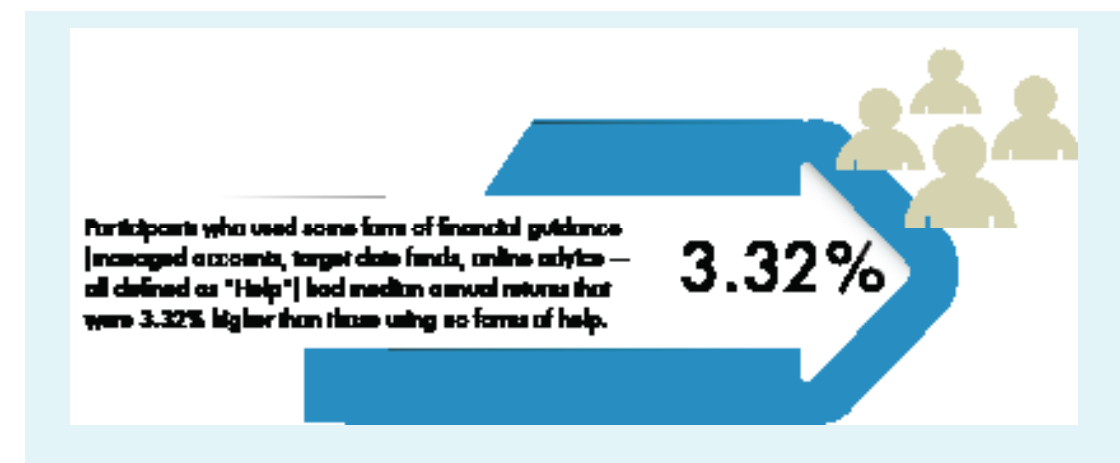
Communication and education

The specific data gathered from the FutureFIT statements will be used for targeted improvements in communication or education efforts — definitive steps you can take to help your employees become retirement ready.

We are working with plan sponsors to build an Educational Policy Statement designed around the same fundamentals as their Investment Policy Statement. It is a means of documenting objectives for educating employees about plan specifics and outlining the responsibilities of VALIC and the employer.

The value of help

According to at least one study, seeking advice has tangible benefits that have improved overall participant outcomes.



Source: Aon Hewitt/Financial Engines Survey, June, 2014.



FutureFIT: A whole new way to measure retirement readiness

With FutureFIT, you can have the means to help improve the path that your employees take to save for a secure retirement. With the service's reporting capabilities, you can also see exactly how your employees are progressing toward their goals.



Contact your VALIC representative when you're ready to fit your employees for a secure retirement.

We are committed to
exceeding your expectations
as a retirement provider and
moving your employees
beyond the averages.

Real strategies

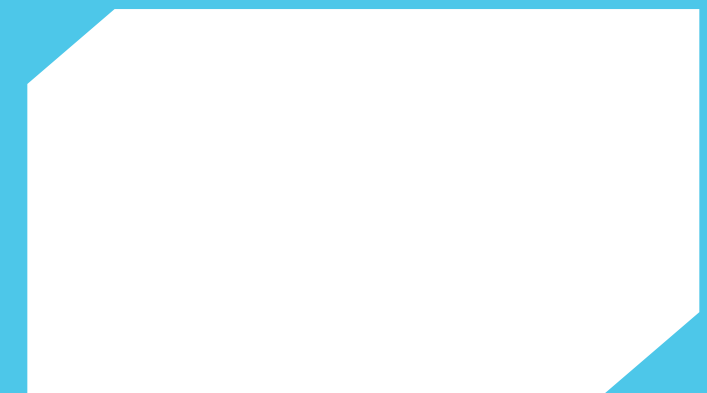
Let us put real
retirement solutions
to work for your
organization and
your employees.

CALL

1-800-972-6978

CLICK

VALIC.com



VALIC is the right partner for your organization. Our group retirement plans offer a flexible mix of services, technology and support, allowing us to easily customize plans for groups both large and small. With more than half a century of experience, we help Americans plan for and enjoy a secure retirement.

Serving nearly 24,000 group plans, VALIC is a leading plan provider for healthcare, higher education, K-12, government and other not-for-profit institutions.

We are committed to the same unchanging standard of one-on-one service we have delivered since our founding. Our goal is to help your employees live retirement on their terms.

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