Put Your Company Logo Here

Federal Employee Benefits Analysis

Jim Fed - Advanced Report
123 Main Street
Any Town, US 12345

Your Company Name
Your Name
Address - line 1
Address - line 2
City, ST 12345
Phone: 111.222.3333 Extension: 99
Fax: 111.222.3334
Email: YourName@YourCompanyName.com

Disclaimer

This report illustrates estimates of cost and benefits for the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), Federal Employees Group Life Insurance (FEGLI), Federal Employees Health Benefits Program, Long Term Care (LTC) Insurance, Social Security System benefits, and the Thrift Savings Plan (TSP). Some estimates are based on assumptions, which may affect the results, and may differ from actual experience. Since future costs and benefits cannot be projected with absolute certainty, you should not base your financial decisions solely on the estimates of this report, and it is recommended to consult with your personnel office or the Office of Personnel Management (OPM), Retirement Information Office 1-888-767-6738. Your Company Name cannot provide retirement analysis and decision information to you. The analysis is provided 'AS IS' without warranties of any kind (including the implied warranties of merchantability and fitness for a particular purpose). No oral or written information or advice provided by Your Company Name, and its agents or employees shall create a warranty of any kind regarding this analysis, and you may not rely upon such information or advice. Neither Your Company Name nor anyone else who has been involved in the creation, production, or delivery of this analysis shall be liable for any direct, indirect, consequential, or incidental damages (including, but not limited to, damages for loss of business or personal profits, business or personal interruption, and loss of business or personal information) arising from the use of (or inability to use) this analysis.

Financial Planning Overview

Are you looking forward to the day you retire? To having more time to travel, spend with family and friends, enjoy new hobbies, or increase your volunteer work? Or does the thought of retirement make you slightly uneasy; unsure if you will have enough money to stop working, but not knowing how much you need to save? Being able to retire when you want and living comfortably is a dream for many federal employees, and the goal of this analysis is to help you reach it.

The biggest question is, when the time comes to stop working, will you have enough income to continue the lifestyle you had before retirement? That depends on the lifestyle you want to maintain and the types of income you will have. Federal retirement monthly annuity payments alone will not be enough for most federal retirees.

Keep in mind that the average American life expectancy is 74.8 years for men and 80.1 years for women. The "average" federal employee who retires at age 55 looks forward to another 20 to 25 years of life. Many will have even more years. It is never too early to begin planning how you want to spend those years.

When people think of retirement planning, usually the first thing that comes to mind is the financial aspect of retirement - whether they will have enough money to enjoy a comfortable lifestyle after they retire. As a general rule, financial experts estimate that you need between 70% and 100% of your pre-retirement income to maintain your standard of living when you quit working. The conventional wisdom is that if you are a higher-income earner, you will need closer to 70% of your pre-retirement income, while lower-income earners will need closer to 100% of their pre-retirement income. But while this 70-100% guideline can be helpful, it's crucial that you sit down and figure out exactly how much money you will need, based on your particular circumstances. Issues such as whether you own your home, are planning to pay for a child's education or pay for care for an elderly parent, or will relocate to an area with a lower cost of living, will all play an important role in determining whether you have enough money for retirement.

Determining whether you have enough money to retire is not all that complicated. You need to know three things:

1. When you plan to retire,
2. An estimate of what your income will be at and during retirement, and
3. An estimate of your expenses at and during retirement.

This analysis will address these three areas.

The data presented in this analysis was created from the information that you provided. Reasonable assumptions regarding future projections were made, but, no one can predict the future exactly. The projections from what you know now will give you an estimate of what to expect in the future.

7 Misconceptions About Retired Life

7 Misconceptions About Retired Life

Expectations don't always match reality, according to a recent poll that identified several potential areas of disappointment.

Many people are postponing their current wants to save for retirement. And perhaps retirement will bring little stress and plenty of time for hobbies and travel. But some retirees say they are not enjoying retirement as much as they thought they would.

A quarter of retirees think life in retirement is worse than it was before they retired, according to a recent poll of 1,254 individuals age 50 and older by NPR, the Robert Wood Johnson Foundation and the Harvard School of Public Health. And 44% of retirees think their overall quality of life is about the same as it was while they were working. Only 29% of retirees say leaving the workforce made their life better. With that in mind, here are seven misconceptions about life in retirement.

You will have less stress
More than half (55%) of workers age 50 and older expect retirement to be less stressful than it was when they were working. But only 39% of retirees report having less stress in their lives than they did when employed full time. "There are some false expectations about what life in retirement is going to be like," says Gillian SteelFisher, a research scientist and the assistant director of the Harvard Opinion Research Program. "The stress may be related to a decline in health or finances." More than a third (35%) of retirees say their stress level is about the same, and almost a quarter (24%) say they now face more stress than they did while employed.

Travel and hobbies will fill your days
Exploring new places is a common retirement goal, with 59% of older workers expecting to do more of that in retirement. But 34% of retirees say they currently travel to places they want to go less than they did in the past, and 35% fit in vacations about as often as they did while employed.

"There is a common expectation that this will be a time to get out and do all the things you want to do, and then we find out, in reality, not only are they not taking these exotic cruises, but they are spending less time traveling in retirement than they did in the five years before," says SteelFisher. "There may be health issues that may be making travel more difficult than they might have anticipated, and it may be that the cruise was a little bit more expensive than they anticipated."

And while 68% of people over age 50 who are not yet retired expect to have more time for sports, hobbies and volunteering, many retirees say they have the same amount (43%) or less (20%) time for activities they like.

You will take better care of yourself
Almost half (48%) of older workers say they will exercise more in retirement than they do now. But just because you have more time to exercise doesn't mean you will. Some 34% of retirees say they get less exercise than they did while employed, and 41% get about the same amount. You probably won't start eating healthier in retirement either, even if you have plenty of time to cook. Most people's eating habits stayed the same in retirement (52%), and 12% of retirees say they now eat less healthfully than they did while in the workforce.

Your health will hold up
"People envision that retirement will be a chance to do a lot of things that they haven't done before, and they haven't really thought about the health issues they will run into as they age," says Robert Blendon, a professor of health policy and political analysis at the Harvard School of Public Health.

Most older workers (69%) expect to maintain their current level of health in retirement. But only 43% of retirees say their health is now similar to what it was five years prior to retirement. Some 39% of retirees say their health is now worse than it was before retirement.

"As retirees start to need long-term care for themselves or their spouses, they experience stress because of the concern about what options are going to be open to them," says Risa Lavizzo-Mourey, the president and CEO of the Robert Wood Johnson Foundation. "The retirees who are experiencing more health issues than they anticipated, or having difficulty paying for things like long-term care, are feeling like retirement is not like they thought it would be."

You can maintain your current standard of living

The majority of employees age 50 and older (62%) expect to be able to maintain their current standard of living in retirement. But unless you saved very diligently, you may have to make some spending cuts in retirement. More than a third (35%) of retirees say their financial ability to live comfortably is worse than it was while they were working.

"A lot of people retire and they discover that the amount they thought they would need to live comfortably is not the amount that their investments and Social Security and their house end up yielding them," says Blendon. "People are not looking forward enough in terms of the health issues they will face and the actual financial income they are really going to have."

Most retirees (63%) say you need an annual income of $50,000 or more to live comfortably in retirement, and more than a third (35%) admit they do not currently have their target level of income. Health care expenses are a major problem, with one in five survey respondents saying he or she will have trouble paying for health care.

You'll improve your relationship with family members

Many current workers expect their relationship with their spouse (45%) and other family members (40%) to get better in retirement. But only just over a third of seniors report an improved relationship with a partner (34%) and other family members (35%). Most retirees say their relationship with family members (61%) and their spouse (62%) stayed the same in retirement.

Retirement is a choice

We like to think that we will be able to retire when we hit a certain age or savings goal. Most current workers (60%) expect to retire at age 65 or later, often because they need the money or health benefits from their job, but also because they enjoy working and want to make a difference. But only about a quarter (26%) of retirees held on to their jobs that long. Retirees (58%) generally say they left their jobs at the same or an earlier age than they initially thought they would, perhaps due to a layoff, buyout or health problem.

Monthly Retirement Income and Expense - All Sources

Monthly Income / Expense - All Sources

The Follow page combines sources of retirement income with sources of retirement expense and projects these through your retirement years.

Examples of monthly retirement income:

1. CSRS or FERS Annuity
2. TSP
3. Social Security
4. Other

Examples of retirement expenses:

1. Survivor Benefit
2. Federal / State income tax withholding
3. FEGLI premium
4. Health Insurance premium
5. Long Term Care Insurance premium
6. Living expenses
7. Other

The graph depicts the projected retirement income (blue line) and projected retirement expenses (red line). If the red line is above the blue line at any point or points in time, then there is a shortfall of required income. However, if the red line is below the blue line at any point or points in time, then there is a surplus of required income.

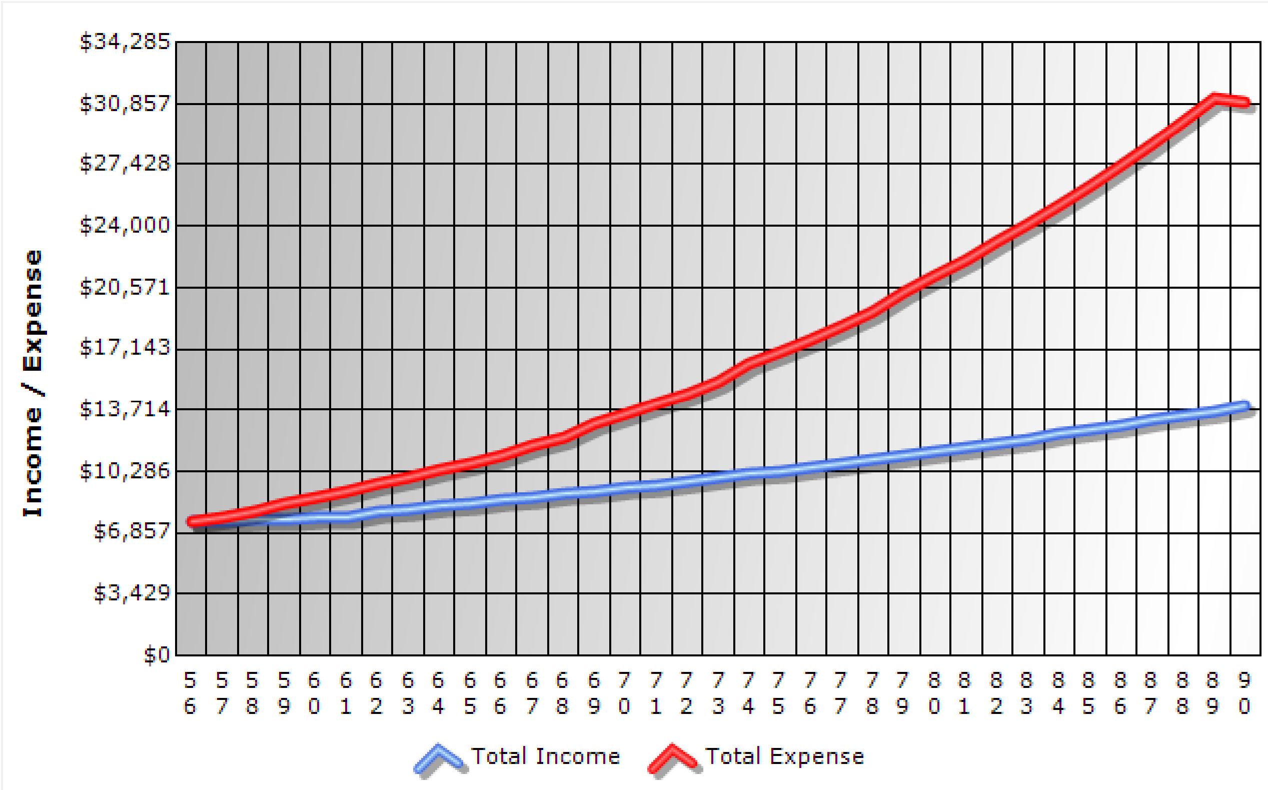
The Difference column lists the surplus or shortfall (if negative number) of income needed to meet all living expenses.

The Change column lists the change in surplus or shortfall from the previous year.

Your retirement planner will discuss with you ways to reduce or eliminate the income shortfall.

The pages that follow the Monthly Income / Expense - All Sources report page contain detailed analysis of monthly income and monthly expenses listed above.

Monthly Income / Expense - All Sources



Age	Income	Expense	Difference	Change
56	$7,463.67	$7,434.46	$29.21	
57	$7,511.97	$7,731.27	-$219.30	-$248.51
58	$7,561.40	$8,027.70	-$466.30	-$247.00
59	$7,611.99	$8,526.05	-$914.06	-$447.76
60	$7,663.76	$8,851.70	-$1,187.94	-$273.88
61	$7,716.75	$9,193.06	-$1,476.31	-$288.37
62	$8,044.57	$9,556.42	-$1,511.85	-$35.54
63	$8,195.84	$9,937.21	-$1,741.37	-$229.52
64	$8,349.62	$10,356.44	-$2,006.82	-$265.45
65	$8,507.98	$10,774.87	-$2,266.89	-$260.07
66	$8,669.96	$11,213.54	-$2,543.58	-$276.69
67	$8,835.63	$11,673.48	-$2,837.85	-$294.27
68	$9,005.07	$12,155.76	-$3,150.69	-$312.84
69	$9,178.32	$12,967.27	-$3,788.95	-$638.26
70	$9,356.47	$13,497.70	-$4,141.23	-$352.28
71	$9,538.58	$14,054.07	-$4,515.49	-$374.26
72	$9,724.73	$14,637.67	-$4,912.94	-$397.45
73	$9,915.98	$15,249.91	-$5,333.93	-$420.99
74	$10,111.40	$16,287.08	-$6,175.68	-$841.75
75	$10,311.09	$16,961.06	-$6,649.97	-$474.29
76	$10,516.12	$17,668.29	-$7,152.17	-$502.20
77	$10,726.56	$18,410.48	-$7,683.92	-$531.75
78	$10,941.50	$19,189.43	-$8,247.93	-$564.01
79	$11,162.04	$20,373.60	-$9,211.56	-$963.63
80	$11,387.24	$21,231.81	-$9,844.57	-$633.01
81	$11,618.20	$22,132.74	-$10,514.54	-$669.97
82	$11,855.01	$23,078.60	-$11,223.59	-$709.05
83	$12,096.77	$24,071.70	-$11,974.93	-$751.34
84	$12,344.57	$25,114.47	-$12,769.90	-$794.97
85	$12,599.51	$26,209.51	-$13,610.00	-$840.10
86	$12,859.69	$27,359.51	-$14,499.82	-$889.82
87	$13,126.20	$28,567.31	-$15,441.11	-$941.29
88	$13,399.17	$29,835.94	-$16,436.77	-$995.66
89	$13,678.70	$31,168.55	-$17,489.85	-$1,053.08
90	$13,965.89	$30,932.05	-$16,966.16	$523.69

What To Do If You Come Up Short

You've done your homework and discovered that your retirement expenses are going to exceed your retirement income. What can you do now? Quite simply, you and your financial planner are going to have to figure out a way to increase your income and/or reduce your expenses. Here are some ideas to get you started:

1. Postpone your retirement. While you might like to retire at a particular age, this may not be realistic given the high cost of retirement. You may need to postpone retirement and continue working a few additional years to allow yourself time to save more. The longer you work, the longer you have to save for retirement. And working longer also means a delay in when you start drawing on your retirement money. It may also increase your retirement benefits if your salary rises in those years. Another alternative to consider is working part-time after you retire.

2. Have your spouse continue - or start - working. Another option is for your spouse to continue - or start - working, either full or part-time.

3. Bank your pay raises by maintaining - instead of increasing - your standard of living. The truth is that there are millions of people who don't make a lot of money and retire comfortably. And there are just as many people who earn substantial salaries, but who haven't saved enough money for retirement. The key is learning to get by with a little less, so you can save more. One technique for saving is to "bank" - or save - your pay raises or bonuses. Whenever you receive a raise or bonus, put the extra money into saving for your retirement, rather than spending it.

4. Move to a less expensive residence. Consider moving into a smaller house or apartment to save on your retirement expenses. At the very least, the move should lower your living expenses, permitting you to put the difference into savings. If you have a significant amount of equity in your home, you might have money left over from the sale that you can then plow into savings. If you have owned and used the home as a principal residence for at least two of the last five years, single taxpayers can exclude up to $250,000 of capital gain on the sale of the home, and married taxpayers filing jointly can exclude up to $500,000.

5. Move to a less expensive geographic area. Another alternative is to move to a less expensive geographic area. If you live in an area with a high cost of living, look into areas that are cheaper to live. Some things to consider when looking at different areas are housing costs, food costs, state income taxes, and the like. You may be able to live just as comfortably in another area of the country for a lot less.

6. Reduce your debt. Lower your debt as best you can - especially before you retire. Reduce your debt - and your interest payments - by eliminating the debt with the highest interest rates first. Since credit card debt usually carries the highest interest rates, organize your credit card debt from the highest to the lowest interest rates, and pay off the card with the highest interest rates first. Once you've paid off the credit card with the highest rate, move on to paying off the credit card with the next highest interest rate. Continue doing this until you have all of your credit cards paid off. Once you've paid off all of your credit cards, look at whether it makes more sense to pay off other debts - such as a car or a mortgage - or to invest that money. This will depend on whether the rate of return you can get from investing the money is higher than the interest you must pay on your debt. Seek the advice of a financial advisor to help you determine what's best for your particular situation. In general, of course, less debt is good. If you can start your retirement with no credit card debt, no car loans, and your mortgage completely paid off, you've come a long way in preparing for your retirement.

7. Take a hard look at your insurance. Examine all of your insurance policies and ask yourself two questions - whether you need the insurance, and if you do, whether you are getting the best deal possible. If you have life insurance policies on your children, for example, consider getting rid of those policies. Generally, there's no reason to have such policies on your children. For homeowners insurance and car insurance, shop around for the best deal. You may also want to speak with your insurance agent about whether it makes sense to raise the deductible amounts on

these policies to lower your premiums.

8. Consider not having taxes withheld on your pension payments. Once you are retired, you can choose whether you want to have taxes withheld on your pension check, or whether you want to make a quarterly payment to the IRS for your estimated taxes. By having taxes withheld, you are essentially giving the IRS an interest-free loan on your money. Instead of letting the IRS use this money, you could have it earning interest for you in your account. If you want to pay estimated taxes instead of having the taxes withheld, sit down with your tax preparer and have them calculate how much you'll owe. You'll also want your tax preparer to prepare voucher slips with the correct dollar figure on them so you know exactly how much to send in to the IRS each quarter. The downside of going the estimated tax route instead of the withholding route is two-fold. First, it will require a little extra work on your part to calculate and mail in the quarterly payments. Second, you'll need to plan ahead so that you have enough money budgeted for your estimated taxes each quarter. But again, the advantage of making the estimated payments is that you get to hold onto your money for longer and earn interest on it.

9. Look at all of your expenses - such as a second car - with an eye towards eliminating some of them. Again, retirement planning is not particularly complicated. It's a matter of making sure your income will cover your expenses. If it won't, take a hard look at each of your expenses to see if you can eliminate or reduce some of them. For instance, do you need a second car? If you can do without, you will not only rid yourself of a car payment (if you have one), you'll eliminate the insurance costs and taxes that come with owning that car. You may want to consider moving to an area that offers convenient public transportation, so that you can manage with just one vehicle. Naturally, determining what expenses you are willing to cut and what expenses are essential is a highly personal decision. But the point is, when you examine your expenses, go through them one by one and think about each one carefully to see if there's any way to reduce or eliminate it. You may surprise yourself with some creative solutions.

10. Plan to draw down your savings. In some circumstances, you may want to consider drawing down your retirement savings over a lengthy period of time. The most conservative approach to retirement planning, of course, is to plan to leave your "nest egg" intact and live off of the income generated by the savings. For those who do not have enough of a nest egg saved to live off of the income, though, the conservative approach may not be a practical approach. If drawing down your retirement savings is something you think you may have to do, you should definitely seek the advice of a competent financial advisor before you begin. This is not a calculation you should try to make on your own! There are significant risks associated with this strategy - such as depleting all of your retirement savings in your old age. This is an option, but it is generally used as a last resort. Consult with your financial advisor first!

While this analysis shouldn't serve as your sole source for retirement information, it is intended to get you thinking about - and planning for - the kind of retirement you would like to enjoy. Your financial planner will assist you to work through all the details.

Your Retirement Income

Your Retirement Income

Determine how much income you will have coming in during your retirement. To do this, find out how much you can expect to receive from the Civil Service Retirement System (CSRS) or Federal Employee Retirement System (FERS), Social Security, the Thrift Savings Plan, stocks, bonds, certificates of deposit, and any other savings or investments, to determine your monthly retirement income. Don't forget any rental income you may have, or income from individual retirement accounts (IRAs). Analyze your entire retirement portfolio to determine how much income you can expect after you retire.

Plan on having a long retirement

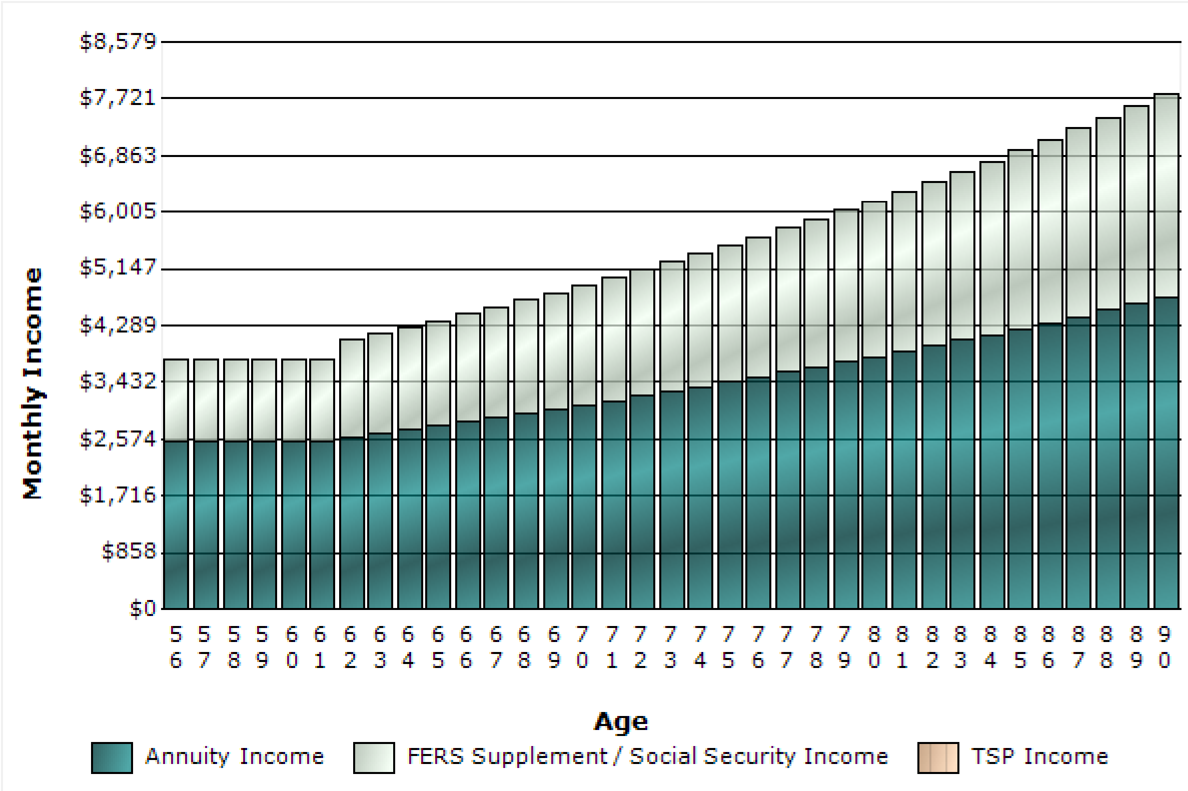
Gone are the days when the average American retired at age 65, and then lived for only 5 or 10 more years. These days, Americans are living longer than ever before. While the average life expectancy for an American is now about 78 years, remember that this number takes into account those who die at a young age, and so does not tell the whole story. For instance, an American who has reached age 65 today can likely expect to live another 20 years - or until they turn 85. The point is, when planning your retirement, don't underestimate how long you think you will live. The last thing you want to do is run out of money in your later years! Be conservative - premise your retirement plan on the assumption that you will live to be about age 90.

Don't put off saving

If you haven't been saving for retirement, don't despair. But start saving for your retirement NOW, and save as much as you possibly can. While it's often difficult for people to save for retirement in their younger years - because their earnings tend to be lower and monthly expenses may eat up all their income - the one thing young workers have going for them is time. Saving even just a little now can mean a big pay-off years down the road. The lesson is clear. While you can't turn back the hands of time to start investing earlier, you can start saving for your retirement today. Aim to save at least 10% of your income each year. Invest your savings for long-term growth. At the end of 20 years or so, you should have accumulated a comfortable nest egg. If you simply can't save 10%, then save as much as you possibly can.

Income Analysis

Monthly Income - Government



Age	Annuity	Social Security	TSP	TOTAL
56	$2,551.00	$1,240.00		$3,791.00
57	$2,551.00	$1,240.00		$3,791.00
58	$2,551.00	$1,240.00		$3,791.00
59	$2,551.00	$1,240.00		$3,791.00
60	$2,551.00	$1,240.00		$3,791.00
61	$2,551.00	$1,240.00		$3,791.00
62	$2,605.59	$1,459.00		$4,064.59
63	$2,661.35	$1,499.00		$4,160.35
64	$2,718.30	$1,539.00		$4,257.30
65	$2,776.48	$1,581.00		$4,357.48
66	$2,835.89	$1,624.00		$4,459.89
67	$2,896.58	$1,668.00		$4,564.58
68	$2,958.57	$1,713.00		$4,671.57
69	$3,021.88	$1,759.00		$4,780.88
70	$3,086.55	$1,807.00		$4,893.55
71	$3,152.60	$1,856.00		$5,008.60
72	$3,220.07	$1,906.00		$5,126.07
73	$3,288.98	$1,958.00		$5,246.98
74	$3,359.36	$2,011.00		$5,370.36
75	$3,431.25	$2,065.00		$5,496.25
76	$3,504.68	$2,121.00		$5,625.68
77	$3,579.68	$2,179.00		$5,758.68
78	$3,656.28	$2,238.00		$5,894.28
79	$3,734.53	$2,299.00		$6,033.53
80	$3,814.45	$2,361.00		$6,175.45
81	$3,896.08	$2,425.00		$6,321.08
82	$3,979.45	$2,491.00		$6,470.45
83	$4,064.61	$2,558.00		$6,622.61
84	$4,151.60	$2,627.00		$6,778.60
85	$4,240.44	$2,699.00		$6,939.44
86	$4,331.19	$2,772.00		$7,103.19
87	$4,423.87	$2,847.00		$7,270.87
88	$4,518.54	$2,924.00		$7,442.54
89	$4,615.24	$3,003.00		$7,618.24
90	$4,714.01	$3,085.00		$7,799.01

Monthly Income - Government

Income Analysis as of December-09-2012
Calculations based on a COLA (In Retirement) of 2.14% and a 50% Survivor Annuity.
In addition, a Social Security COLA of 2.71% was used.

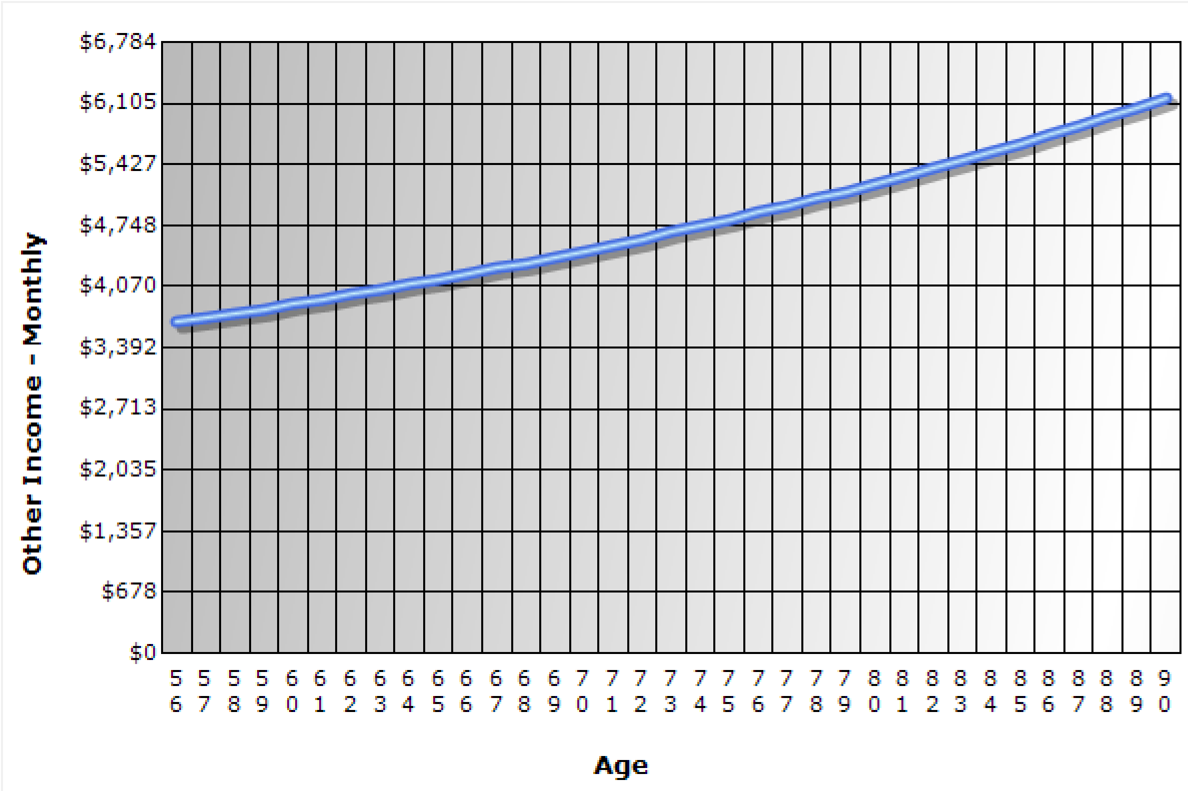
Age	Salary	Annuity	Social Security	TSP	TOTAL	Change
51	$6,761.08				$6,761.08	
52	$6,963.92				$6,963.92	$202.83
53	$7,172.83				$7,172.83	$208.92
54	$7,388.02				$7,388.02	$215.19
55	$7,609.66				$7,609.66	$221.64
	Start Retirement					
56		$2,551.00	$1,240.00		$3,791.00	-$3,818.66
57		$2,551.00	$1,240.00		$3,791.00	$0.00
58		$2,551.00	$1,240.00		$3,791.00	$0.00
59		$2,551.00	$1,240.00		$3,791.00	$0.00
60		$2,551.00	$1,240.00		$3,791.00	$0.00
61		$2,551.00	$1,240.00		$3,791.00	$0.00
62		$2,605.59	$1,459.00		$4,064.59	$273.59
63		$2,661.35	$1,499.00		$4,160.35	$95.76
64		$2,718.30	$1,539.00		$4,257.30	$96.95
65		$2,776.48	$1,581.00		$4,357.48	$100.18
66		$2,835.89	$1,624.00		$4,459.89	$102.41
67		$2,896.58	$1,668.00		$4,564.58	$104.69
68		$2,958.57	$1,713.00		$4,671.57	$106.99
69		$3,021.88	$1,759.00		$4,780.88	$109.31
70		$3,086.55	$1,807.00		$4,893.55	$112.67
71		$3,152.60	$1,856.00		$5,008.60	$115.05
72		$3,220.07	$1,906.00		$5,126.07	$117.47
73		$3,288.98	$1,958.00		$5,246.98	$120.91
74		$3,359.36	$2,011.00		$5,370.36	$123.38
75		$3,431.25	$2,065.00		$5,496.25	$125.89
76		$3,504.68	$2,121.00		$5,625.68	$129.43
77		$3,579.68	$2,179.00		$5,758.68	$133.00
78		$3,656.28	$2,238.00		$5,894.28	$135.60
79		$3,734.53	$2,299.00		$6,033.53	$139.25
80		$3,814.45	$2,361.00		$6,175.45	$141.92
81		$3,896.08	$2,425.00		$6,321.08	$145.63
82		$3,979.45	$2,491.00		$6,470.45	$149.37
83		$4,064.61	$2,558.00		$6,622.61	$152.16
84		$4,151.60	$2,627.00		$6,778.60	$155.99
85		$4,240.44	$2,699.00		$6,939.44	$160.84
86		$4,331.19	$2,772.00		$7,103.19	$163.75
87		$4,423.87	$2,847.00		$7,270.87	$167.68
88		$4,518.54	$2,924.00		$7,442.54	$171.67
89		$4,615.24	$3,003.00		$7,618.24	$175.70
90		$4,714.01	$3,085.00		$7,799.01	$180.77

Annual Income Summary - Other Sources

Income Analysis as of December-09-2012

Source	Description	Savings	Growth	Income	COLA	Start Age	Stop Age
Savings	TSP Rollover	358243	5.00%	20000:	.50%	56	90
Savings	Spouse - 401K	127443	5.00%	6372:	.00%	56	90
Job / Retirement Income	Spouse - SS			17700:	2.71%	56	90

Monthly Income - Other Sources



Age	Other Income	Age	Other Income
56	$3,672.67	74	$4,741.04
57	$3,720.97	75	$4,814.84
58	$3,770.40	76	$4,890.44
59	$3,820.99	77	$4,967.88
60	$3,872.76	78	$5,047.22
61	$3,925.75	79	$5,128.51
62	$3,979.98	80	$5,211.79
63	$4,035.49	81	$5,297.12
64	$4,092.32	82	$5,384.56
65	$4,150.50	83	$5,474.16
66	$4,210.07	84	$5,565.97
67	$4,271.05	85	$5,660.07
68	$4,333.50	86	$5,756.50
69	$4,397.44	87	$5,855.33
70	$4,462.92	88	$5,956.63
71	$4,529.98	89	$6,060.46
72	$4,598.66	90	$6,166.88
73	$4,669.00		

Your Retirement Expenses

Estimating Your Retirement Expenses

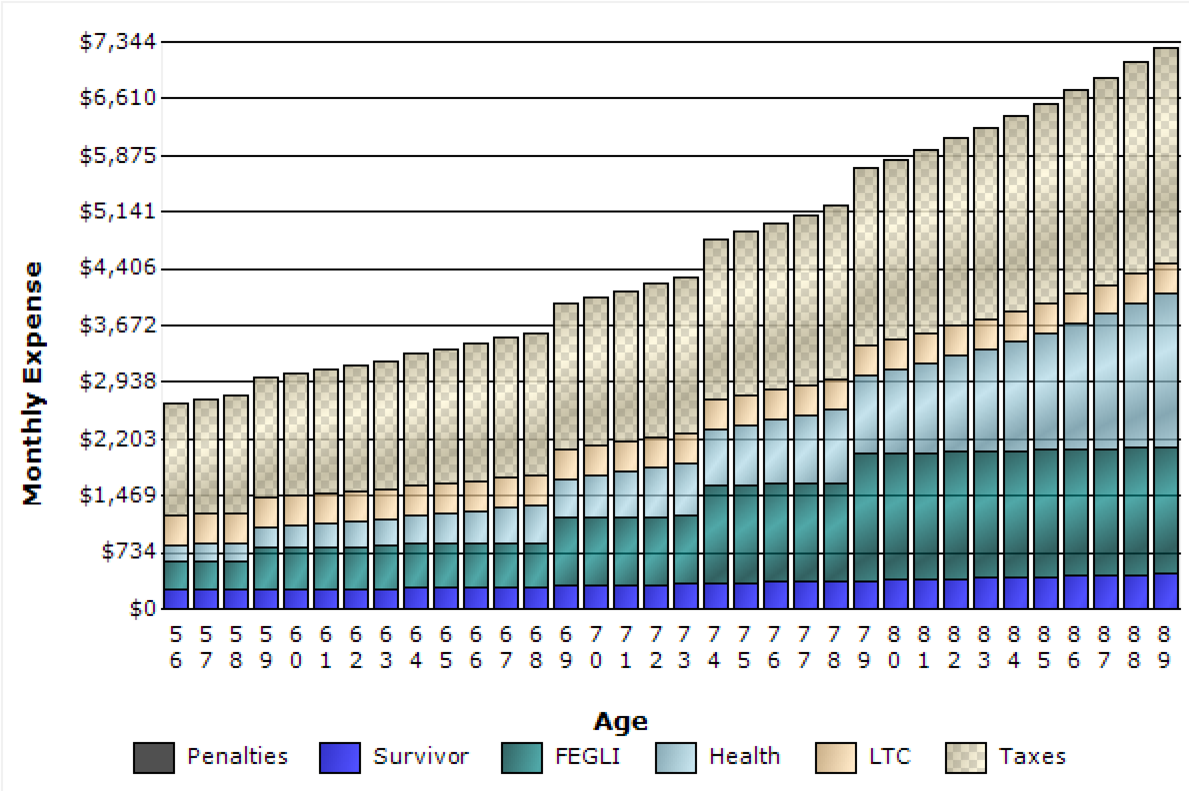
Make a list of all your current expenses - from your mortgage, to groceries, car payments, utilities, entertainment, and so forth. Then determine which expenses you will no longer incur during your retirement - such as commuting costs and the like - and cross them off your list. You can use your current monthly budget, if you have one, as a starting point.

Give some careful thought to the lifestyle you plan to lead in retirement. Do you intend to travel extensively? Will you pursue inexpensive or costly hobbies? Will you move to a smaller residence, or an area with a lower cost of living? Do you plan to work part-time? Will you keep two cars or just one? Remember that certain costs - for health care, entertainment, restaurant meals and so forth - may actually increase during your retirement years because you have more leisure time. Your goal is to come up with a realistic estimate of your monthly retirement expenses.

Also, remember that inflation will have an impact on both your retirement expenses and retirement income.

Expense Analysis

Monthly Expense - Government



Age	Penalties	Survivor	FEGLI	Health	LTC	Taxes	TOTAL
56		$255.00	$361.50	$199.32	$386.55	$1,455.67	$2,658.04
57		$255.00	$361.50	$228.20	$386.55	$1,484.78	$2,716.03
58		$255.00	$361.50	$244.17	$386.55	$1,514.48	$2,761.70
59		$255.00	$549.17	$261.26	$386.55	$1,544.77	$2,996.75
60		$255.00	$549.17	$279.55	$386.55	$1,575.66	$3,045.93
61		$255.00	$549.17	$299.12	$386.55	$1,607.17	$3,097.01
62		$260.46	$549.17	$320.06	$386.55	$1,639.32	$3,155.56
63		$266.03	$549.17	$342.46	$386.55	$1,672.10	$3,216.31
64		$271.72	$569.25	$366.43	$386.55	$1,705.55	$3,299.50
65		$277.54	$569.25	$392.08	$386.55	$1,739.66	$3,365.08
66		$283.48	$569.25	$419.53	$386.55	$1,774.45	$3,433.26
67		$289.54	$569.25	$448.90	$386.55	$1,809.94	$3,504.18
68		$295.74	$569.25	$480.32	$386.55	$1,846.14	$3,578.00
69		$302.07	$875.00	$513.94	$386.55	$1,883.06	$3,960.62
70		$308.53	$875.00	$549.92	$386.55	$1,920.72	$4,040.72
71		$315.14	$875.00	$588.41	$386.55	$1,959.14	$4,124.24
72		$321.88	$875.00	$629.60	$386.55	$1,998.32	$4,211.35
73		$328.77	$875.00	$673.67	$386.55	$2,038.28	$4,302.27
74		$335.80	$1,269.83	$720.83	$386.55	$2,079.05	$4,792.06
75		$342.99	$1,269.83	$771.29	$386.55	$2,120.63	$4,891.29
76		$350.33	$1,269.83	$825.28	$386.55	$2,163.04	$4,995.03
77		$357.83	$1,269.83	$883.05	$386.55	$2,206.30	$5,103.56
78		$365.49	$1,269.83	$944.86	$386.55	$2,250.43	$5,217.16
79		$373.31	$1,636.42	$1,011.00	$386.55	$2,295.44	$5,702.72
80		$381.30	$1,636.42	$1,081.77	$386.55	$2,341.35	$5,827.39
81		$389.45	$1,636.42	$1,157.49	$386.55	$2,388.18	$5,958.09
82		$397.79	$1,636.42	$1,238.52	$386.55	$2,435.94	$6,095.22
83		$406.30	$1,636.42	$1,325.22	$386.55	$2,484.66	$6,239.15
84		$415.00	$1,636.42	$1,417.98	$386.55	$2,534.35	$6,390.30
85		$423.88	$1,636.42	$1,517.24	$386.55	$2,585.04	$6,549.13
86		$432.95	$1,636.42	$1,623.45	$386.55	$2,636.74	$6,716.11
87		$442.21	$1,636.42	$1,737.09	$386.55	$2,689.47	$6,891.74
88		$451.68	$1,636.42	$1,858.68	$386.55	$2,743.26	$7,076.59
89		$461.34	$1,636.42	$1,988.79	$386.55	$2,798.13	$7,271.23

Monthly Expense - Government

Expense Analysis as of December-09-2012

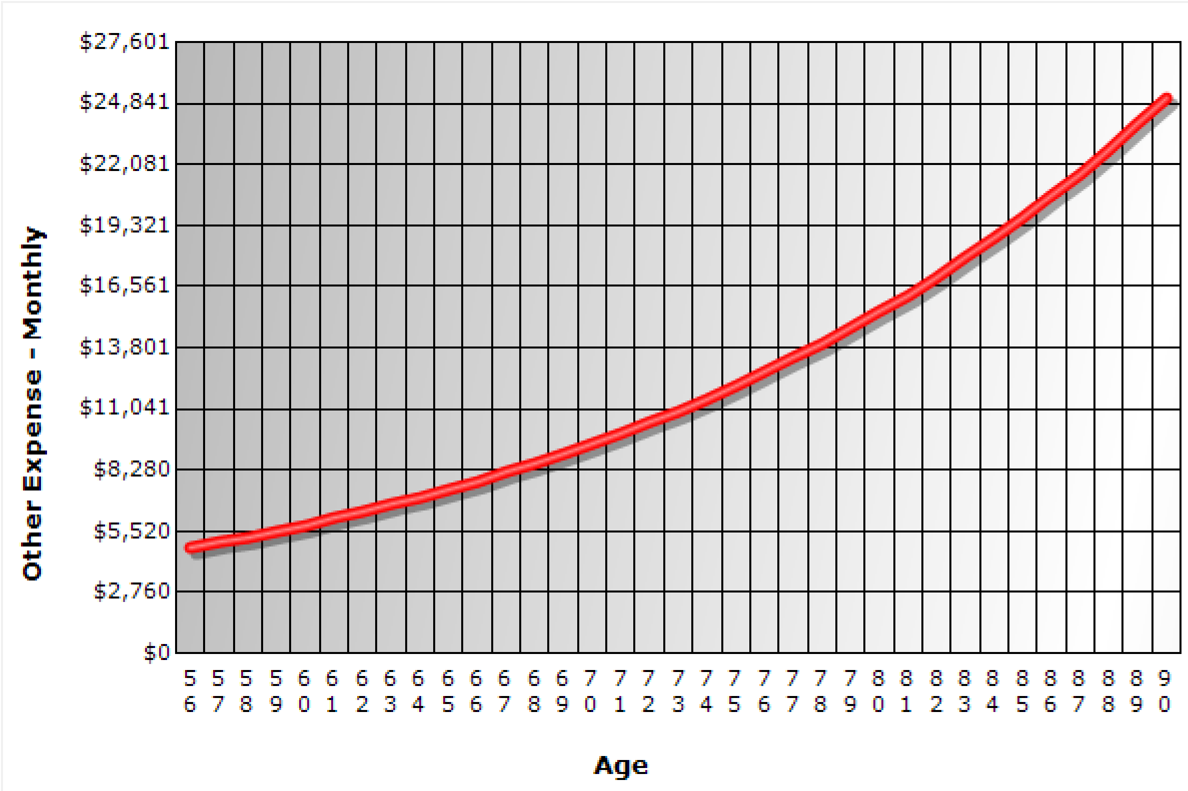
Age	Penalties	Survivor	FEGLI	Health	LTC	Taxes	TOTAL	Change
51			$109.83	$152.06	$386.55	$1,318.58	$1,967.02	
52			$112.17	$162.70	$386.55	$1,344.96	$2,006.38	$39.36
53			$115.67	$174.09	$386.55	$1,371.85	$2,048.16	$41.78
54			$184.92	$186.28	$386.55	$1,399.29	$2,157.04	$108.88
55			$361.50	$199.32	$386.55	$1,427.28	$2,374.65	$217.61
Start	Retirement							
56		$255.00	$361.50	$199.32	$386.55	$1,455.67	$2,658.04	$283.39
57		$255.00	$361.50	$228.20	$386.55	$1,484.78	$2,716.03	$57.99
58		$255.00	$361.50	$244.17	$386.55	$1,514.48	$2,761.70	$45.67
59		$255.00	$549.17	$261.26	$386.55	$1,544.77	$2,996.75	$235.05
60		$255.00	$549.17	$279.55	$386.55	$1,575.66	$3,045.93	$49.18
61		$255.00	$549.17	$299.12	$386.55	$1,607.17	$3,097.01	$51.08
62		$260.46	$549.17	$320.06	$386.55	$1,639.32	$3,155.56	$58.55
63		$266.03	$549.17	$342.46	$386.55	$1,672.10	$3,216.31	$60.75
64		$271.72	$569.25	$366.43	$386.55	$1,705.55	$3,299.50	$83.19
65		$277.54	$569.25	$392.08	$386.55	$1,739.66	$3,365.08	$65.58
66		$283.48	$569.25	$419.53	$386.55	$1,774.45	$3,433.26	$68.18
67		$289.54	$569.25	$448.90	$386.55	$1,809.94	$3,504.18	$70.92
68		$295.74	$569.25	$480.32	$386.55	$1,846.14	$3,578.00	$73.82
69		$302.07	$875.00	$513.94	$386.55	$1,883.06	$3,960.62	$382.62
70		$308.53	$875.00	$549.92	$386.55	$1,920.72	$4,040.72	$80.10
71		$315.14	$875.00	$588.41	$386.55	$1,959.14	$4,124.24	$83.52
72		$321.88	$875.00	$629.60	$386.55	$1,998.32	$4,211.35	$87.11
73		$328.77	$875.00	$673.67	$386.55	$2,038.28	$4,302.27	$90.92
74		$335.80	$1,269.83	$720.83	$386.55	$2,079.05	$4,792.06	$489.79
75		$342.99	$1,269.83	$771.29	$386.55	$2,120.63	$4,891.29	$99.23
76		$350.33	$1,269.83	$825.28	$386.55	$2,163.04	$4,995.03	$103.74
77		$357.83	$1,269.83	$883.05	$386.55	$2,206.30	$5,103.56	$108.53
78		$365.49	$1,269.83	$944.86	$386.55	$2,250.43	$5,217.16	$113.60
79		$373.31	$1,636.42	$1,011.00	$386.55	$2,295.44	$5,702.72	$485.56
80		$381.30	$1,636.42	$1,081.77	$386.55	$2,341.35	$5,827.39	$124.67
81		$389.45	$1,636.42	$1,157.49	$386.55	$2,388.18	$5,958.09	$130.70
82		$397.79	$1,636.42	$1,238.52	$386.55	$2,435.94	$6,095.22	$137.13
83		$406.30	$1,636.42	$1,325.22	$386.55	$2,484.66	$6,239.15	$143.93
84		$415.00	$1,636.42	$1,417.98	$386.55	$2,534.35	$6,390.30	$151.15
85		$423.88	$1,636.42	$1,517.24	$386.55	$2,585.04	$6,549.13	$158.83
86		$432.95	$1,636.42	$1,623.45	$386.55	$2,636.74	$6,716.11	$166.98
87		$442.21	$1,636.42	$1,737.09	$386.55	$2,689.47	$6,891.74	$175.63
88		$451.68	$1,636.42	$1,858.68	$386.55	$2,743.26	$7,076.59	$184.85
89		$461.34	$1,636.42	$1,988.79	$386.55	$2,798.13	$7,271.23	$194.64

Annual Expense Summary - Other Sources

Expense Analysis as of December-09-2012

Description	Expense	Annual Increase	Start Age	Stop Age
Living Expense	$57,317.01	5.00%	56	90

Monthly Expense - Other Sources



Age	Other Expense	Age	Other Expense
56	$4,776.42	74	$11,495.02
57	$5,015.24	75	$12,069.77
58	$5,266.00	76	$12,673.26
59	$5,529.30	77	$13,306.92
60	$5,805.77	78	$13,972.27
61	$6,096.05	79	$14,670.88
62	$6,400.86	80	$15,404.42
63	$6,720.90	81	$16,174.65
64	$7,056.94	82	$16,983.38
65	$7,409.79	83	$17,832.55
66	$7,780.28	84	$18,724.17
67	$8,169.30	85	$19,660.38
68	$8,577.76	86	$20,643.40
69	$9,006.65	87	$21,675.57
70	$9,456.98	88	$22,759.35
71	$9,929.83	89	$23,897.32
72	$10,426.32	90	$25,092.18
73	$10,947.64		

Federal Benefits Analysis

Federal Employee Benefits - Summary

Personal

Name:	Jim Fed - Advanced Report
Address:	123 Main Street Any Town, US 12345
Date of Birth:	10-10-1960
Age:	52

Employment

Service Computation Date:	09-19-82
Annual Salary:	$81,133.00
Hourly Salary:	$38.88
Annual Salary Increase:	3.00% (Estimated)
Creditable Service:	30 Years 2 Months
Sick Leave:	0 Years 6 Months

Retirement

Retirement System:	FERS
Employee Type:	REGULAR
Retirement Type:	REGULAR
Planned Retirement Date:	10-10-16
Annual Salary:	$91,316.00
Hourly Salary:	$43.75
High 3 Average Salary:	$88,102.00
Annual COLA:	2.14%
Creditable Service:	34 Years 0 Months
Sick Leave:	0 Years 9 Months
Age:	56
Retirement Eligibility:	Service and Age Requirements Met

Monthly Retirement Annuity - FERS Survivor with a 50% Annuity

Annuity Without Survivor*:	$2,551
Annuity With Survivor*:	$2,296
Survivor's Annuity:	$1,276
Cost of Survivor's Annuity*:	$255

Thrift Savings Plan (TSP)

CURRENT STATUS		START SAVINGS WITHDRAWAL	
Your Annual Contribution:	$4,056.66	Age:	56
Govt. Annual Contribution:	$4,056.66	Total Monthly Payments:	See TSP Page
C Fund Savings:	$5,907.46	Monthly Payment:	
F Fund Savings:	$2,443.67	Total Payout:	
G Fund Savings:	$216,124.15		
I Fund Savings:	$2,321.83		
S Fund Savings:	$2,608.45		
L Fund Savings:	$0.00		
Total Savings:	$229,405.56	Total Savings Before Payout:	$358,243.00

Federal Employees Group Life Insurance (FEGLI)

COVERAGE	AT AGE 52	AT AGE 56	AT AGE 61
Basic:	$84,000.00	$91,000.00	$91,000.00
Option A:	$10,000.00	$10,000.00	$10,000.00
Option B:	$246,000.00	$267,000.00	$267,000.00
Option C:	$25,000.00	$25,000.00	$25,000.00
Total:	$365,000.00	$393,000.00	$393,000.00
ANNUAL PREMIUM:	$1,318.00	$4,338.00	$6,590.00

Federal Income Analysis - Monthly

	Current Income		First Year in Retirement Income	
	Biweekly	**Monthly**	**Monthly**	
Gross Salary	$3,110.40	$6,761.08	$2,551.25	Gross Annuity
Retirement	$24.88	$53.91	$255.00	Survivor Benefit
TSP	$156.03	$338.06	$0.00	Early Retirement - Age Penalty
TSP Catch-up	$0.00	$0.00	$0.00	Unpaid Redeposit
Social Security - OASDI	$187.71	$406.71	$0.00	Unpaid Deposit
Tax - Federal Withholding	$476.07	$1,031.49	$1,138.72	Tax - Fed Withholding
Tax - State Withholding	$132.51	$287.11	$316.96	Tax - State Withholding
FEGLI Basic	$12.60	$27.30	$206.12	FEGLI Basic
FEGLI Optional	$38.08	$82.51	$155.37	FEGLI Optional
Health Benefit - Medical	$70.18	$152.05	$228.20	Health Benefit - Medical (FEHBP)
Health Benefit - Dental	$12.60	$27.30	$17.41	Health Benefit - Dental
Health Benefit - Vision	$0.00	$0.00	$0.00	Health Benefit - Vision
Flexible Spending Account	$0.00	$0.00	$386.55	Long Term Care
Medicare	$43.90	$95.12		
Allotments	$50.00	$108.33		
Other - 1	$14.31	$31.01		
Other - 2	$178.41	$386.56		
Total Deductions	$1,397.28	$3,027.46	$2,704.33	Total Reductions/Deductions
			-$153.08	Net Annuity
			$1,240.00	Social Security / FERS Supplement
			$3,672.67	Taxable Income from Other Sources
			$0.00	Non-Taxable Income from Other Sources
Net Pay	$1,713.12	$3,733.62	$4,759.59	Net Income

Net Retirement Income - Net Pay Today = $1,025.97

Impact of Inflation on Retirement Income

Inflation negatively impacts your future income. The value of the amount of money you are saving today will not have the same value in the future. You will not be able to buy as much in the future with each dollar saved. In other words, inflation makes it necessary to save more because your dollars will be worth less in the future.

This form estimates how much net income you will need at retirement to keep the same standard of living that you have today (Net Pay per Month Today). This information may help you analyze your financial planning needs. It is based on information and assumptions provided by you regarding your financial situation.

You selected an Average Yearly Inflation rate of: 3%

Net Pay per Month Today $3,733.62

Net Monthly Income at Retirement $4,759.59 that includes: Net Annuity + Social Security/FERS Supplement + TSP

- In 4 years, the value of your net monthly income at retirement $4,759.59 will be $4,228.83.
- In order to maintain a standard of living equal in value to your current income $3,733.62, you will need a net monthly income at retirement in 4 years of $4,202.22.
- The difference between $4,759.59 and $4,202.22 is a surplus of $557.37 in monthly retirement income in 4 years.

FEGLI and Survivor Benefit Cost Analysis

Age	Annual FEGLI Cost	Annual Survivor Benefit Cost	TOTAL Annual Cost	TOTAL ACCUMULATED COST	Cost Increase From Previous Year
52/53	1,318	0	1,318	1,318	
53/54	1,346	0	1,346	2,664	28
54/55	1,388	0	1,388	4,052	42
55/56	2,219	0	2,219	6,271	831
56/57	4,338	3,060	7,398	13,669	5,179
57/58	4,338	3,060	7,398	21,067	
58/59	4,338	3,060	7,398	28,465	
59/60	4,338	3,060	7,398	35,863	
60/61	6,590	3,060	9,650	45,513	2,252
61/62	6,590	3,060	9,650	55,163	
62/63	6,590	3,125	9,715	64,878	65
63/64	6,590	3,192	9,782	74,661	67
64/65	6,590	3,261	9,851	84,512	68
65/66	6,831	3,330	10,161	94,673	311
66/67	6,831	3,402	10,233	104,906	71
67/68	6,831	3,475	10,306	115,211	73
68/69	6,831	3,549	10,380	125,591	74
69/70	6,831	3,625	10,456	136,047	76
70/71	10,500	3,702	14,202	150,249	3,747
71/72	10,500	3,782	14,282	164,531	79
72/73	10,500	3,863	14,363	178,894	81
73/74	10,500	3,945	14,445	193,339	83
74/75	10,500	4,030	14,530	207,868	84
75/76	15,238	4,116	19,354	227,222	4,824
76/77	15,238	4,204	19,442	246,664	88
77/78	15,238	4,294	19,532	266,196	90
78/79	15,238	4,386	19,624	285,820	92
79/80	15,238	4,480	19,718	305,538	94
80/81	19,637	4,576	24,213	329,750	4,495
81/82	19,637	4,673	24,310	354,061	98
82/83	19,637	4,773	24,410	378,471	100
83/84	19,637	4,876	24,513	402,984	102
84/85	19,637	4,980	24,617	427,601	104
85/86	19,637	5,087	24,724	452,324	107
86/87	19,637	5,195	24,832	477,157	109
87/88	19,637	5,307	24,944	502,100	111
88/89	19,637	5,420	25,057	527,157	114
89/90	19,637	5,536	25,173	552,331	116
90/91	19,637	5,655	25,292	577,622	118
91/92	19,637	5,776	25,413	603,035	121
92/93	19,637	5,899	25,536	628,571	124
		0	0	628,571	-25,536

Planned and Delayed Retirement

Retirement Characterization

Retirement System	FERS
Employee Type	Regular
Retirement Type	Regular

Input Data

High 3 Average At Retirement	88,102	
Estimated High 3 Increase / Year	3	%
Years of Service at Retirement	34	
Months of Service at Retirement	0	
Age at Retirement in Years	56	
Age at Retirement in Months	0	
Creditable Retirement Sick Leave	1,696	
Sick Leave to be Save / Year	104	
Annual Inflation Factor	0	%
COLA (In Retirement)	2.14	%
FERS Survivor	50% Annuity	

Planned and Projected Retirement Data

Planned Retirement		Delayed Retirement										
Age In Years	56	57	58	59	60	61	62	63	64	65	66	67
Age In Months	0	0	0	0	0	0	0	0	0	0	0	0
Service Years	34	35	36	37	38	39	40	41	42	43	44	45
Service Months	0	0	0	0	0	0	0	0	0	0	0	0
Sick Leave Years	0	0	0	0	1	1	1	1	1	1	1	1
Sick Leave Months	9	10	10	11	0	0	1	1	2	3	3	4
High 3 Average	88,102	90,745	93,467	96,271	99,160	102,134	105,198	108,354	111,605	114,953	118,402	121,954
Change in High 3 Average		2,643	2,722	2,804	2,889	2,974	3,064	3,156	3,251	3,348	3,449	3,552
Annual ANNUITY (Before Penalties)	30,615	32,517	34,427	36,503	38,672	40,854	47,541	50,159	52,994	55,953	58,934	62,156
Annual Retire Early Penalty												
Annual Deposit Penalty												
Annual Redeposit Penalty												
Annual Annuity No Survivor	30,615	32,517	34,427	36,503	38,672	40,854	47,541	50,159	52,994	55,953	58,934	62,156
Monthly Annuity No Survivor *	2,551	2,710	2,869	3,042	3,223	3,404	3,962	4,180	4,416	4,663	4,911	5,180
Annual Annuity With Survivor	27,554	29,265	30,984	32,853	34,805	36,768	42,787	45,143	47,694	50,358	53,041	55,940
Monthly Annuity With Survivor *	2,296	2,439	2,582	2,738	2,900	3,064	3,566	3,762	3,975	4,197	4,420	4,662
Annual Survivor Annuity	15,308	16,258	17,214	18,251	19,336	20,427	23,770	25,080	26,497	27,977	29,467	31,078
Monthly Survivor Annuity	1,276	1,355	1,434	1,521	1,611	1,702	1,981	2,090	2,208	2,331	2,456	2,590
Annual Cost of Survivor Annuity *	3,060	3,252	3,444	3,648	3,876	4,080	4,752	5,016	5,292	5,592	5,892	6,216
Monthly Cost of Survivor Annuity *	255	271	287	304	323	340	396	418	441	466	491	518

Government Related Income Analysis

The Civil Service Retirement System

How Annuities Are Computed

Your basic annuity is computed based on your length of service (which includes unused sick leave if you retire on an immediate annuity) and "high-3" average pay. To determine your length of service for computation, add all your periods of creditable service, and the period represented by your unused sick leave, then eliminate from the total any fractional part of a month. Your "high-3" average pay is the highest average basic pay you earned during any 3 consecutive years of service. Generally, your basic annuity cannot be more than 80 percent of your "high-3" average pay, unless the amount over 80 percent is due to crediting your unused sick leave.

Your yearly basic annuity is computed by adding:

1 1/2% of your "high-3" average pay times service up to 5 years;
Plus
1 3/4% of your "high-3" pay times years of service over 5 and up to 10;
Plus
2% of your "high-3" pay times years of service over 10.

Your basic annuity will be reduced if:

(a) you retire before age 55 (unless you retire for disability or under the special provisions for law enforcement officers, air traffic controllers, and firefighters);

(b) you didn't make a deposit for service performed prior to October 1, 1982, during which no deductions were taken from your pay (non-deduction service after that date is not used in the computation of benefits if the deposit is not paid);

(c) you didn't make a redeposit of a refund for a period of service that ended before October 1, 1990; or

(d) you provide for a survivor annuitant.

Your annuity will be increased periodically by cost-of-living increases that occur after you retire. Your initial cost-of-living increase will be prorated based on how long you have been retired when that cost-of-living increase is granted.

Special Computation for Law Enforcement Officers, and Firefighters

First 20 years of CSRS law enforcement officer or firefighter service: 2.5% of your high-3 average salary for each year
Plus
All remaining CSRS service: 2% of your high-3 average salary for each year

Credit for Military Service

As a general rule, military service in the Armed Forces of the United States is creditable for retirement purposes if it was active service terminated under honorable conditions, and performed prior to your separation from civilian service for retirement. Military service performed on or after January 1, 1957, is normally creditable for Social Security benefits at age 62. Individuals first employed before October 1, 1982, have the option of either (1) making a 7 percent deposit for post-1956 military service, thereby avoiding a reduction in their CSRS annuity at age 62, or (2) not making the deposit and having their annuities reduced at age 62 if they are then eligible for Social Security benefits. Employees first hired by the Federal Government on or after October 1, 1982, must make the deposit or receive no credit at all, including eligibility to retire, for military service.

If You Retire Before Age 55

If you voluntarily retire during a major reorganization, reduction-in-force, or transfer of function, or if you are involuntarily separated and are younger than 55, your basic annuity will be reduced by one-sixth of 1 percent for each full month you are under 55.

There is no age reduction if you retire under the disability provision or under the special provisions for air traffic controllers, law enforcement officers, and firefighters.

Providing for Your Survivors on Retirement

If you are married when you retire, your annuity will be reduced to provide a full survivor annuity for your spouse (unless he or she consents to a lesser benefit). To provide for a survivor annuity, your annuity will be reduced by 2.5 percent of the first $3,600, plus 10 percent of the annuity over $3,600. The survivor annuity will be 55 percent of the amount of your annuity before this reduction. Note: If you were divorced after May 6, 1985, your former spouse may receive by court order, all or part of the survivor annuity that your current spouse would otherwise get. You can also elect a survivor annuity for a former spouse (but if you are married, you must get your spouse's consent).

If you are not retiring for disability, and are in reasonably good health, you can provide a survivor annuity for a person who has an "insurable interest" in you such as a relative who is in your care, or a current spouse who would not otherwise get a survivor annuity because of a court-ordered award to a former spouse. To provide this benefit, your annuity would be reduced from 10 to 40 percent depending on the difference in your age and the age of the person named. This reduction would be added to any reduction required to provide a survivor annuity for a spouse or former spouse.

CSRS Offset Employees

You are a "CSRS Offset" employee if you are one of the employees covered by CSRS and Social Security at the same time. You will be eligible to receive a CSRS annuity just as if you were covered by CSRS alone, except that the annuity payment will be reduced when you become eligible for Social Security benefits. The amount of the reduction will be the amount of the Social Security benefit attributable to your service after 1983 that was covered by both CSRS and Social Security. A survivor annuity based on your service will be reduced for any survivor Social Security benefits in the same manner.

The Federal Employees Retirement System

How Annuities Are Computed

How your benefit is calculated as follows. Your benefit is based on your "high-3 average pay." This is figured by averaging your highest basic pay over any 3 consecutive years of creditable service.

Generally, your benefit is calculated according to this formula:

1% of your high-3 average pay
    Times
Years of creditable service

If you retire at age 62 or later with at least 20 years of service, a factor of 1.1% is used rather than 1%. To determine your length of service for computation, add all of your periods of creditable service, then eliminate from the total any fractional part of a month (less than 30 days). Depending on the category of retirement benefits you receive, your benefit may be reduced. For example, the total could be reduced if you elect to retire at the minimum retirement age before completing 30 years of service.

Firefighters, Law Enforcement Officers, and Air Traffic Controllers

These groups of employees receive an unreduced benefit at age 50 with 20 years of service, or at any age with 25 years of service. If you are in one of these employee groups, you contribute an additional .5% of pay to FERS. Your annual annuity is:

1.7% of your high-3 average pay
Times
Years of service
Plus
1.0% of your high-3 average pay
Times
Years of service exceeding 20.

Credit for Military Service

Military service, subject to a deposit requirement. To receive credit for military service, generally, you must deposit 3% of your military base pay. Interest begins 2 years after you are hired. With certain exceptions, you cannot receive credit for military service if you are receiving military retired pay.

If You Retire at the Minimum Retirement Age

If you retire at the minimum retirement age with at least 10 but less than 30 years of service, your benefit will be reduced at the rate of 5/12's of 1% for each month (5% for each year) you are under age 62, unless you have 20 years of service and your annuity begins at age 60 or later. You can avoid part or all of the reduction by postponing the commencing date of your annuity.

Survivor Benefits

The Basic Benefit Plan provides benefits for survivors of Federal employees and retirees.

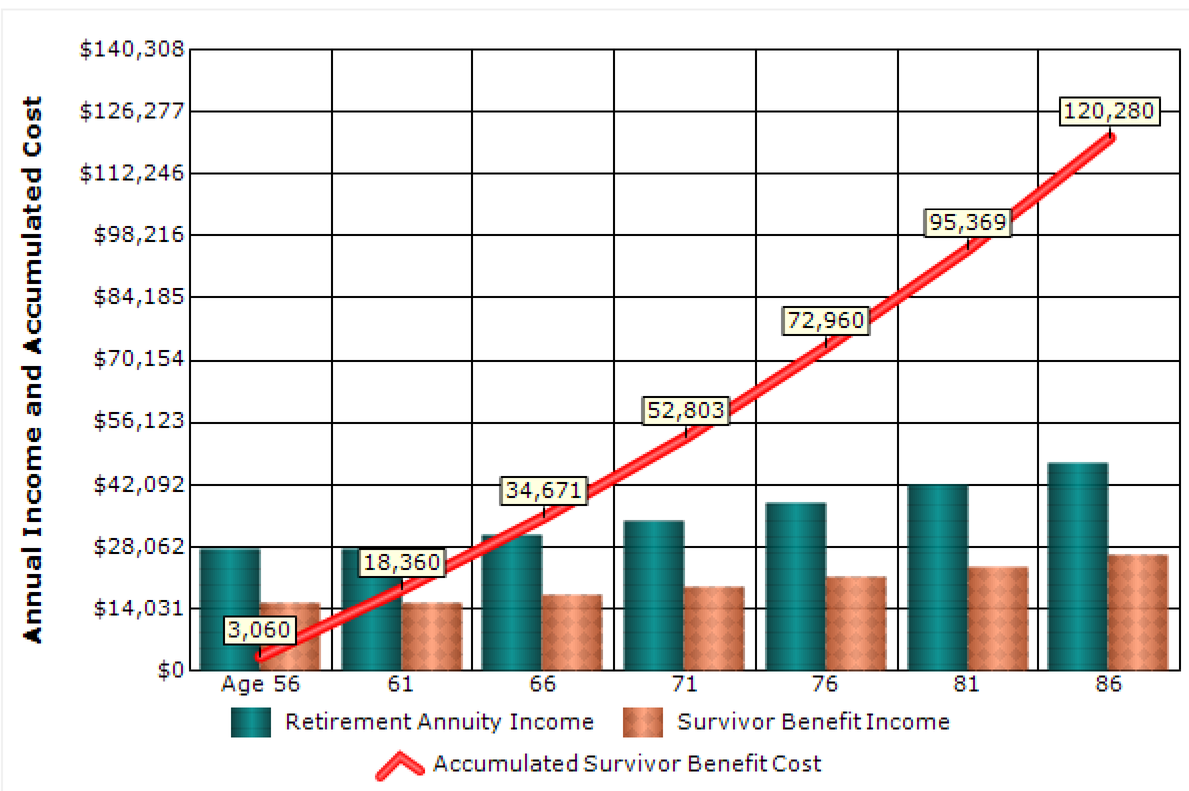
A married retiree's annuity is automatically reduced to provide spouse survivor benefits unless those benefits are jointly waived in writing by the retiree and the spouse before retirement. Your annuity is reduced 10% to give your surviving spouse:

An annuity of 50% of your unreduced benefit
Plus
A special supplemental annuity payable until age 60, if your spouse will not be eligible for Social Security survivor benefits until age 60.

You and your spouse may choose instead to have your annuity reduced by 5% to give your spouse an annuity of 25% of your unreduced benefit at your death.

Annuity and Survivor Benefit

Employee Retirement:		
- Your Annuity at retirement is based on a current salary of $81,133 per year with 3.00% annual pay raises. Retiring at age 56 with 34 years of service will yield a Monthly Retirement Income of:	$2,551	
Employee Retirement with Survivor Benefit Plan (SBP):		
- Your Monthly Retirement Income after SBP Cost starting at age 56 will be:	$2,296	
Survivor's Benefit:		
- Under SBP, at your death, your widow(er) will receive a Monthly Income of:	$1,276	
Costs:		
- Your projected cost for a Survivor Benefit Plan (SBP) at Retirement will be:		
Cost Per Month:		$255
Cost Per Year:		$3,060
- Your Projected Accumulated Cost for a Survivor Benefit Plan (SBP) at age 66 will be:		$34,671
- Your Projected Accumulated Cost for a Survivor Benefit Plan (SBP) at age 76 will be:		$72,960



Important: You should consider taking at least the minimum Survivor Benefit Plan to guarantee your spouse the right to continue the Federal Employee Health Insurance Plan upon your death. If you elect not to participate in the Survivor Benefit Plan, your spouse may face a future need to obtain private sector health insurance at a potentially greater cost.

Retirement Annuity and Surviving Spouse Benefit

Benefits Data
Calculations based on a COLA (In Retirement) of 2.14% and a 50% Survivor Annuity.

Year	Age	Monthly Annuity No Survivor [A]	Monthly Annuity With Survivor [B]	Survivor's Monthly Annuity	Monthly Difference [A] - [B] *	Annual Difference [A] - [B]	Accumulated Annual Difference [A] - [B]
1	56	2,551.00	2,296.00	1,276.00	255.00	3,060.00	3,060.00
2	57	2,551.00	2,296.00	1,276.00	255.00	3,060.00	6,120.00
3	58	2,551.00	2,296.00	1,276.00	255.00	3,060.00	9,180.00
4	59	2,551.00	2,296.00	1,276.00	255.00	3,060.00	12,240.00
5	60	2,551.00	2,296.00	1,276.00	255.00	3,060.00	15,300.00
6	61	2,551.00	2,296.00	1,276.00	255.00	3,060.00	18,360.00
7	62	2,605.59	2,345.13	1,303.31	260.46	3,125.48	21,485.48
8	63	2,661.35	2,395.32	1,331.20	266.03	3,192.37	24,677.85
9	64	2,718.30	2,446.58	1,359.68	271.72	3,260.69	27,938.54
10	65	2,776.48	2,498.94	1,388.78	277.54	3,330.46	31,269.00
11	66	2,835.89	2,552.41	1,418.50	283.48	3,401.74	34,670.74
12	67	2,896.58	2,607.04	1,448.86	289.54	3,474.53	38,145.27
13	68	2,958.57	2,662.83	1,479.86	295.74	3,548.89	41,694.16
14	69	3,021.88	2,719.81	1,511.53	302.07	3,624.84	45,319.00
15	70	3,086.55	2,778.01	1,543.88	308.53	3,702.41	49,021.41
16	71	3,152.60	2,837.46	1,576.92	315.14	3,781.64	52,803.04
17	72	3,220.07	2,898.19	1,610.66	321.88	3,862.57	56,665.61
18	73	3,288.98	2,960.21	1,645.13	328.77	3,945.22	60,610.83
19	74	3,359.36	3,023.56	1,680.34	335.80	4,029.65	64,640.48
20	75	3,431.25	3,088.26	1,716.30	342.99	4,115.89	68,756.37
21	76	3,504.68	3,154.35	1,753.03	350.33	4,203.97	72,960.34
22	77	3,579.68	3,221.85	1,790.54	357.83	4,293.93	77,254.27
23	78	3,656.28	3,290.80	1,828.86	365.49	4,385.82	81,640.09
24	79	3,734.53	3,361.22	1,868.00	373.31	4,479.68	86,119.77
25	80	3,814.45	3,433.15	1,907.97	381.30	4,575.54	90,695.31
26	81	3,896.08	3,506.62	1,948.80	389.45	4,673.46	95,368.77
27	82	3,979.45	3,581.66	1,990.51	397.79	4,773.47	100,142.24
28	83	4,064.61	3,658.31	2,033.10	406.30	4,875.62	105,017.87
29	84	4,151.60	3,736.60	2,076.61	415.00	4,979.96	109,997.83
30	85	4,240.44	3,816.56	2,121.05	423.88	5,086.53	115,084.36
31	86	4,331.19	3,898.24	2,166.44	432.95	5,195.39	120,279.75
32	87	4,423.87	3,981.66	2,212.80	442.21	5,306.57	125,586.31
33	88	4,518.54	4,066.87	2,260.16	451.68	5,420.13	131,006.44
34	89	4,615.24	4,153.90	2,308.52	461.34	5,536.12	136,542.56
35	90	4,714.01	4,242.79	2,357.93	471.22	5,654.59	142,197.15

* Monthly Annuity No Survivor Minus Monthly Annuity With Survivor

Social Security and FERS Supplement

The term "Social Security" means benefit payments provided to workers and their dependents who qualify as beneficiaries under the Old-Age Survivors, and Disability Insurance (OASDI) programs of the Social Security Act. OASDI replaces a portion of earnings lost as a result of retirement, disability, or death.

As an employee with FERS coverage, you have Social Security coverage. You also are covered under Social Security's Medicare Hospital Insurance program. This pays a portion of hospital expenses incurred while you are receiving Social Security disability benefits or retirement benefits at age 65 or older.

Social Security programs provide:

1. Monthly benefits if you are retired and have reached at least age 62, and monthly benefits during your retirement for your spouse and dependents if they are eligible;
2. Monthly benefits if you become totally disabled for gainful employment and benefits for your spouse and dependents if they are eligible during your disability;
3. Monthly benefits for your eligible survivors; and
4. A lump sum benefit upon your death.

To become eligible for benefits, you and your family must meet different sets of requirements for each type of benefit. An underlying condition of payment of most benefits is that you have paid Social Security taxes for the required period of time.

The amount of monthly benefits you receive is based on three fundamental factors:

1. Average earnings upon which you have paid Social Security taxes, which are adjusted over the years for changes in average earnings of the American work force;
2. Family composition (for example, whether you have a spouse or dependent child who may be eligible for benefits); and
3. Consumer Price Index (CPI) changes that occur after you become entitled to benefits.

Benefits are subject to individual and family maximums.

Once benefits begin, their continuation may depend upon your meeting a variety of conditions. For example, if you have earnings that exceed specified amounts while you are under age 70, your Social Security benefits will be reduced or stopped. There are special Social Security rules that may affect the benefits of Federal employees, including FERS participants. If you previously had some service that was covered by CSRS (or another similar retirement system for Federal employees), your Social Security benefits may be affected by the Windfall Elimination Provision. If you transferred to FERS and do not complete 5 years of service under FERS, any spousal benefit you are entitled to under Social Security may be reduced because of the Government Pension Offset.

Social Security Taxes

Most of the cost of Social Security is paid for through payroll taxes. Each year you pay a percentage of your salary up to a specified earnings amount called the maximum taxable wage base. The Federal Government, as your employer, pays an equal amount. The percentage you each pay for old age, survivor, and disability insurance coverage is 6.20% of your earnings up to the maximum taxable wage base. The maximum taxable wage base increases automatically each year based on the yearly rise in average earnings of the American work force.

The Social Security tax covers both the Old Age, Survivors, and Disability Insurance (OASDI) and Medicare Hospital Insurance programs. The Medicare portion you and your agency each pay is 1.45% of your total pay. All wages are subject to the deduction for Medicare.

<u>FERS Supplement</u>
If you meet certain requirements, you will receive a Special Retirement Supplement, which is paid as an annuity until you reach age 62. This supplement approximates the Social Security benefit earned while you were employed by the Federal government. You may be eligible for a Special Retirement Supplement if you retire:

<>After the Minimum Retirement Age (MRA) with 30 years of service;
<>At age 60 with 20 years of service; or
<>Upon involuntary or early voluntary retirement (age 50 with 20 years of service, or at any age with 25 years of service) after OPM determines that your agency is undergoing a major reorganization, reduction-in-force (RIF) or transfer of function. You will not receive the Special Retirement Supplement until you reach your MRA.

If you transfer to FERS from CSRS, you must have at least one full calendar year of FERS-covered service to qualify for the supplement.

If you have earnings from wages or self-employment that exceed the Social Security annual exempt amount, your Special Retirement Supplement will be reduced or stopped.

<u>FERS Supplement Computation</u>
The FERS annuity supplement is computed as if you were age 62 and fully insured for a social security benefit when the supplement begins. OPM first estimates what your full career (40 years) social security benefit would be. Then they calculate the amount of your civilian service under FERS and reduce the estimated full career social security benefit accordingly. For example, if your estimated full career social security benefit would be $1,000 and you had worked 30 years under FERS, we would divide 30 by 40 (.75) and multiply ($1,000 x .75 = $750). The result would be your FERS annuity supplement, prior to any reductions.

FERS Supplement and Social Security Benefits

Benefits Data
Calculations based on a FERS Annuity COLA of 2.14% and a Social Security COLA of 2.71%.

Age	FERS Annuity	FERS Supplement	Social Security	TOTAL	Change
56	2,296	1,240	0	3,536	0
57	2,296	1,240	0	3,536	0
58	2,296	1,240	0	3,536	0
59	2,296	1,240	0	3,536	0
60	2,296	1,240	0	3,536	0
61	2,296	1,240	0	3,536	0
62	2,345	0	1,459	3,804	268
63	2,395	0	1,499	3,894	90
64	2,447	0	1,539	3,986	92
65	2,499	0	1,581	4,080	94
66	2,552	0	1,624	4,176	96
67	2,607	0	1,668	4,275	99
68	2,663	0	1,713	4,376	101
69	2,720	0	1,759	4,479	103
70	2,778	0	1,807	4,585	106
71	2,837	0	1,856	4,693	108
72	2,898	0	1,906	4,804	111
73	2,960	0	1,958	4,918	114
74	3,024	0	2,011	5,035	117
75	3,088	0	2,065	5,153	118
76	3,154	0	2,121	5,275	122
77	3,222	0	2,179	5,401	126
78	3,291	0	2,238	5,529	128
79	3,361	0	2,299	5,660	131
80	3,433	0	2,361	5,794	134
81	3,507	0	2,425	5,932	138
82	3,582	0	2,491	6,073	141
83	3,658	0	2,558	6,216	143
84	3,737	0	2,627	6,364	148
85	3,817	0	2,699	6,516	152
86	3,898	0	2,772	6,670	154
87	3,982	0	2,847	6,829	159
88	4,067	0	2,924	6,991	162
89	4,154	0	3,003	7,157	166

Social Security and CSRS Offset

CSRS Offset Employees
You are a “CSRS Offset” employee if you are one of the employees covered by CSRS and Social Security at the same time. You will be eligible to receive a CSRS annuity just as if you were covered by CSRS alone, except that the annuity payment will be reduced when you become eligible for Social Security benefits. The amount of the reduction will be the amount of the Social Security benefit attributable to your service after 1983 that was covered by both CSRS and Social Security. A survivor annuity based on your service will be reduced for any survivor Social Security benefits in the same manner.

Computing CSRS-Offset Benefits
Those covered under the Civil Service Retirement System (CSRS) subject to offset due to Social Security eligibility are covered as “CSRS-Offset” employees. Your benefit will be computed in the same manner as if it were not subject to offset. However, it will be reduced when you become eligible for Social Security benefits. The offset applies when the basic requirements for Social Security are met, generally at age 62, even if you do not apply for those benefits. If you are not eligible for Social Security benefits at age 62, there is no offset unless you become eligible later.

The amount of the offset is the lesser of:

1. The amount of the Social Security benefit attributable to the employee's service after December 31, 1983, covered under the interim CSRS provisions or the CSRS Offset provisions; or

2. The amount obtained by multiplying the following fraction by the Social Security benefit to which the individual is entitled (or would be entitled upon proper application) at the time the individual's CSRS annuity begins:

Total Years of Offset Service / 40

NOTE: Partial years of offset service are rounded to the nearest whole number, with one half being rounded to the next higher number.

EXAMPLE: An employee retires at age 55 with 6 years of Offset service included in the 30 years of service upon which the retirement is based. At age 62 the individual becomes eligible for Social Security benefits in the amount of $500 per month. The reduction is the lesser of:

1. The $100 that the Social Security Administration computes is attributable to the Offset Service; or

2. 6 years of Offset Service / 40 x $500 = $75

Thus, in this example, the CSRS annuity would be offset (reduced) by $75 per month beginning at age 62.

CSRS Offset and Social Security Benefits

Cannot print the CSRS Offset / Social Security Page - Missing data from the Benefits and CSRS Offset Forms. Please check for missing data, then run this page.

Similar to a 401(k) plan, the TSP permits you to make pre-tax contributions every time you get paid. You decide how much to allocate to your TSP, up to a certain limit. The TSP allocation is taken out of your gross pay, and your paycheck is reduced by that amount. The allocated amount goes directly into your TSP account, which you can invest in various funds. In 2007, FERS and CSRS employees could contribute up to $15,500 of their basic pay to the TSP.

On November 27, 2002 a program of “catch-up” contributions was authorized for TSP participants age 50 and over who are already contributing the maximum they can to the TSP without exceeding the IRS limit.

There are two tax benefits to investing in the TSP. First, your TSP contributions are taken out of your pay before taxes are computed. Second, taxes on contributions and attributable earnings are deferred until you withdraw your money.

The before-tax benefits of investing in the TSP are considerable. With before-tax contributions, the money you contribute is taken out of your pay before federal and, in almost all cases, state income taxes are calculated. Thus, the amount used to calculate your taxes is smaller and you pay less in taxes now. By paying less current income tax, you have more take-home pay than if you had put aside an equal amount in savings after taxes were deducted. Your TSP contributions are excluded from the taxable income reported on the Form W-2, Wage and Tax Statement, that you receive from your agency each year. Thus, you do not report them on your annual federal tax return. This special tax treatment does not affect your salary of record for other federal benefits - such as the FERS Basic Annuity, the CSRS annuity, or life insurance - nor does it affect Social Security or Medicare taxes or benefits.

To give you an idea of the advantage of saving through before-tax contributions to the TSP, let us suppose that you are a CSRS participant earning basic pay of $30,000 a year. Let us also assume you are in the 15 percent tax bracket. If you contribute 5 percent each pay period (or $1,500 per year) to your TSP account, you will owe $225 less (15% x $1,500) federal tax in the current year than if you had not contributed to the TSP, but rather saved the $1,500 after paying taxes that apply to it. This is because when you save through the TSP, your contributions are not included in the amount on which your tax is calculated. The difference in your tax bill will be even greater if the state in which you live permits tax-deferred savings, as most states do.

By contributing to the TSP, you benefit from tax-deferred contributions and earnings in your TSP account because you defer (that is, postpone) paying federal taxes on the money you contribute until you withdraw the funds from your TSP account. In addition, over the years, the money in your account will accrue earnings. These earnings are also tax-deferred. This means that you do not pay income taxes on your TSP account contributions and earnings until you receive the money - usually after you retire, when your tax bracket may be lower.

Deferring the payment of taxes means that more money stays in your account, working for you. The longer your money is invested, the greater the benefit of tax-deferred earnings. Whether you can also defer state or local income taxes depends on the jurisdiction in which you live.

Another significant advantage for FERS (but not CSRS) employees is that they are entitled to agency matching contributions for their TSP accounts. If you are a FERS employee, your agency makes two different types of contributions to your TSP account as part of your FERS benefits. These contributions are not taken out of your pay, nor do they increase your pay for income tax or Social Security purposes.

First, when you become eligible for agency contributions, your agency will automatically contribute to your TSP account an amount equal to 1 percent of your basic pay each pay period. You will receive this contribution whether or not you contribute your own money to your TSP account.

Second, if you are contributing to your TSP account, your agency also makes Agency Matching Contributions once you are eligible for them. If you do not contribute your own money, you will not receive Agency Matching Contributions. Matching contributions apply to the first 5 percent of pay that you contribute each pay period. Your contributions are matched dollar-for-dollar for the first 3 percent of pay you contribute each pay period and 50 cents on the dollar for the next 2 percent of pay. Your agency will not match the contributions that you make above 5 percent of your pay each pay period. However, you will still benefit from before-tax savings and tax-deferred earnings on these contributions.

The fact that your agency adds to your contributions will make your TSP account grow faster. Your Agency Automatic (1%) and Matching Contributions can add up to 5 percent of your basic pay. Here's how it works:

Percent of Basic Pay Contributed to Your Account
(FERS Employees Only)

	Your agency puts in:		
You put in:	Automatic 1% Contribution	Agency Matching Contribution	Total Contribution Is
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%

Amounts you contribute above 5% are not matched.

Whether you are covered by CSRS or FERS, participate in the TSP as soon as you are eligible, and make the largest contribution you can. If you are a FERS employee, make sure you try to contribute a minimum of 5% so that you take full advantage of your agency's matching contributions. By making the highest contribution you can to the TSP, you will realize significant tax benefits while saving for retirement. An added bonus is that the money is taken out of your pay before you even receive your paycheck - which means you won't be tempted to spend it instead of saving it for retirement.

<u>Withdrawing Money From The Thrift Savings Plan</u>
It may take up to eight weeks to process a withdrawal from the Thrift Savings Plan (TSP) after all properly completed withdrawal forms and separation data have been

received by the TSP Service Office. Further, the TSP Service Office cannot process a withdrawal election until they receive an Employee Data Record from your payroll office indicating that you have separated. And an unpaid TSP loan may delay disbursement of the TSP account balance.

Your employer will provide you with information about your withdrawal options and the option to keep your money in the TSP. If you choose not to withdraw your funds, in the event of your death, the TSP Service Office would pay the funds based on your written designation form on file. If you have not completed a designation form, payment would be made to your survivors as follows:

1. Widow or widower.
2. If none of the above, child or children and descendants of deceased children by representation.
3. If none of the above, retiree's parents or to the surviving parent.
4. If none of the above, the executor or administrator of the retiree's estate.
5. If none of the above, to any other of the retiree's next of kin who is entitled under the laws of the state in which the retiree resided at death.

Withdrawing Your TSP Account

You have two options for withdrawing your TSP account after you leave Federal service. You may take a partial withdrawal or a full withdrawal.

Partial Withdrawals

Full Withdrawals

Partial Withdrawal

A partial withdrawal allows you to make a one-time-only withdrawal and leave the rest of your money in the TSP until a later date.

You can make a partial withdrawal under the following circumstances:

You have not made a prior partial withdrawal or have one that is currently pending, and

You did not make an age-based in-service withdrawal while you were still employed by the Federal Government or the uniformed services, and

You request $1,000 or more from your account.

Full Withdrawal

When you are ready to withdraw all of the money from your TSP account, you can do it:

1. All at once - Full Withdrawal as a Single Payment,
2. Over a period of time, or
3. You can purchase an annuity that will make payments to you for life.

For maximum flexibility, you can choose any combination of these full withdrawal options.

Full Withdrawal as a Single Payment

Choose the single payment option if you want to withdraw your entire account at one time. It is sometimes referred to as a "lump sum" payment.

Full Withdrawal as a Series of Monthly Payments

Choose monthly payments if you want to withdraw your entire account in a series of payments spread over time. The TSP offers two choices of monthly payment:

Specific Dollar Amount.

You may request a specific dollar amount that you will receive each month until your entire TSP account has been paid out to you. The amount you request must be $25 or more.

Life Expectancy

You may request to have the TSP calculate your monthly payment for you using the Internal Revenue Service's (IRS) Life Expectancy Tables. Your first payment amount will be based on your age and your account balance at the time of the first payment. The TSP will recalculate your monthly payment every year.

Full Withdrawal as a Life Annuity

A life annuity is a monthly benefit paid to you for life. You can withdraw all or part of your TSP account as a life annuity as long as the portion of your account balance used to purchase it is $3,500 or more. If you make this choice, the TSP will purchase an annuity for you from its provider.

Make sure you don't confuse the TSP annuity that you can purchase as a full withdrawal option with the annuity that is part of your retirement package. The TSP annuity is not the basic annuity that you will receive when you retire as either a FERS or CSRS employee, or the retired pay that you receive as a member of the uniformed services.

Full Withdrawal as a Combination of Options

You can withdraw your entire account balance using a combination of any of the available full withdrawal options (single payment, monthly payments, or life annuity). Note that if you choose a life annuity as an option, the portion of your account balance used to purchase it must be at least $3,500.

Thrift Savings Plan

Current Contributions:

You are currently contributing a regular amount of $4,057 from your salary and an additional $0 catch-up contributon for a combined Annual Contribution of: $4,057

Continuing Contributions:

Your future Thrift Savings Plan projections are based on your annual salary increases, annual TSP contributions, catch-up contributions and, rates of return of each fund. You have chosen to distribute 10.00% into the C fund earning 9.55%, 5.00% into the F fund earning 7.09%, 60.00% into the G fund earning 5.93%, 10.00% into the I fund earning 4.43%, 15.00% into the S fund earning 7.14%.

Withdrawal of Funds:

At the age of 56 years and 2 months you elected a lump sum withdrawal of your funds amounting to: $358,243

Note: Earnings Rates are hypothetical - not guaranteed. The monthly income illustrated is based on a gross distribution without consideration for income tax.

Thrift Savings Plan

Existing Savings

There are six separate funds (C, F, G, I, S, and L) in which to accumulate savings. At this time you have accumulated $5,907.46 in the C Fund, $2,443.67 in the F Fund, $216,124.15 in the G Fund, $2,321.83 in the I Fund, $2,608.45 in the S Fund, and $0.00 in the L Fund for a total of $229,405.56.

Projected Annual Return Rates

The following rates were selected by you for calculating future earnings: C Fund 9.55%, F Fund 7.09%, G Fund 5.93%, I Fund 4.43%, and S Fund 7.14%.

Contributions

You are currently contributing a regular amount of $4,056.66 from your salary and an additional $0.00 catch-up contributon for a combined Annual Contribution of $4,056.66. This is divided into the six funds as follows:

$405.67 (10.00%) in the C Fund,
$202.83 (5.00%) in the F Fund,
$2,433.99 (60.00%) in the G Fund,
$405.67 (10.00%) in the I Fund,
$608.50 (15.00%) in the S Fund, and
$0.00 (0.00%) in the L Fund.

In addition, the government's contribution of $4,056.66 is divided into the six funds as follows:

$405.67 (10.00%) in the C Fund,
$202.83 (5.00%) in the F Fund,
$2,433.99 (60.00%) in the G Fund,
$405.67 (10.00%) in the I Fund,
$608.50 (15.00%) in the S Fund, and
$0.00 (0.00%) in the L Fund.

The total annual contribution of $8,113.32 is distributed as follows:

$811.34 (10.00%) in the C Fund,
$405.66 (5.00%) in the F Fund,
$4,867.98 (60.00%) in the G Fund,
$811.34 (10.00%) in the I Fund,
$1,217.00 (15.00%) in the S Fund, and
$0.00 (0.00%) in the L Fund.

In January of each year, you anticipate a 3.00% increase in salary that will raise your annual TSP contribution.

Projected Savings at Withdrawal

You elected to start withdrawing funds at the age of 56 years and 2 months. The projected savings in the six funds at that age is $358,243.00.

Withdrawal Option Selected

You elected a lump sum withdrawal of your funds amounting to $358,243.00.

Thrift Savings Plan - Contributions and Projected Savings

Summary of Annual Contributions and Savings in the C, F, G, I and S Funds: 12-2012 to 12-2016

End of Year	Age	Salary	Your Contrib	Gov Contrib	TOTAL Contrib	C Fund Savings	F Fund Savings	G Fund Savings	I Fund Savings	S Fund Savings	TOTAL Savings
12-2012	52	81,133	4,057	4,057	8,113	7,345	3,042	234,297	3,255	4,059	251,998
12-2013	53	83,567	4,178	4,178	8,357	8,951	3,696	253,727	4,255	5,653	276,282
12-2014	54	86,074	4,304	4,304	8,607	10,744	4,412	274,496	5,326	7,405	302,383
12-2015	55	88,656	4,433	4,433	8,866	12,742	5,193	296,690	6,471	9,325	330,421
12-2016	56	0	3,424	3,424	6,849	14,738	5,930	319,024	7,467	11,084	358,243

Summary of Annual Contributions and Savings in the L Funds (C, F, G, I and S): 12-2012 to 12-2016

End of Year	Age	Salary	Your Contrib	Gov Contrib	TOTAL Contrib	C Fund Savings	F Fund Savings	G Fund Savings	I Fund Savings	S Fund Savings	TOTAL Savings

Government Related Expense Analysis

Federal Employees' Group Life Insurance (FEGLI)

The Federal Employees' Group Life Insurance (FEGLI) Program is a life insurance program for Federal and Postal employees and annuitants. The Office of Personnel Management (OPM) administers the Program and sets the premiums.

FEGLI is group term life insurance. It does not build up cash value. You cannot take a loan out against your FEGLI insurance.

OPM has a contract with the Metropolitan Life Insurance Company (MetLife) to provide this life insurance. The MetLife has an office called OFEGLI (the Office of Federal Employees' Group Life Insurance). OFEGLI is the contractor that adjudicates claims under the FEGLI Program.

<u>Basic Insurance</u>

As an eligible employee, you are automatically enrolled in Basic insurance, unless you waive this coverage. Basic insurance is based on your annual rate of basic pay, rounded up to the nearest $1,000, plus $2,000 (called the Basic Insurance Amount, or BIA). The Government pays one-third of the premium cost for Basic and you pay two-thirds. The U.S. Postal Service pays the entire cost of Basic insurance for its employees. FEGLI insurance does not build any cash value.

If you are under age 45, you automatically have extra coverage without paying any additional premium. This Extra Benefit increases the amount of Basic insurance payable at the time of your death, if you die before age 45.

<u>Optional Insurance</u>

If you have Basic insurance, you may also elect Optional insurance. You are not automatically covered by Optional insurance like you are with Basic insurance. You must take action to elect Optional insurance. You pay the full cost for all Optional insurance you elect. There are three types of Optional insurance: Option A-Standard, Option B-Additional, and Option C-Family.

<u>Option A</u> insurance provides $10,000 of coverage.

<u>Option B</u> insurance coverage comes in 1, 2, 3, 4, or 5 multiples of your annual rate of basic pay.

<u>Option C</u> coverage insures your spouse and eligible dependent children. It comes in 1, 2, 3, 4, or 5 multiples of coverage. Each multiple is equal to $5,000 for a spouse and $2,500 for each of your eligible dependent children.

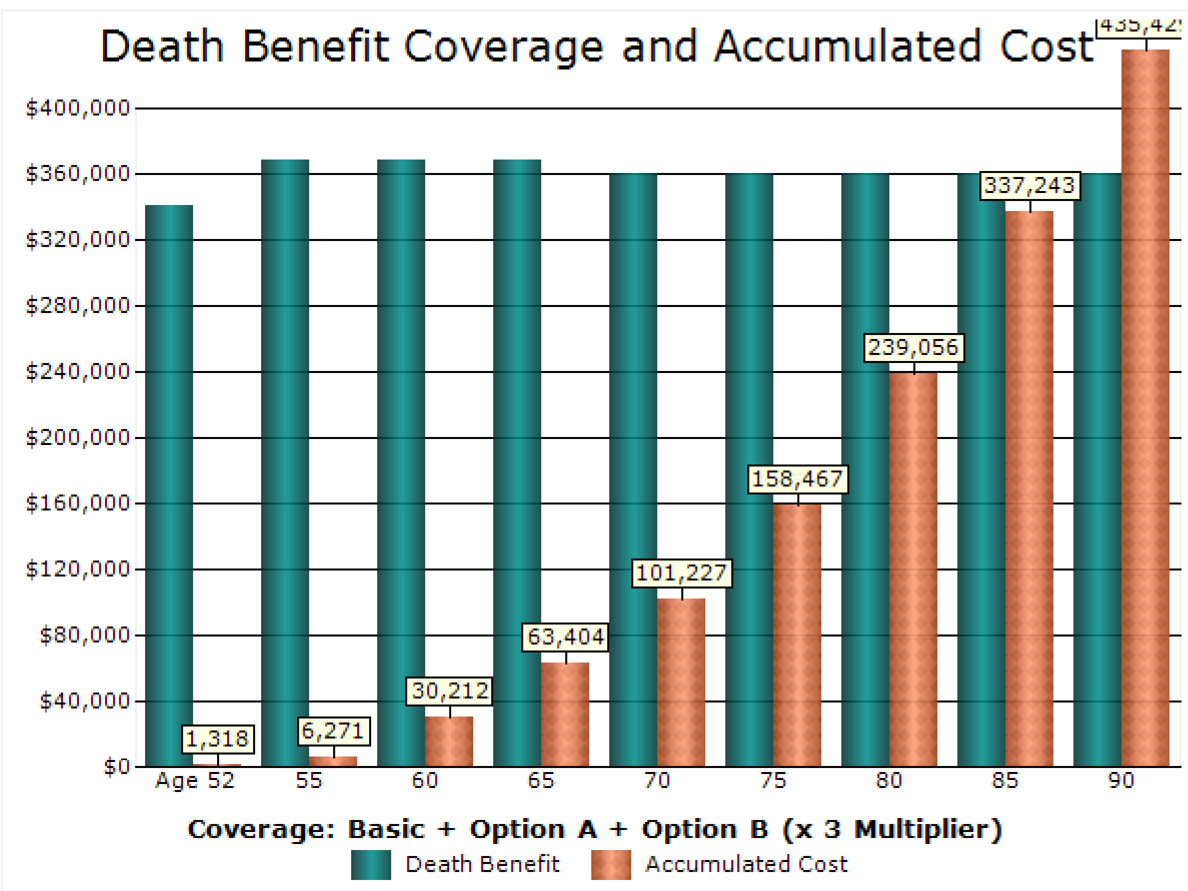
Federal Employees Group Life Insurance

Current Coverage and Costs:

Your current coverage (Death Benefit) for FEGLI is:	$340,000	
Your current total FEGLI Monthly Cost is:		$109.81
The Annual Cost is:		$1,318

Future Coverage and Costs:

At age 56 your coverage (Death Benefit) for FEGLI will be:	$368,000	
Your total FEGLI Monthly Cost will be:		$361.49
The Annual Cost will be:		$4,338
The total Accumulated Cost for your FEGLI coverage will be:		$10,609
At age 65 your coverage (Death Benefit) for FEGLI will be:	$368,000	
Your total FEGLI Monthly Cost will be:		$569.23
The Annual Cost will be:		$6,831
The total Accumulated Cost for your FEGLI coverage will be:		$63,404
At age 70 your coverage (Death Benefit) for FEGLI will be:	$360,500	
Your total FEGLI Monthly Cost will be:		$875.03
The Annual Cost will be:		$10,500
The total Accumulated Cost for your FEGLI coverage will be:		$101,227



Federal Employees Group Life Insurance

Summary as of December-09-2012

At your current age of 52, your annual salary is $81,133.00, and you expect annual salary increases of 3.00%. Your life insurance coverage includes: Basic (equal to your rounded annual salary plus $2000), Option A (equal to $10,000), Option B (equal to 3 times your annual salary), Option C insures your spouse for $25,000. You plan to retire on 10-10-2016 at the age of 56. You elected to continue your full Basic coverage at the age of 65. You chose to keep full Option B coverage at the age of 65. You elected to keep full Option C coverage at the age of 65.

FEGLI Premiums and Coverage

Age	Annual Salary	Biweekly Premium	Monthly Premium	Annual Premium	Accumulated Cost	Basic	Option A	Option B	Option C	Total Coverage
52/53	81,133	50.68	109.81	1,318	1,318	84,000	10,000	246,000	25,000	365,000
53/54	83,567	51.76	112.15	1,346	2,663	86,000	10,000	252,000	25,000	373,000
54/55	86,074	53.38	115.66	1,388	4,051	89,000	10,000	261,000	25,000	385,000
55/56	88,656	85.36	184.95	2,219	6,271	91,000	10,000	267,000	25,000	393,000
56/57	0	166.84	361.49	4,338	10,609	91,000	10,000	267,000	25,000	393,000
57/58	0	166.84	361.49	4,338	14,946	91,000	10,000	267,000	25,000	393,000
58/59	0	166.84	361.49	4,338	19,284	91,000	10,000	267,000	25,000	393,000
59/60	0	166.84	361.49	4,338	23,622	91,000	10,000	267,000	25,000	393,000
60/61	0	253.47	549.19	6,590	30,212	91,000	10,000	267,000	25,000	393,000
61/62	0	253.47	549.19	6,590	36,802	91,000	10,000	267,000	25,000	393,000
62/63	0	253.47	549.19	6,590	43,393	91,000	10,000	267,000	25,000	393,000
63/64	0	253.47	549.19	6,590	49,983	91,000	10,000	267,000	25,000	393,000
64/65	0	253.47	549.19	6,590	56,573	91,000	10,000	267,000	25,000	393,000
65/66	0	262.72	569.23	6,831	63,404	91,000	10,000	267,000	25,000	393,000
66/67	0	262.72	569.23	6,831	70,235	91,000	7,600	267,000	25,000	390,600
67/68	0	262.72	569.23	6,831	77,065	91,000	5,200	267,000	25,000	388,200
68/69	0	262.72	569.23	6,831	83,896	91,000	2,800	267,000	25,000	385,800
69/70	0	262.72	569.23	6,831	90,727	91,000	2,500	267,000	25,000	385,500
70/71	0	403.86	875.03	10,500	101,227	91,000	2,500	267,000	25,000	385,500
71/72	0	403.86	875.03	10,500	111,727	91,000	2,500	267,000	25,000	385,500
72/73	0	403.86	875.03	10,500	122,228	91,000	2,500	267,000	25,000	385,500
73/74	0	403.86	875.03	10,500	132,728	91,000	2,500	267,000	25,000	385,500
74/75	0	403.86	875.03	10,500	143,229	91,000	2,500	267,000	25,000	385,500
75/76	0	586.08	1,269.84	15,238	158,467	91,000	2,500	267,000	25,000	385,500
76/77	0	586.08	1,269.84	15,238	173,705	91,000	2,500	267,000	25,000	385,500
77/78	0	586.08	1,269.84	15,238	188,943	91,000	2,500	267,000	25,000	385,500
78/79	0	586.08	1,269.84	15,238	204,181	91,000	2,500	267,000	25,000	385,500
79/80	0	586.08	1,269.84	15,238	219,419	91,000	2,500	267,000	25,000	385,500
80/81	0	755.28	1,636.44	19,637	239,056	91,000	2,500	267,000	25,000	385,500
81/82	0	755.28	1,636.44	19,637	258,694	91,000	2,500	267,000	25,000	385,500
82/83	0	755.28	1,636.44	19,637	278,331	91,000	2,500	267,000	25,000	385,500
83/84	0	755.28	1,636.44	19,637	297,968	91,000	2,500	267,000	25,000	385,500
84/85	0	755.28	1,636.44	19,637	317,605	91,000	2,500	267,000	25,000	385,500
85/86	0	755.28	1,636.44	19,637	337,243	91,000	2,500	267,000	25,000	385,500
86/87	0	755.28	1,636.44	19,637	356,880	91,000	2,500	267,000	25,000	385,500
87/88	0	755.28	1,636.44	19,637	376,517	91,000	2,500	267,000	25,000	385,500
88/89	0	755.28	1,636.44	19,637	396,154	91,000	2,500	267,000	25,000	385,500
89/90	0	755.28	1,636.44	19,637	415,792	91,000	2,500	267,000	25,000	385,500
90/91	0	755.28	1,636.44	19,637	435,429	91,000	2,500	267,000	25,000	385,500
91/92	0	755.28	1,636.44	19,637	455,066	91,000	2,500	267,000	25,000	385,500
92/93	0	755.28	1,636.44	19,637	474,704	91,000	2,500	267,000	25,000	385,500
		0.00								

Average Premium from Age 52 to Age 65	Basic	Option A	Option B	Option C	Total Premium
Biweekly	$69.90	$3.67	$84.61	$9.20	$167.38
Monthly	$151.45	$7.95	$183.32	$19.93	$362.65

Federal Employees Health Benefits (FEHB)

The Federal Employees Health Benefits (FEHB) Program can help you and your family meet your health care needs. Federal employees, retirees and their survivors enjoy the widest selection of health plans in the country. You can choose from among Consumer-Driven and High Deductible plans that offer catastrophic risk protection with higher deductibles, health savings/reimbursable accounts and lower premiums, or Fee-for-Service (FFS) plans, and their Preferred Provider Organizations (PPO), or Health Maintenance Organizations (HMO) if you live (or sometimes if you work) within the area serviced by the plan.

Basic FEHB Eligibility

As a Federal employee, you are eligible to elect FEHB coverage, unless your position is excluded by law or regulation. Your agency applies these rules and determines your eligibility. However, there are numerous special provisions for people in part-time or intermittent employment, temporary appointments, and specifically named positions.

Retirees and Survivor Annuitants

Federal retirees and their surviving spouses retain their eligibility for FEHB health coverage at the same cost as current employees. In order to carry your FEHB coverage into retirement, you must be entitled to retire on an immediate annuity under a retirement system for civilian employees (including the Federal Employees Retirement System (FERS) Minimum Retirement Age (MRA) + 10 retirement) and must have been continuously enrolled (or covered as a family member) in any FEHB plan(s) for the 5 years of service immediately before the date your annuity starts, or for the full period (s) of service since your first opportunity to enroll (if less than 5 years). The 5 year requirement period can include the following: the time you are covered as a family member under another person's FEHB enrollment; or the time you are covered under the Uniformed Services Health Benefits Program (also known as TRICARE) as long as you were covered under an FEHB enrollment at the time of your retirement.

Federal Employees Health Benefits Program

Calculations based on current Health Insurance premium of:

Biweekly = $70.18
Monthly = $152.05
Annual = $1,824.68

The current premium is projected to increase annually by 7.00% (compounded)

Age	Biweekly Health Benefit Cost	Monthly Health Benefit Cost	Annual Health Benefit Cost	Accumlated Cost	Change Form Previous Year
50/51	70.18	152.06	1,824.68	1,824.68	.00
51/52	75.09	162.70	1,952.41	3,777.09	127.73
52/53	80.35	174.09	2,089.08	5,866.16	136.67
53/54	85.97	186.28	2,235.31	8,101.48	146.23
54/55	91.99	199.32	2,391.78	10,493.26	156.47
55/56	98.43	213.27	2,559.21	13,052.47	167.43
56/57	105.32	228.20	2,738.35	15,790.82	179.14
57/58	112.69	244.17	2,930.04	18,720.86	191.69
58/59	120.58	261.26	3,135.14	21,856.00	205.10
59/60	129.02	279.55	3,354.60	25,210.60	219.46
60/61	138.05	299.12	3,589.42	28,800.02	234.82
61/62	147.72	320.06	3,840.68	32,640.70	251.26
62/63	158.06	342.46	4,109.53	36,750.23	268.85
63/64	169.12	366.43	4,397.20	41,147.42	287.67
64/65	180.96	392.08	4,705.00	45,852.42	307.80
65/66	193.63	419.53	5,034.35	50,886.77	329.35
66/67	207.18	448.90	5,386.75	56,273.53	352.40
67/68	221.69	480.32	5,763.83	62,037.35	377.08
68/69	237.20	513.94	6,167.29	68,204.65	403.46
69/70	253.81	549.92	6,599.01	74,803.65	431.72
70/71	271.57	588.41	7,060.94	81,864.59	461.93
71/72	290.58	629.60	7,555.20	89,419.79	494.26
72/73	310.93	673.67	8,084.07	97,503.86	528.87
73/74	332.69	720.83	8,649.95	106,153.81	565.88
74/75	355.98	771.29	9,255.45	115,409.25	605.50
75/76	380.90	825.28	9,903.33	125,312.58	647.88
76/77	407.56	883.05	10,596.56	135,909.14	693.23
77/78	436.09	944.86	11,338.32	147,247.46	741.76
78/79	466.62	1,011.00	12,132.00	159,379.47	793.68
79/80	499.28	1,081.77	12,981.24	172,360.71	849.24
80/81	534.23	1,157.49	13,889.93	186,250.64	908.69
81/82	571.62	1,238.52	14,862.22	201,112.86	972.29
82/83	611.64	1,325.22	15,902.58	217,015.44	1,040.36
83/84	654.45	1,417.98	17,015.76	234,031.20	1,113.18
84/85	700.26	1,517.24	18,206.86	252,238.07	1,191.10
85/86	749.28	1,623.45	19,481.34	271,719.41	1,274.48
86/87	801.73	1,737.09	20,845.04	292,564.45	1,363.70
87/88	857.85	1,858.68	22,304.19	314,868.64	1,459.15
88/89	917.90	1,988.79	23,865.48	338,734.13	1,561.29
89/90	982.16	2,128.01	25,536.07	364,270.20	1,670.59

Federal Long Term Care Insurance Program

The Federal Long Term Care Insurance Program (FLTCIP) provides long term care insurance to help pay for costs of care when enrollees need help with activities they perform every day, or you have a severe cognitive impairment, such as Alzheimer's disease.

Most Federal and U.S. Postal Service employees and annuitants, active and retired members of the uniformed services, and their qualified relatives are eligible to apply for insurance coverage under the FLTCIP.

Most employees must be eligible for the FEHB Program in order to apply for coverage under the FLTCIP. It does not matter if they are actually enrolled in FEHB - eligibility is the key. Annuitants do not have to be eligible or enrolled in the FEHB Program. Certain medical conditions, or combinations of conditions, will prevent some people from being approved for coverage. You must apply to find out if you are eligible to enroll.

The U.S. Office of Personnel Management has worked closely with John Hancock Life & Health Insurance Company to ensure this insurance coverage offers the kind of benefits and features that are most valuable to members of the Federal Family today and in the future.

<u>Types of Care Covered</u>

Nursing home, assisted living facility or hospice facility

  100% of your Daily Benefit Amount

Bed reservations

  100% of your Daily Benefit Amount benefits limited to 60 days per calendar year

Home care and adult day care

  100% of your Daily Benefit Amount

Respite services

  100% of your Daily Benefit Amount limited to 30 times your Daily Benefit Amount per calendar year

Formal caregiver services

  100% of your Daily Benefit Amount

Informal caregiver services

  100% of your Daily Benefit Amount

  Benefits for informal caregiver services are limited to those individuals who did not normally live in your home at the time you became eligible for benefits

  Benefits for care provided by family members are limited to 500 days in your lifetime.

Hospice care at home

  100% of your Daily Benefit Amount

Stay-At-Home Benefit

  30 times your Daily Benefit Amount

Long Term Care Insurance - Government

Summary as of December-09-2012

The initial estimate data in this report came from the Federal Long Term Care Insurance Program website.
At the age of 52, your initial Daily LTC Benefit will be $250/Day.
You will wait 90 Days days before you will receive your first Daily Benefit payment.
Your Daily Benefit Amount will increase each year by 5%.
Your Daily Benefit will last Unlimited.
The Automatic Compound Inflation protection option was selected.
Your initial LTC insurance premium is $386.55 per month.

Age	Daily Benefit	Lifetime Benefit	Monthly Premium	Annual Premium	Accumulated Cost
52/53	250.00	Unlimited	386.55	4,639	9,277
54/55	275.63	Unlimited	386.55	4,639	18,554
56/57	303.88	Unlimited	386.55	4,639	27,832
58/59	335.02	Unlimited	386.55	4,639	37,109
60/61	369.36	Unlimited	386.55	4,639	46,386
62/63	407.22	Unlimited	386.55	4,639	55,663
64/65	448.96	Unlimited	386.55	4,639	64,940
66/67	494.98	Unlimited	386.55	4,639	74,218
68/69	545.72	Unlimited	386.55	4,639	83,495
70/71	601.65	Unlimited	386.55	4,639	92,772
72/73	663.32	Unlimited	386.55	4,639	102,049
74/75	731.32	Unlimited	386.55	4,639	111,326
76/77	806.27	Unlimited	386.55	4,639	120,604
78/79	888.92	Unlimited	386.55	4,639	129,881
80/81	980.03	Unlimited	386.55	4,639	139,158
82/83	1,080.49	Unlimited	386.55	4,639	148,435
84/85	1,191.24	Unlimited	386.55	4,639	157,712
86/87	1,313.34	Unlimited	386.55	4,639	166,990
88/89	1,447.95	Unlimited	386.55	4,639	176,267
90/91	1,596.37	Unlimited	386.55	4,639	185,544