CLARIDENCE WEALTH

Financial Foundations

SMART STRATEGIES. STRONGER FUTURES.

Timely insights and practical tips to help you build financial confidence and achieve your goals.

SEPTEMBER TOPIC

Saving for Retirement at Any Age

Make the Most of Your Company 401(k)

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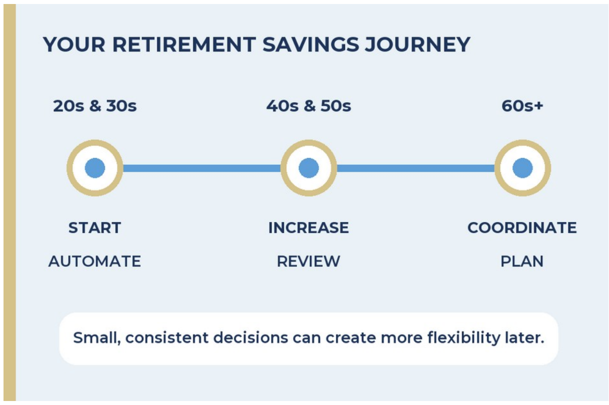
Your 401(k) at Any Age

Your company 401(k) is the primary retirement savings benefit available to you - and it offers meaningful opportunities at every career stage. Whether you are making your first contribution, increasing your savings rate or preparing for retirement, the most important step is to use the plan consistently and intentionally.

Because contributions come directly from your paycheck, your 401(k) can make saving automatic. **Choose a contribution rate you can sustain, then look for opportunities to raise it over time.** Even a one-percentage-point increase can strengthen the habit without requiring a dramatic change all at once.



In your 20s & 30s: Start early and make it automatic. Set a paycheck contribution rate you can maintain, then consider increasing it after pay raises. Starting sooner gives each contribution more time to potentially compound. The Investor.gov calculator below can help illustrate how time and consistent saving work together. [3]

In your 40s & 50s: Increase and evaluate. Review your contribution rate, investment elections and beneficiaries. For 2026, you may contribute up to $24,500 to the company 401(k). Beginning in the year you turn 50, the plan allows an additional $8,000 catch-up - for a potential employee total of $32,500. [1]

Ages 60-63: Use your plan's enhanced catch-up. Your company 401(k) allows the SECURE 2.0 enhanced catch-up. If you turn 60, 61, 62 or 63 during 2026, you may make up to $11,250 in catch-up contributions - bringing your potential employee total to $35,750 for the year. Under 2026 federal rules, catch-up contributions for some employees with prior-year wages above $150,000 must be made as Roth contributions; review the plan materials if this applies to you. [1][2]

As retirement approaches: Shift from saving to strategy. Review your 401(k) investment mix, beneficiaries, expected retirement date and distribution options. Consider how withdrawals from the plan will work alongside Social Security, health care costs and other household income so your savings can support a coordinated retirement paycheck.

Progress matters more than perfection. Start with the company 401(k), contribute consistently and increase the percentage when your budget allows. As retirement gets closer, use the plan as the foundation for a coordinated income strategy. The goal is to build resources that support the life, people and priorities that matter most to you.

Money Minute

Log in to your company 401(k) account and check your current contribution percentage. If your budget allows, increase it by one percentage point today. On a $60,000 salary, 1% equals $50 per month before taxes - a manageable step that can help build momentum.

Helpful Resources

[1] IRS - 2026 Retirement Plan Contribution Limits

[2] IRS - 401(k) Catch-up Contribution Rules

[3] SEC Investor.gov - Compound Interest Calculator