

SkimmU



theSkimm on
Investing 101

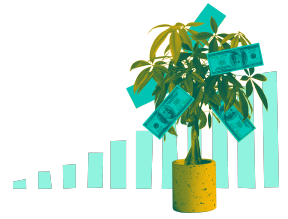
Worksheets to help you live your smartest financial life



Presented by  **Fidelity**
INVESTMENTS

INVESTING 101

A Letter to Future Me

**What's theSkimm of this exercise?**

One reason we don't prioritize investing for our future is because it can feel intangible. But studies show the more we visualize ourselves in retirement, the more connected we will feel with the future. And the more we'll care about investing.

Here's how this is gonna go:

Fill in the blanks to describe what Future You is up to in your 60s and beyond.

Dear _____ ,
your name

It's _____ . I'm _____ years old, and being retired is _____ .
the year you want to retire your retirement age an adjective

In case you're wondering, skinny jeans and side parts are back in.

I'm living my best life in _____ . I spend my days _____ , hanging
your dream retirement city active verb

out with _____ , and making some nice side income with _____ .
your favorite person a retirement side hustle

Financially, I feel really _____ . I have about _____ years worth of living
adjective a number between 1-30

expenses in the bank. With that, I'm able to comfortably afford _____ ,
a top retirement "need"

_____, and _____ .
another top retirement "need" a big retirement "want"

Looking back to 2021, the financial advice I would've given my younger self is:

_____. The truth is, it's never too
your money motto (idea: you don't have to be wealthy to invest, but you need to invest to be wealthy.)

late to start investing. I'm so _____ I made the effort to prioritize my future self and
adjective

committed to investing _____ % of my take-home pay for retirement. I'm so _____
a number between 1-20 adjective

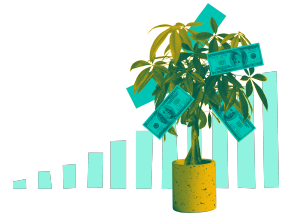
of my hard work.

See ya on the other side,

your name

INVESTING 101

Your Retirement Game Plan

**What's theSkimm of this exercise?**

To put some real numbers behind your retirement story.

Here's how this is gonna go:

Create a game plan by filling in the (financial) blanks.

If you aren't investing for retirement, what's holding you back? And what can you start working on to make it happen?

What account(s) will you use to invest for retirement? Check out the Skimm'tionary on the next page if you need a refresher on your options.

How much will you contribute from each paycheck?

How often will you try to increase those contributions? For example: every six months, every time you get a raise, etc.

What will your portfolio breakdown be? Hint: The Rule of 110 says subtract your age from 110 to figure out the percentage of stocks that should be in your portfolio. But remember, this is just a starting point.

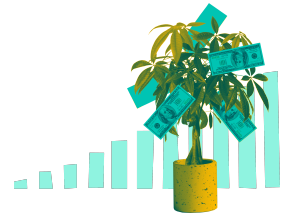
_____% STOCKS _____% BONDS

How can you make more room in your budget to invest?

☐ Cut back on expenses ☐ Get a side hustle ☐ Other Explain: _____

RESOURCES

Retirement Account Skimm'tionary

**401(k)**

- A retirement account you get from work
- You make pre-tax contributions
- Pay taxes on withdrawals in retirement
- May come with an employer matching program
- 2021 contribution limit: \$19,500
- Penalty-free withdrawals at age 59.5

403(b)

- A 401(k) for people who work at a public school, charity, nonprofit or other tax-exempt org
- Same contribution limits, tax rules, and penalties as a 401(k)

Traditional IRA

- Contribute post-tax money, then deduct it (up to a certain income limit)
- Pay taxes on withdrawals in retirement
- 2021 contribution limit: \$6,000
- Penalty-free withdrawals begin at age 59.5

Roth IRA

- Contribute post-tax money
- Withdraw tax-free in retirement
- Withdraw your principal anytime, penalty-free
- 2021 contribution limit: \$6,000
- Income requirements: only for workers who earn less than \$140K

Simplified Employee Pension IRA (SEP IRA)

- For self-employed people
- Similar to traditional IRA
- 2021 contribution limit: \$58,000
- Penalty-free withdrawals begin at age 59.5

Health Savings Account (HSA)

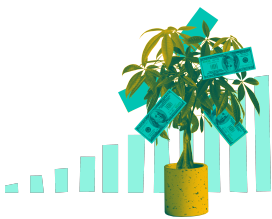
- Tax-advantaged medical savings
- Only available if you have a certain type of health insurance
- If you still have a balance after age 65, you can withdraw money for non-medical expenses

Regular brokerage account

- No contribution or income rules
- No restrictions about when you can withdraw your money

INVESTING 101

Retirement Roadmap, With Fidelity



What's theSkimm of this exercise?

Investing can seem scary or complicated, but it can also help you go permanently OOO one day. And who doesn't like the sound of that? Following a Fidelity rule of thumb, this exercise can help you create retirement milestones that'll set you up for success in reaching your final destination.

Here's how this is gonna go:

Multiply your current income by the numbers listed in the left column to see how much you want to have saved at the age shown in the middle column. Write your numbers in the right column.

| Multiply by... | To see how much you should have saved by... | |
|----------------|--|--|
| 1 | 30 | |
| 3 | 40 | |
| 6 | 50 | |
| 8 | 60 | |
| 10 | 67 | |

One Last Thing...

We know. Those numbers are...high. But Fidelity has tons of guides that can help you get on track to reach your investing goals – retirement very much included. They also have a [free-to-download app](#)[†] that can help you plan, prioritize, save, and invest smarter. So you can stay focused, track your progress, and find and open the right account(s) for you. And even trade right in the same app where you can check up on your goals. PS: there are no commissions for online US stock and ETF trades, and no account fees or minimums to open a retail brokerage account.

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