Selecting investments for your retirement plan account can be overwhelming. These T. Rowe Price general rules of thumb may help you assess your options.

The length of time you have before retirement—your investment “time horizon”—is an important consideration when selecting your asset allocation strategy, or the mix of stocks, bonds, and money market/stable value investments you select.

All of those investment vehicles are available in your plan, whether you choose to create your own portfolio or select a pre-assembled portfolio, such as a target date fund or asset allocation fund, from T. Rowe Price.

If you’re thinking about your portfolio’s mix, consider that large-cap stocks (typically higher-risk investments) returned an average of 10% annually from 1926 to 2015 compared with 5.6% for government bonds (generally regarded as less risky than stocks) and 3.4% for U.S. Treasury bills (only slightly higher than 2.9% inflation).*

Your goals, financial circumstances, and risk tolerance level may change as you go from entering the workforce to retirement and beyond.

**FINDING A BALANCE, DECADE BY DECADE:**

**Your 20s and 30s:** Now’s the time to start saving and investing through your workplace retirement plan. And the sooner you enroll and start saving, the better. Here’s why: When you invest through the plan, any earnings are put right back into your account. The longer your money stays invested, the more it can potentially earn through compounding.

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*Source: Ibbotson Associates

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**LEARN MORE**

If you have questions or are ready to invest, call your current recordkeeper.

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780. Read it carefully.

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*Source: Ibbotson Associates*
Because retirement is several decades away, consider a higher allocation to stocks. Your investments should have time to ride out any ups and downs in the market.

**Your 40s:** Even if you’re just getting started, you still have 20 to 25 years to build up your savings. So make the most of these years.

Historically, stocks provide better long-term growth potential when compared with bonds and money market/stable value investments.

**50s and over:** As retirement approaches, you may want to consider cutting down on stock allocations, which are more vulnerable to ups and downs in the market.

Before passing up too much growth potential, though, remember inflation and the power it could have to erode your money. Consider keeping a portion of your portfolio in stocks to help stay ahead of inflation over the 20 to 30 years you may need your nest egg to last.

**ASSET ALLOCATION CONSIDERATIONS BY DECADE:**

<table>
<thead>
<tr>
<th>Age</th>
<th>Stocks</th>
<th>Bonds</th>
<th>Money Market/Stable Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>50s</td>
<td>0%–10%</td>
<td>20%</td>
<td>70%–80%</td>
</tr>
<tr>
<td>60s</td>
<td>0%–10%</td>
<td>20%</td>
<td>70%–80%</td>
</tr>
<tr>
<td>70s and over</td>
<td>0%–10%</td>
<td>20%</td>
<td>70%–80%</td>
</tr>
</tbody>
</table>

These allocations are age-based only and do not take risk tolerance into account.

Please be sure to take other assets, income, and investments into consideration in reviewing results that do not incorporate that information. Other T. Rowe Price educational tools or advice services use different assumptions and methods and may yield different outcomes.

**Remember:** Once you’ve made your selections, check in periodically—at least once a year—to make sure your investment mix still matches up with your time horizon and goals. Visit troweprice.com/rdf to learn more.

Our asset allocation models are designed to meet the needs of a hypothetical investor with an assumed age 65 retirement and a withdrawal horizon of 30 years. The model allocations are based upon an analysis that seeks to balance long-term return potential with anticipated short-term volatility. The model reflects our view of appropriate levels of trade-off between potential return and short-term volatility for investors of certain age ranges. The longer the time frame for investing, the higher the allocation is to stocks (and the higher the volatility) versus bonds or cash.

**Limitations:** While the models have been designed with reasonable assumptions and methods, the tool provides hypothetical models only and has certain limitations. The models do not take into account individual circumstances or preferences, and the model displayed for your age may not align with your accumulation time frame, withdrawal horizon, or view of the appropriate levels of trade-off between potential return and short-term volatility. Investing consistent with a model allocation does not protect against losses or guarantee future results.

All investments involve risk, including possible loss of principal. Diversification cannot assure a profit or protect against loss in a declining market.

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T. Rowe Price Investment Services, Inc.