Although traditional and Roth IRAs are most often in the news, there are several different types of IRAs. You may also want to ask a financial professional if you're eligible for:

- A ***spousal IRA*** that helps non-working spouses save for retirement.
- A ***rollover IRA*** that provides a penalty-free safe haven for employees who change jobs and "roll over" their retirement savings from the old job into an IRA.
- An ***individual retirement annuity***—a traditional or Roth IRA that converts savings into predictable income through a life insurance company.
- A ***SEP-IRA*** that gives self-employed individuals access to a retirement plan.
- A ***SIMPLE-IRA*** that is geared toward small business owners.
- An ***education IRA*** that helps pay for college tuitions.

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Why Open an IRA?

Choose to save every way that you can!

Do you have all your bases covered? *There are many different savings vehicles that can bring you financial security. Don't overlook the individual retirement account (IRA)—a valuable opportunity for tax-advantaged savings.*

your money often grows tax free

You may think that your 401(k) or similar defined contribution plan is all you need. Perhaps your employer has a traditional defined benefit pension plan that gives you added confidence. While these employer-sponsored plans can make up a large percentage of your nest egg, they most likely will not fund all of your retirement and they won't help you send your children to college.

Your goal is lifetime financial security—and a variety of savings vehicles will get you to that goal.

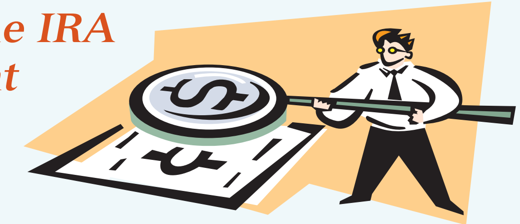
Know the ABCs of IRAs.

The two most popular IRAs—the traditional IRA and the Roth IRA—offer significant tax benefits. You may be able to deduct all or part of your traditional IRA contributions, depending upon your modified adjusted gross income, tax-filing status, and participation in employer-sponsored retirement plans. Contributions to a Roth IRA are not tax-deductible, but, under certain circumstances, your money grows tax-free and your final withdrawal is not taxed.

Most IRAs are set up through a financial services company or a bank. You can invest your annual contributions in a wide variety of securities, such as stocks, bonds, money market funds and certificates of deposit (CDs). Like employer-sponsored savings plans, the government offers IRA investors tax advantages in exchange for a long-term savings commitment. Be aware that there are penalties for early withdrawals (before age 59½).

Of course, it's usually best to save as much as you can as early in life as possible. But if you've just started saving and retirement is drawing near, you may be able to take advantage of IRA catch-up contributions. Talk to your human resources department or a financial advisor to see if you qualify.

Choose the IRA that's right for you.



Unless you work in the financial world, the traditional and Roth IRA can appear to be pretty similar. Which IRA is right for you? It depends largely on your age and income level. The following chart compares some of the general features of the two types of IRAs.

	TRADITIONAL IRA	ROTH IRA
Who Can Contribute?	Anyone under age 70½ with earned compensation.	Anyone any age with earned compensation up to certain income limits.
Main Tax Advantage	Investment income is tax-deferred.	Grows free from federal income tax.
Tax Deductible Contributions	Yes, subject to your retirement plan participation and your adjusted gross income.	No.
Tax Treatment of Withdrawals	Earnings and deductible contributions will be taxed upon withdrawal.	Distributions of contributions and qualified earnings are free from federal tax.
Early Withdrawal Penalty	Yes, if you are under 59½ and you are not withdrawing the money for one of the approved reasons.	Same as the traditional IRA, plus you must have had your Roth IRA five years.
Mandatory Distributions	Minimum required distributions must begin at age 70½.	None during the account owner's lifetime.