

**You
wouldn't
do
this.**



**Would
you?**

Guess what? You already have.

The Thrift Savings Plan (TSP) is important to your security in retirement. Every pay period that you miss contributing to your TSP account, you are letting **FREE MONEY** go up in flames.

Here's how it works: Sign up to contribute through payroll deductions. Just fill out Form TSP-1, Election Form, and take it to your agency personnel office, or use your agency's electronic benefits or pay system.

When you contribute, your agency kicks in matching money. Your agency now contributes an amount equal to 1% of your basic pay each pay period to your TSP account, but you can get as much as 4% more from your agency.

If you contribute just 3% of your pay, your agency will match it dollar for dollar. When you contribute an additional 2%, your agency matches it at 50¢ on the dollar. You must contribute 5% of your pay to get the full 5% agency contribution.

If you can't afford to contribute 5%, **contribute what you can**, even a small dollar amount. It will be matched by your agency and you will be collecting at least some portion of the free money that is your due as a Federal Employees' Retirement System (FERS) employee. You can increase, decrease, or stop your contributions at any time.

Even small contributions can add up to impressive savings. These days it's not unusual to pay \$3.50 for a cup of coffee. If you decided to contribute just the amount of that daily cup to your TSP account — basically, \$35 each pay period — and your agency matched it dollar for dollar, you'd be saving \$70 each pay period.

In 30 years (assuming a 7% annual rate of return compounded monthly), you'd have \$186,108. That's a pretty impressive nest egg for such a small sacrifice. Use the "How Much Will My Savings Grow?" calculator on the TSP website and see what you'd have if you contributed more.

Here's an added benefit. Your TSP savings are tax-deferred — they are deducted from your pay before taxes are calculated. This reduces your taxable pay and your overall tax bill, which means that your TSP contributions are even less of a hardship.

We're here to help you. If you have questions, visit www.tsp.gov for more information. Or call the **ThriftLine at 1-877-968-3778** and press 3 to speak to a Participant Service Representative.

Don't wait to claim what's yours.

Sign up with your agency today!

