

NOW & LATER

**Federal Retirement Thrift
Investment Board**

Lauryn joins the military.

TSP NOW

Lauryn is told . . . well, we don't really know what Lauryn is told. Different services say different things about the TSP. Not all of them are encouraging.



TSP LATER

Lauryn is contacted directly by the TSP and is told she can start a uniformed services TSP account, but she has to take action. She gets information about unique benefits for uniformed services members.



Lauryn leaves the military and takes a private-sector job.

TSP NOW

Lauryn receives a TSP notice that informs her of her options, including keeping her money right where it is.



TSP LATER



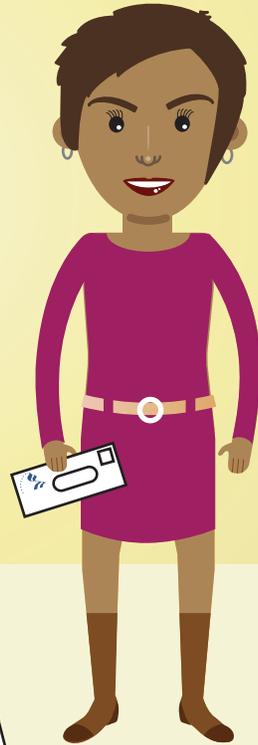
The TSP contacts Lauryn by phone or e-mail to make sure she understands her options.



After one year, Lauryn joins the Federal service.

TSP NOW

Lauryn's automatically enrolled in the TSP and has 3% taken from her salary. She also receives a welcome letter from the TSP, which includes information about roll-ins.



TSP LATER



In addition to what happens in the "now," Lauryn also gets a personal contact from the TSP asking if she has any questions and informing her that she can combine her account with her military account.



EMAIL FROM TSP

Dear Lauryn,

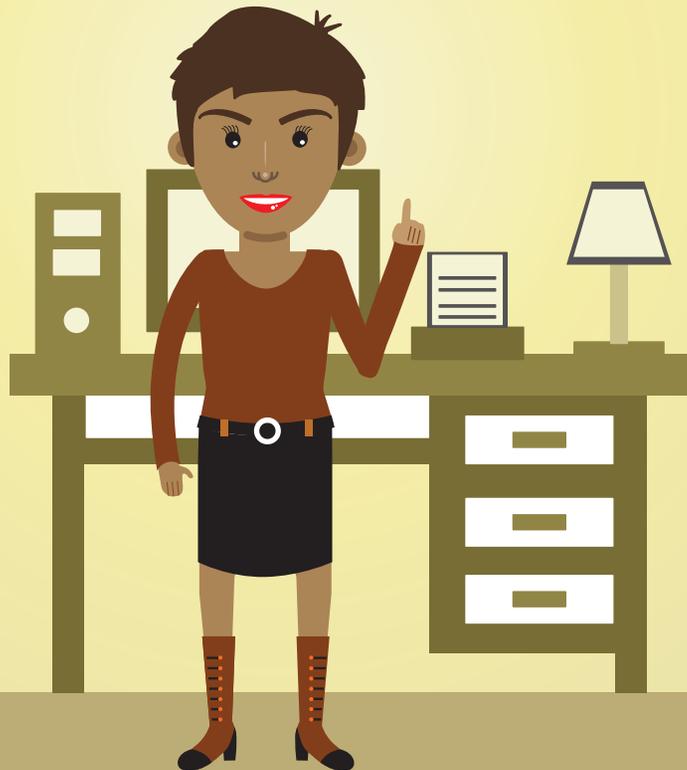
Welcome to the TSP. If you have any questions, please feel free to contact us.



It's Lauryn's one-year anniversary at her Federal job.

TSP NOW

Nothing happens.

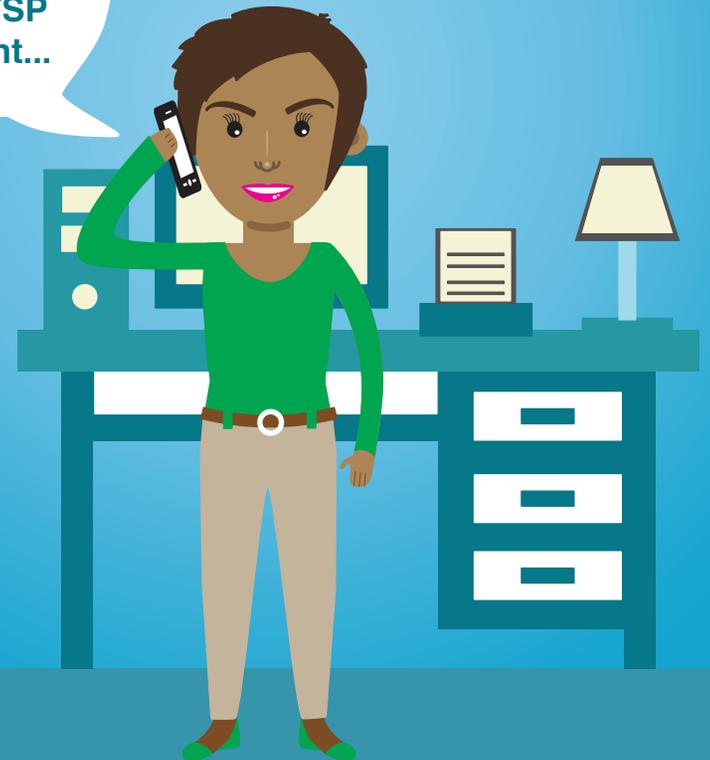


TSP LATER

Lauryn gets a phone call from the TSP reminding her about her TSP account now that she's settled into the job.



Your TSP account...



Lauryn gets called up for active duty.

TSP NOW

Lauryn doesn't hear from the TSP and is unaware of several benefits of making contributions out of her basic pay.



TSP LATER

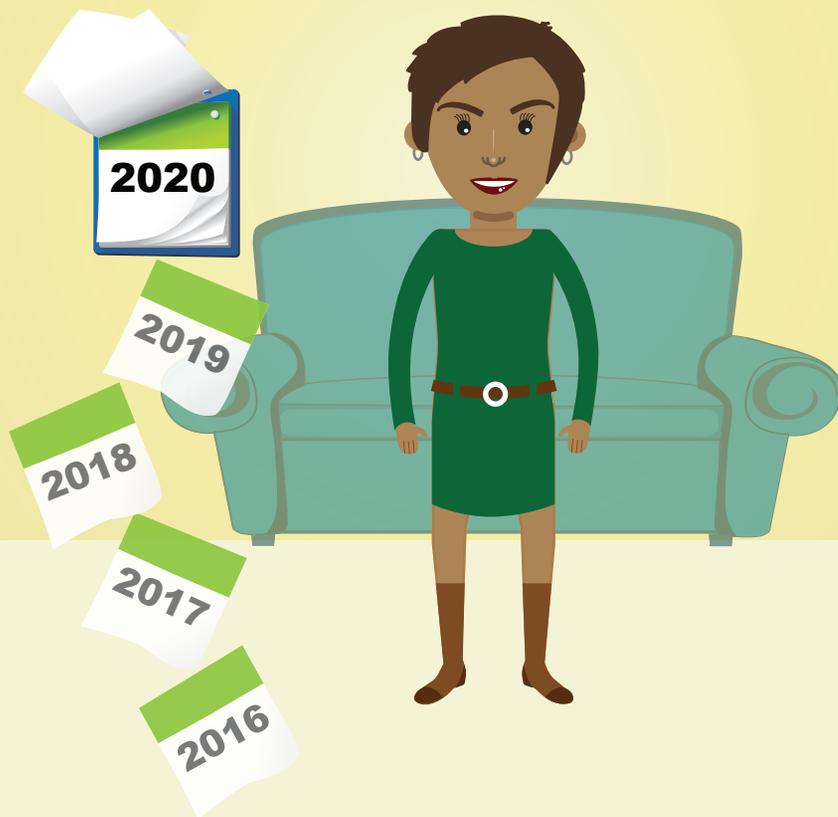
The TSP contacts Lauryn and reminds her that contributions of her basic pay will be retroactively matched by her federal employer, along with other useful information.



After returning from her deployment, Lauryn gets back to her busy routine; retirement isn't a high priority.

TSP NOW

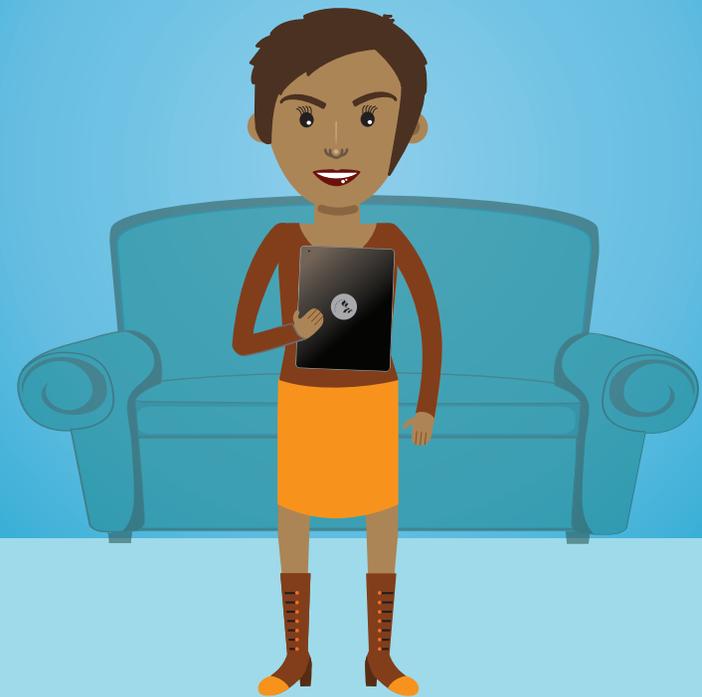
When Lauryn takes no action on her TSP account for five years... nothing happens.



TSP LATER



When Lauryn takes no action on her TSP account for five years, the TSP contacts her to check in.



EMAIL FROM TSP

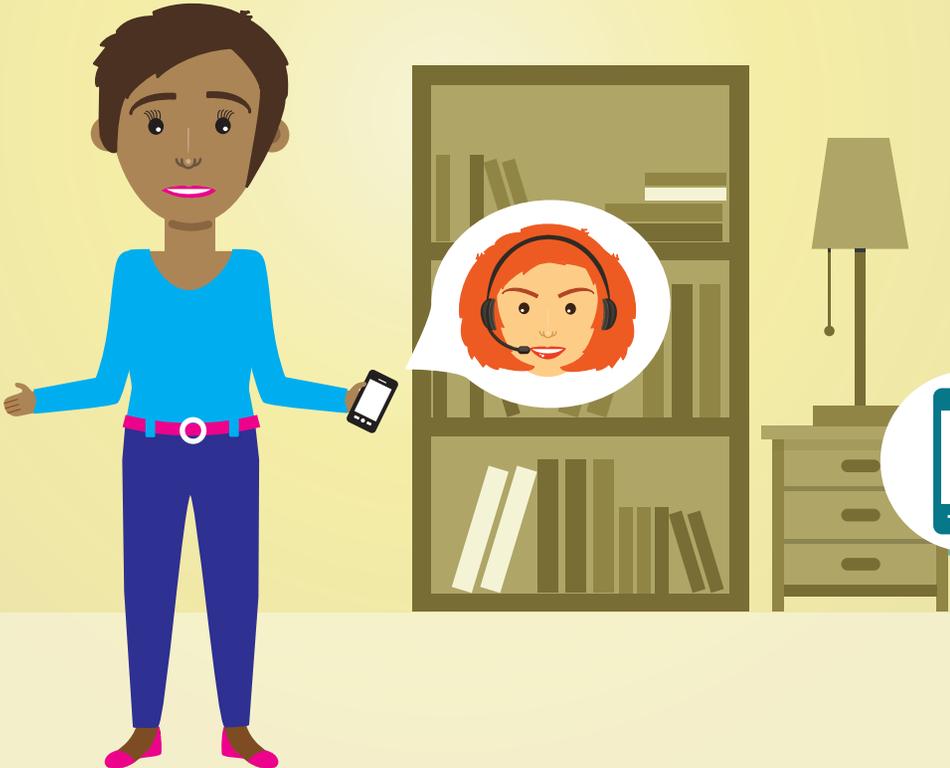
Dear Lauryn,

Our records indicate that there has not been any activity with your account for the last 5 years...

Lauryn hears her co-workers talking about how well their TSP accounts are doing. She calls the ThriftLine to see how she's doing.

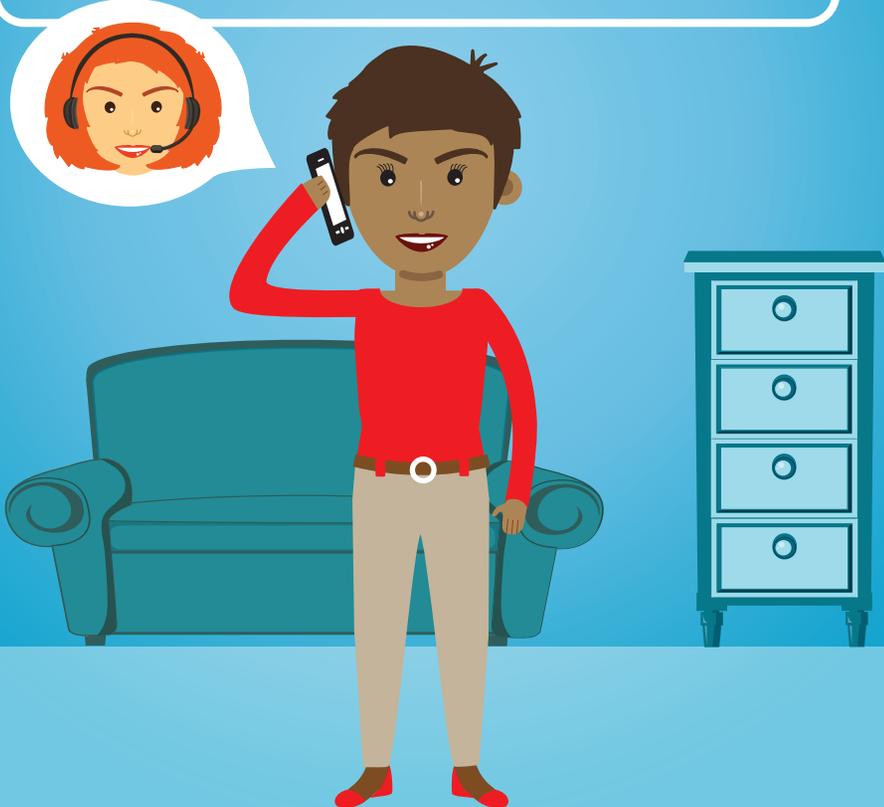
TSP NOW

The PSR tells Lauryn her account balance and how it's allocated among the TSP funds.



TSP LATER

The PSR engages Lauryn in conversation about her retirement goals, goes over what her retirement prospects look like now, and provides some constructive advice about what Lauryn might do to meet her goals.



Lauryn gets married. Her husband has two kids!

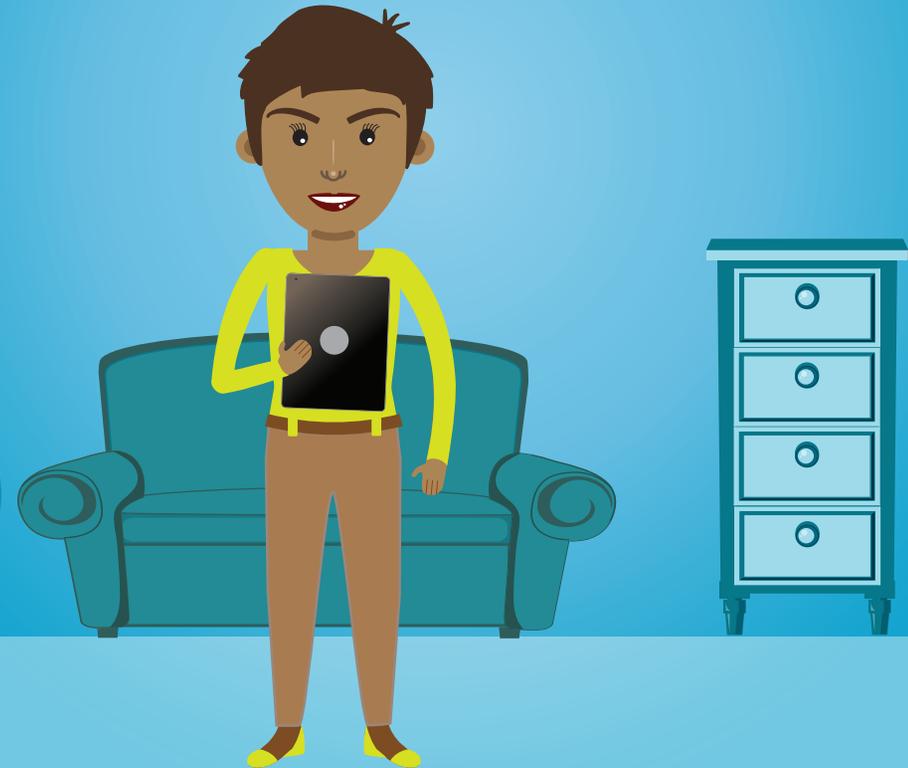
TSP NOW

Lauryn searches the website and calls the ThriftLine and finds she needs to fill out a paper form, witnessed by two people, and mail or fax it in to make her stepchildren contingent beneficiaries.



TSP LATER

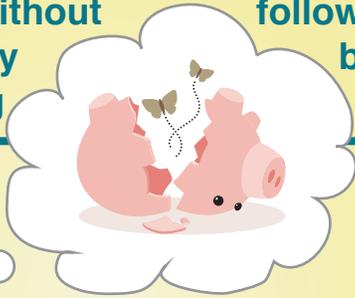
Lauryn goes to the website and designates her beneficiaries online.



Lauryn's husband has lost his job.
She decides to take a hardship
withdrawal from her TSP account.

TSP NOW

Lauryn bypasses the cautions on the TSP website and downloads, completes, and submits Form TSP-76. Her contributions are suspended until she takes action; without follow-up by the TSP, years go by before she begins contributing again.



Read before
you take a
hardship
Withdrawal



TSP-76

**THRIFT SAVINGS PLAN
FINANCIAL HARDSHIP
IN-SERVICE WITHDRAWAL REQUEST**

I. INFORMATION ABOUT YOU

1. This request applies to my (check only one): Civilian Account OR Uniformed Serv

2. Last Name _____ 3. First Name _____ 4. Date of Birth (mm/dd/yyyy) _____ 5. Daytime _____

3. TSP Account Number _____

II. MARRIED FERS AND UNIFORMED SERVICES PARTICIPANTS — Your spouse must co-
spouse's signature must be notarized.

4. Spouse: By signing below, I consent to this financial hardship withdrawal from my spouse's Thrift Savings Plan and understand that the amount withdrawn will not be available for the purchase of a joint and survivor annuity.

Spouse's Name (Last, First, Middle) _____ 7. Day _____

Spouse's Signature _____

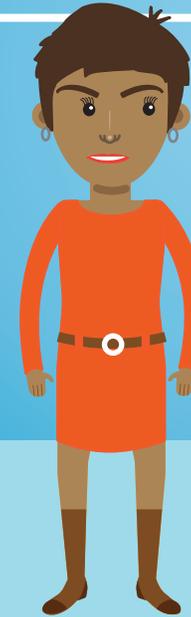
8. Notary: The person who signed item 6 is known to or was identified by me and, before me, signed this form. In witness thereof, I have signed below on this _____ day of _____, 20____.

Notary's Signature _____
Notary's Printed Name _____

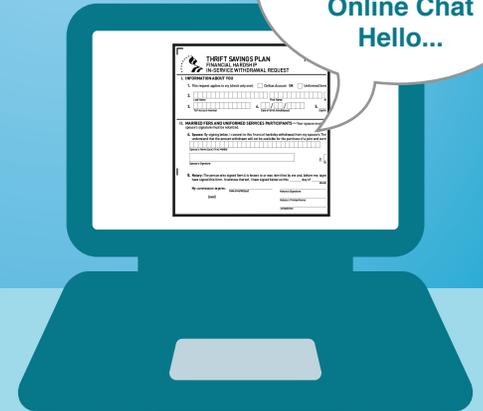


TSP LATER

When Lauryn tries to apply for the withdrawal online, a message pops up asking if she's aware of the consequences and if she would like to chat online with an advisor. The advisor discusses the option of loan instead. Also, six months later she is re-enrolled automatically.



Online Chat
Hello...



TSP CHAT

Hello,
Would you like to chat with a TSP
advisor about taking a hardship
withdrawal?

The stock market slumps. Though still in her 30s, Lauryn gets nervous and calls the ThriftLine to transfer funds and re-route future contributions to the G Fund.

TSP NOW

Lauryn completes an interfund transfer and a contribution allocation online.



TSP LATER

When Lauryn tries to make these transactions, a conversation box pops up asking if she'd like to chat with an advisor.



TSP CHAT

Hello,
Would you like
to chat with a
TSP advisor?

Lauryn takes a job at another Federal agency.

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER

Lauryn gets a personal contact from the TSP recommending that an exciting change like a new job is a great opportunity to review her TSP account and ensure she's making the right decisions to plan for the retirement she wants. Is she invested in the appropriate funds? Is she getting the full match? Is her address still the same?



Federal workers' salaries are frozen again.

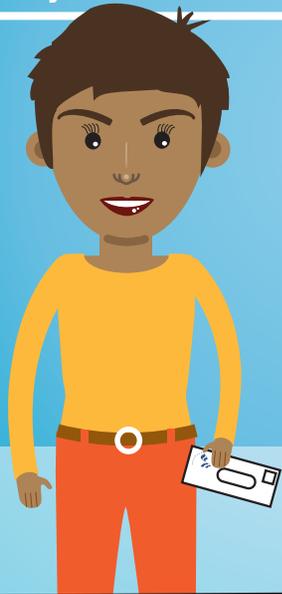
TSP NOW

Lauryn decreases her contribution rate to 4% with her agency's payroll department; the TSP is not aware and takes no action.



TSP LATER

Lauryn starts to decrease her contribution rate on tsp.gov; a pop-up warns her that by going below 5% she'll be leaving free money on the table. Six months later she gets a personal contact from the TSP, asking whether she's ready to reinstate her previous contribution rate.



 Thrift Savings Plan
P.O. Box 385021
Birmingham, AL 35238

Dear Lauryn,

Are you ready to reinstate your ...

TSP CHAT

Hello,
Are you aware that going below 5% could result in leaving free money on the table?

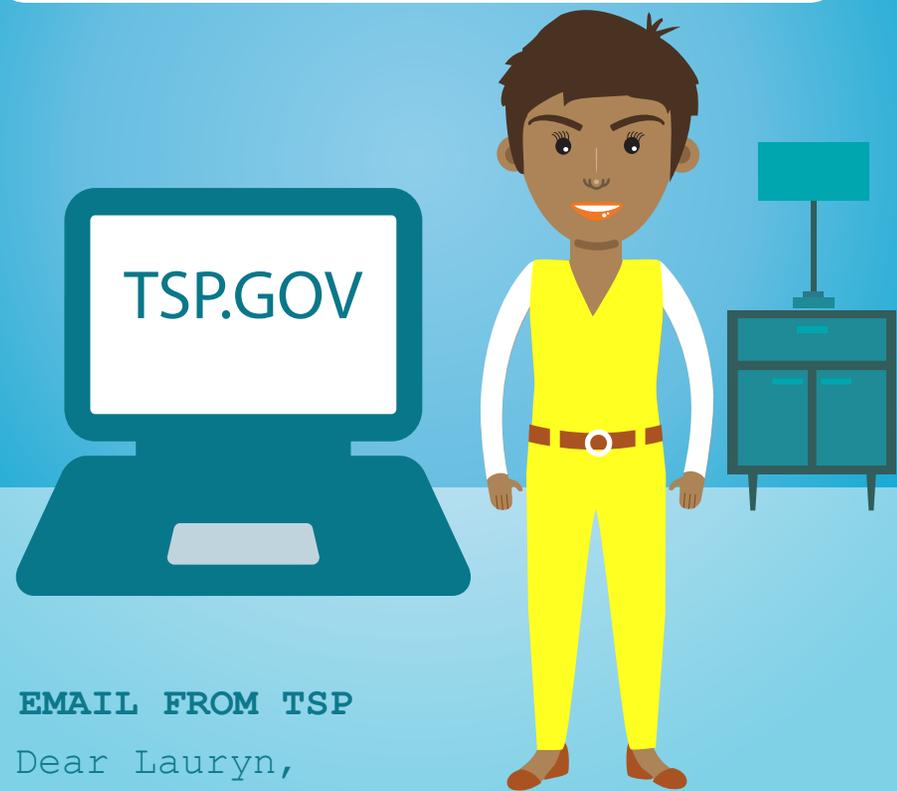
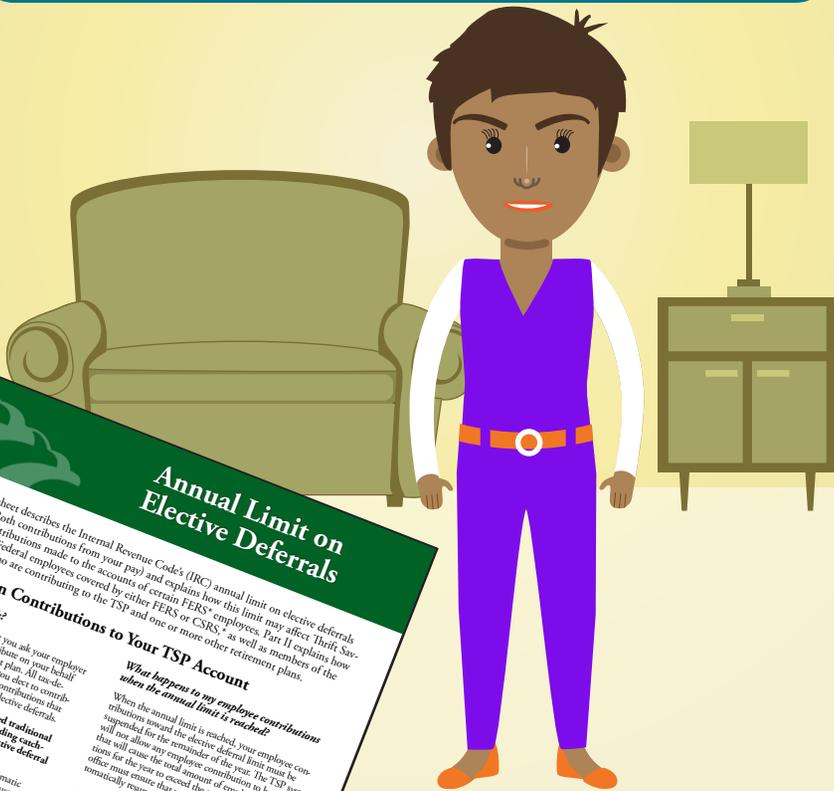
Lauryn gets a raise and is doing great, so she increases her contribution rate!

TSP NOW

In November, Lauryn realizes she frontloaded her contributions, so she's going to miss out on matching contributions from her agency.

TSP LATER

In April, Lauryn receives an e-mail from the TSP informing her that at her current contribution rate, she'll miss out on matching contributions once she reaches the annual limit.



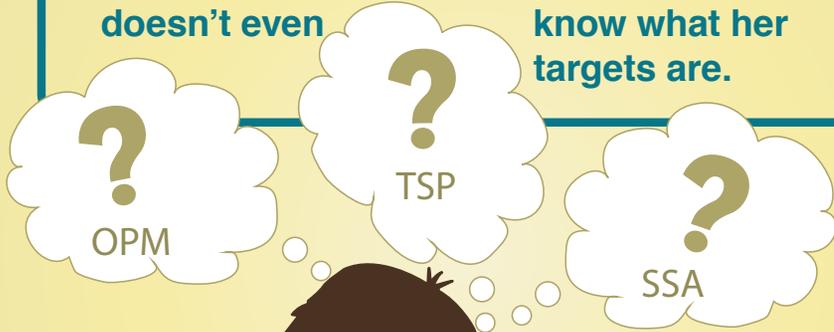
EMAIL FROM TSP

Dear Lauryn,
Did you know that at your current TSP contribution rate, you may miss out on matching contributions?

Lauryn's best friend just retired at 59 years old. Lauryn's not yet 50, but she wonders if she's on track to do the same.

TSP NOW

Lauryn has to go to the Social Security website, the OPM website, and tsp.gov and somehow cobble it all together. But she doesn't even know what her targets are.



TSP LATER

Lauryn can get the big picture all in one place in her statements from the TSP and through more integrated calculators on tsp.gov and other resources.



Thrift Savings Plan

(Mail Barcoding)
Lauryn L.
555 Anywhere St.
Anywhere, MD 55555

Your 20XX Annual Statement
Account Number: 1234 5678 91011
Date of Birth: mm/dd/yyyy
Retirement Coverage: Active
Employment Status: Active
Service Required for Vesting: 3 years
from mm/dd/yyyy
Legal Residence:

How your account value changed in 20XX

	Traditional	Roth	Total
Value on January 1, 20XX	\$158,412.00	\$0,000.00	\$158,412.00
Change in value this year	\$5,000.00	\$3,000.00	\$8,000.00
Value on December 31, 20XX	\$163,412.00	\$45,000.00	\$208,412.00

Your vested account balance is \$208,412.00

You are always vested in (entirely) your own contributions and your Agency Matching Contributions (where applicable). You are always vested in your own contributions and your Agency Matching Contributions. To learn more, visit our "You'll Love This" page. Vesting: What Does It Mean? at [tsp.gov](https://www.tsp.gov).

Account Balance History

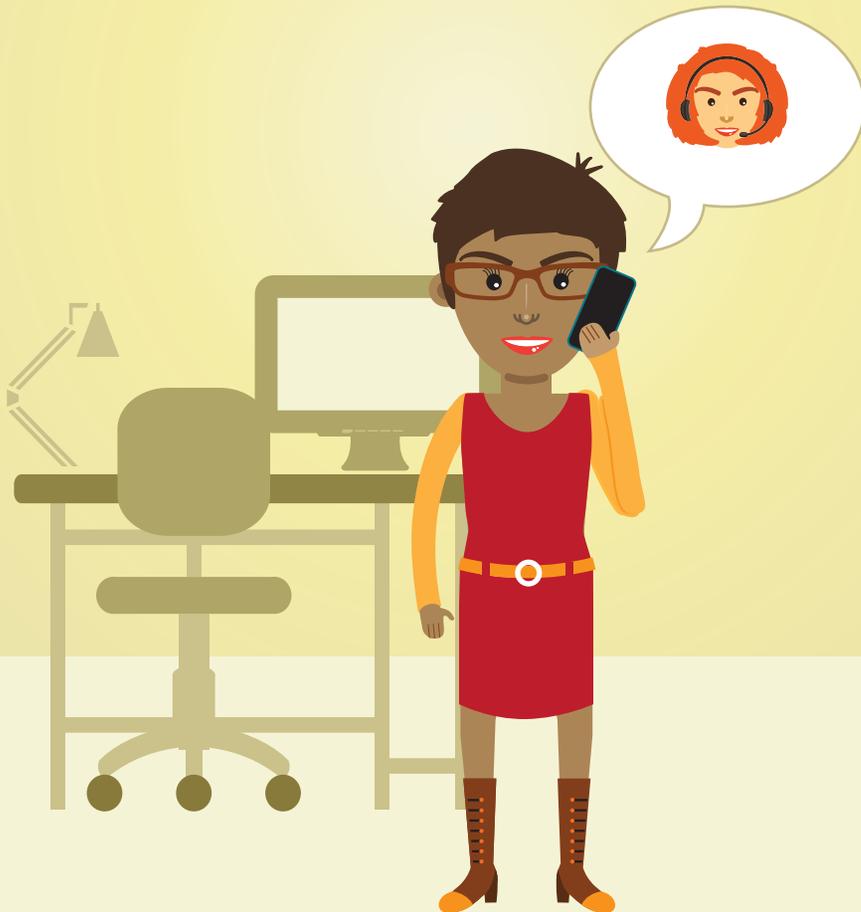
Will you be ready for retirement?
Your 12/31/20XX account balance would provide you a lifetime TSP monthly amount of **\$1,263***

*This estimate assumes:
- Age 62, at your current age if you are 62
- A single life annuity with your current account balance
- An annuity interest rate index of 3.0%

Lauryn has forgotten her password.

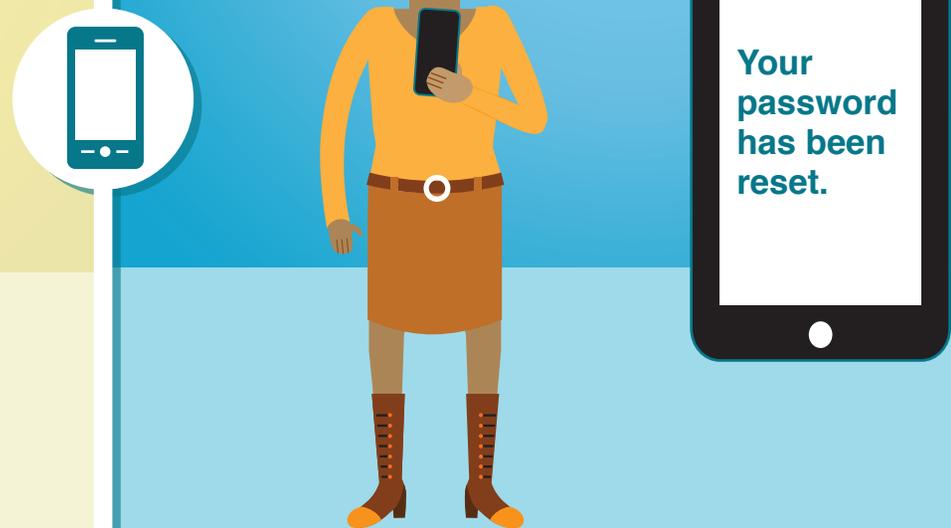
TSP NOW

Lauryn has to call the ThriftLine, provide some identifying information, receive a temporary password, and then set a new password.



TSP LATER

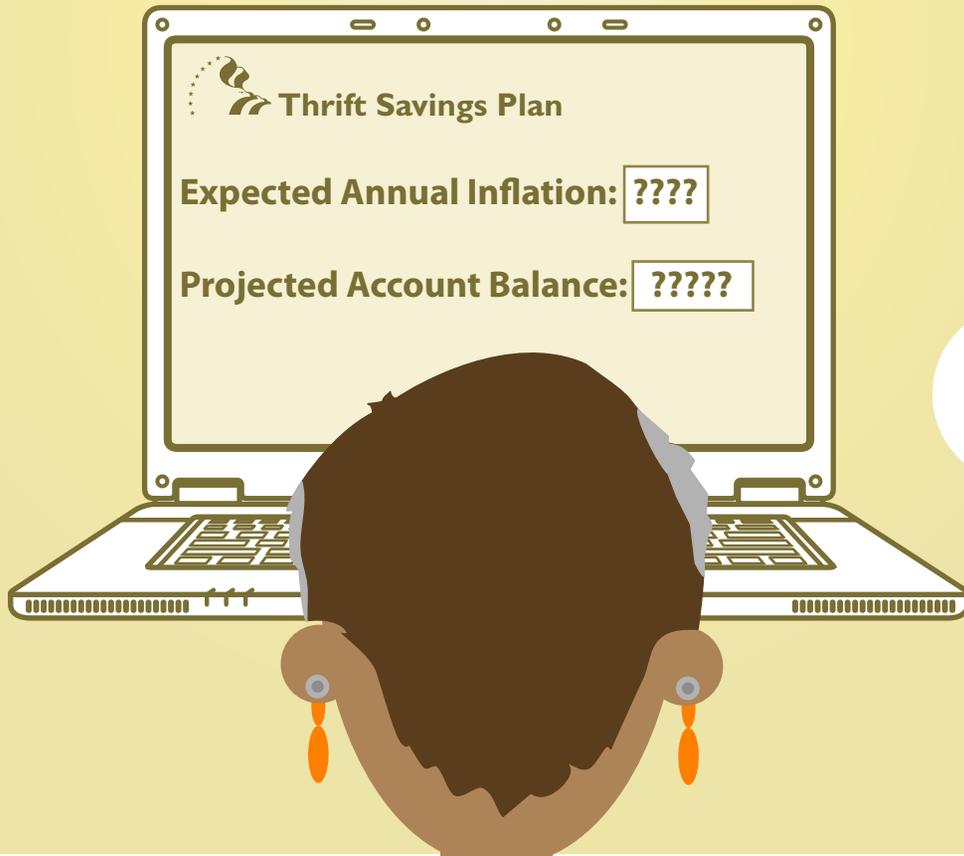
Lauryn can update her password online, after establishing her identity. Here Lauryn does it using her smart phone.



Lauryn sees a brokerage company's TV ad for its online calculator and goes to tsp.gov to see if the TSP has one.

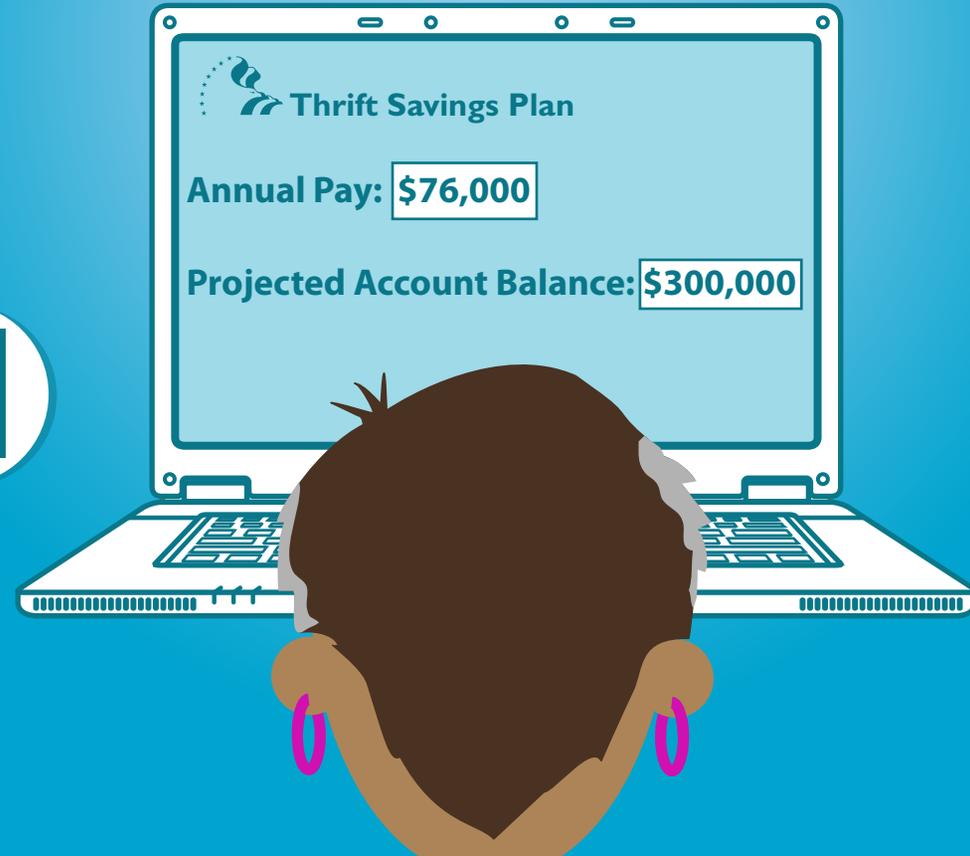
TSP NOW

On the How Much Will My Savings Grow calculator, Lauryn has to fill in all of her information and then gets stumped when asked to make guesses on things like expected rate of return, how long she expects to live, and what the inflation rate will be.



TSP LATER

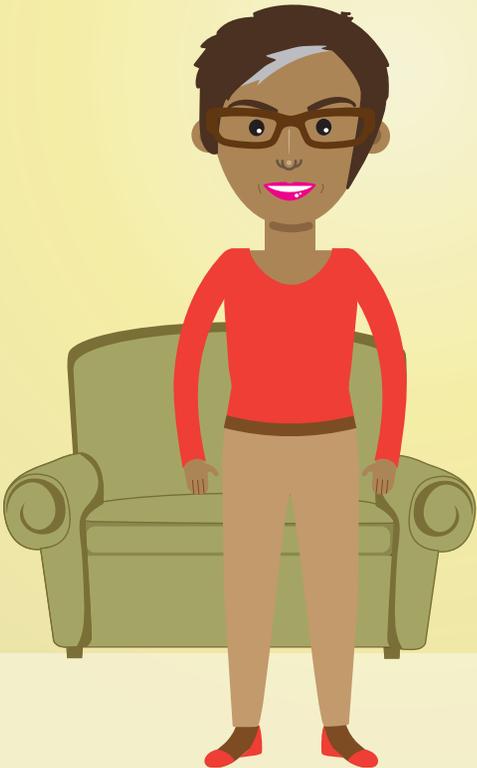
The online advice service at tsp.gov uses sophisticated analysis to project future account values to help her make more educated choices.



Lauryn will turn 50 next year!

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER



The TSP reminds Lauryn that next year she can start making catch-up contributions.



EMAIL FROM TSP

Dear Lauryn,
Next year, you will be able to make catch-up contributions...

Lauryn's granddaughter teaches her to use Twitter.
Now Lauryn wants to use social media
as much as possible.

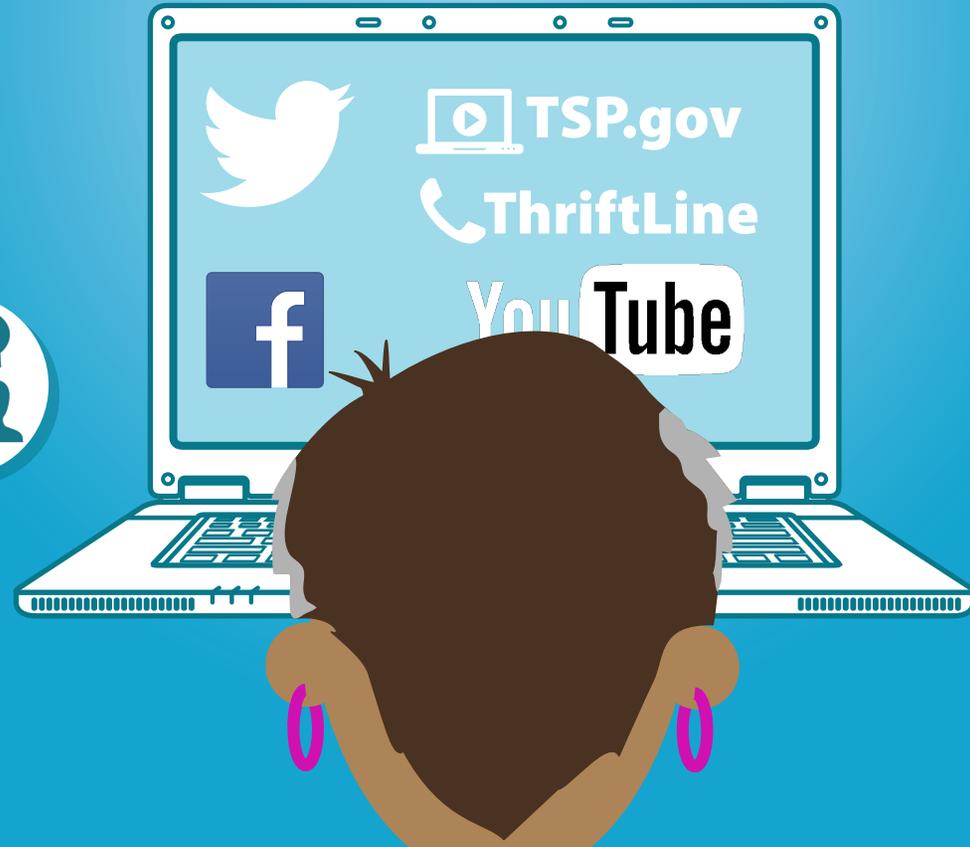
TSP NOW

Lauryn can follow the TSP on Twitter.



TSP LATER

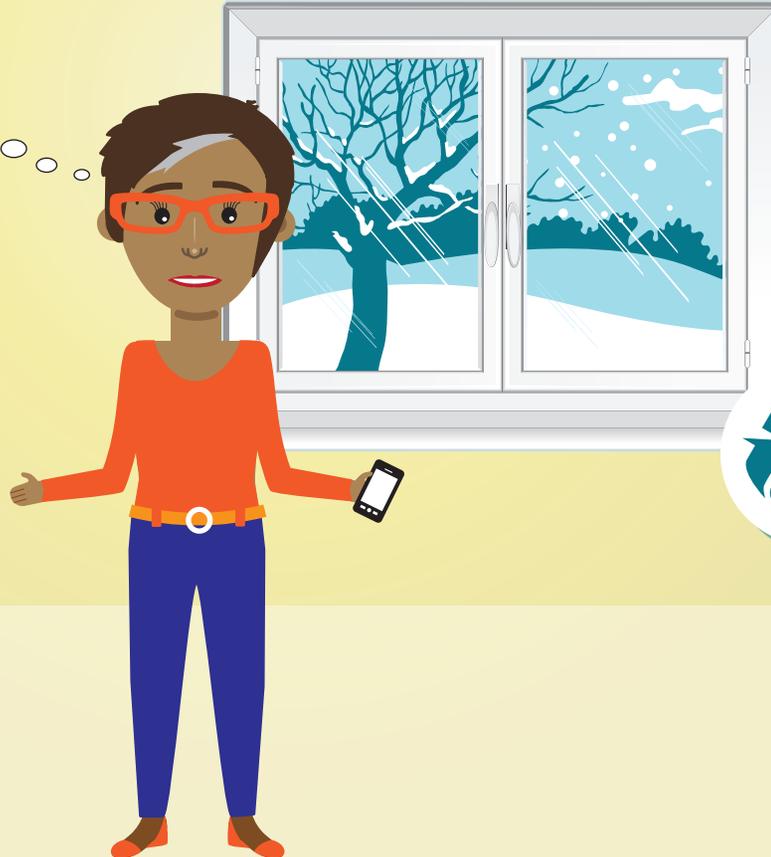
In addition to using Twitter, Lauryn can also follow the TSP on Facebook and other social media networks. She receives the TSP RSS feed and a monthly e-newsletter.



Lauryn is becoming increasingly concerned about the environment and wants to invest in companies that are trying to protect it.

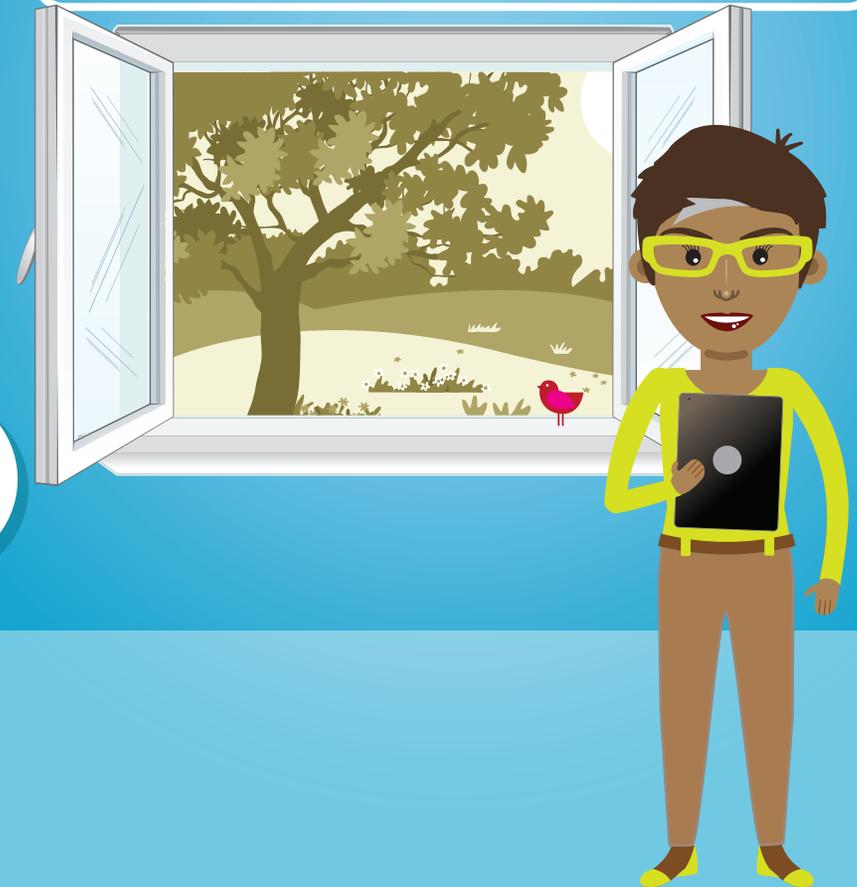
TSP NOW

Lauryn's investment options with her TSP account are limited to index funds that invest in many companies. Because she can't choose to include or exclude specific companies from her portfolio, Lauren plans to roll her TSP account into an IRA with mutual fund options when she retires.



TSP LATER

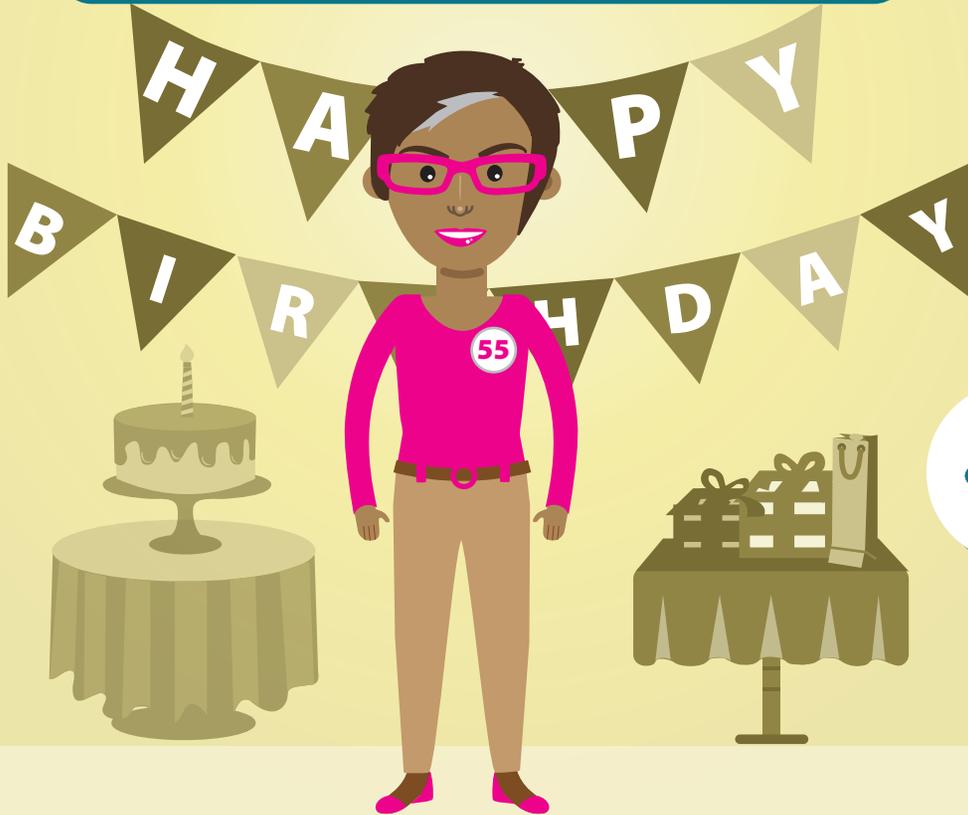
Through the TSP mutual fund window, Lauryn has many more investment options available to her, including mutual funds specifically designed to invest in companies seeking to protect the environment.



Lauryn's turning 55!

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER



Lauryn gets an e-mail or call asking if she has any questions now that she's reached an age at which people often start to think seriously about retirement.



The TSP tweets about rolling IRAs and employer-sponsored plans into TSP accounts. Lauryn reads it, watches the online video, and wants to roll in her 401(k) from her old private-sector job.

TSP NOW

Lauryn discovers that she has to do all the legwork on this, including contacting her old plan's sponsor. It seems like too much work and she loses interest.



TSP LATER

Lauryn tells the TSP she wants her 401(k) rolled in and the TSP does the work for her.



EMAIL FROM TSP

Dear Lauryn,
Your IRA roll-in is being processed. You will receive a consolidated packet...

Lauryn's turning 59!

TSP NOW

Nothing happens.



TSP LATER



The TSP contacts Lauryn to make sure she's aware that she can leave her funds in her TSP account and that TSP costs are very low.



Lauryn is retiring!

TSP NOW



The TSP mails Lauryn a separation notice, which explains that she doesn't have to do anything until she's 70½.



 Thrift Savings Plan
P.O. Box 385021
Birmingham, AL 35238

Notice from the TSP:

Dear Lauryn,

Now that you are retiring from Federal Service, ...



TSP LATER



The TSP contacts Lauryn to explain her options and see if she would like to speak with an advisor.



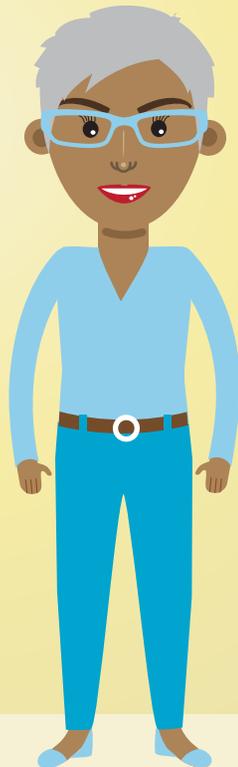
EMAIL FROM TSP

Dear Lauryn,
There are benefits to receiving monthly payments...

Lauryn's furnace needs to be replaced. She hasn't taken any distributions yet and she wants to take a partial withdrawal.

TSP NOW

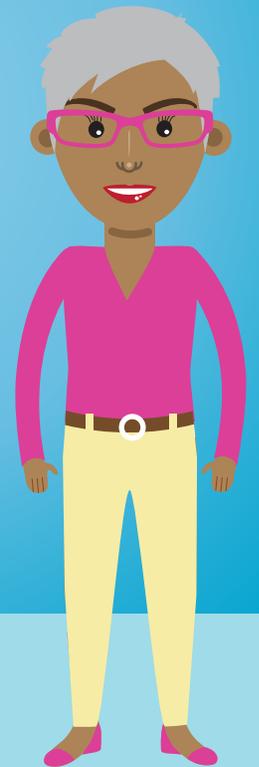
Lauryn goes to the online wizard and completes a form that must be notarized.



TSP LATER



Lauryn goes to the online wizard. A message appears on her screen asking her if she might want to chat online or talk on the phone before making this important life decision.



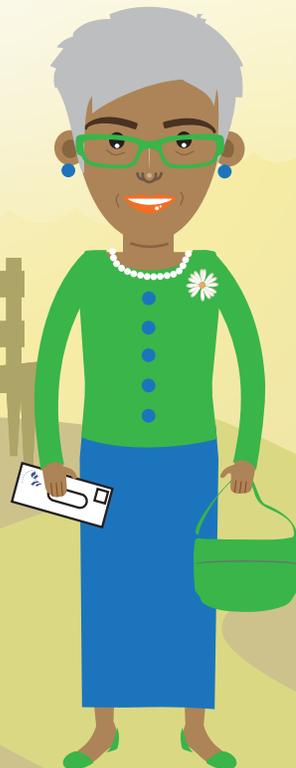
TSP CHAT

Hello, Would you like to chat with the TSP about making this important life decision?

Lauryn's turning 70!

TSP NOW

Lauryn receives an informational leaflet from the TSP.



TSP LATER



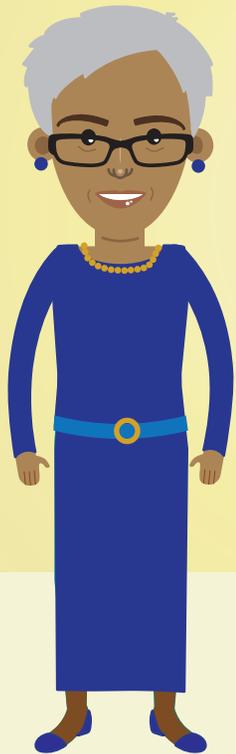
In addition to getting the leaflet, Lauryn also gets a call or e-mail explaining the benefits of receiving monthly payments and asking if she'd like advice.



Lauryn's monthly check gets lost in the mail and she wants to avoid that happening again.

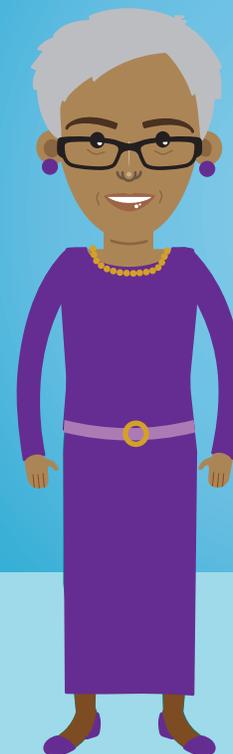
TSP NOW

Lauryn goes to the website to switch to direct deposit but finds it can't be done online. She has to download a form, complete it, get it notarized, and mail or fax it in.



TSP LATER

Lauryn completes the process easily online.



Lauryn lives a long and happy life.

Bucket List

- Work for a Federal Agency*
- Invest in the TSP*
- Retire With Dignity!*

