



Get Your Ducks in a Row for Retirement

Your participation in the NC 401(k) and/or the NC 457 Plan shows your commitment to prepare for the future. But if your retirement is just a few years away, it's even more important for you to "get your ducks in a row" so you can successfully reach that milestone.

Developing your strategy for retirement should begin, ideally, three years before your expected retirement date.



North Carolina
Total Retirement Plans
401k | 457 | 403b



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1. PLAN

Asking yourself some key questions will help you kick off your retirement strategy:

- **When would you like to retire?**
- **What, if any, employment do you think you'll take part in while in retirement?**
- **What does your Retirement Income Calculator analysis tell you?**
 - Does it include your other outside retirement assets and monthly pension benefit amounts, information which will populate your myNCRetirement Statement?
- **What does your myNCRetirement Statement analysis tell you?**
- **Have you considered making catch-up contributions?**
- **Will you simplify your retirement savings by rolling qualified savings into your NC 401(k) and/or NC 457 Plan account?***
- **Have you referred to ORBIT for helpful pension information, or have you referred to the Retirement Checklist¹ for pension benefit preparation?**

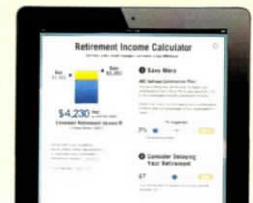
* Restrictions apply based on where the assets are coming from and their previous tax treatment.



2. PREPARE

YOUR RETIREMENT PLANNING TOOLS

Social Security Calculators	myNCRetirement Statement (MRS)	Retirement Income Calculator (RIC)
<p>Retirement Estimator: Enables you to estimate your future monthly benefit based on your Social Security earnings record.</p> <p>Quick Calculator: Estimates your benefits in today's dollars or future dollars when you enter your date of birth and this year's earnings.</p> <p>Online Calculator: Estimates your retirement, disability and survivors benefits when you input your date of birth and your complete earnings history. You may project future earnings until your retirement date.</p> <p><i>For these and other calculators from the Social Security Administration, visit SSA.gov and click on "Calculators" under "Items of Interest."</i></p>	<p>Your MRS has various sections that can help you plan for retirement:</p> <ul style="list-style-type: none">• Your Personal Gap Analysis helps you know if you are currently saving enough.• Checkpoint 1 provides you with:<ul style="list-style-type: none">- a year-end summary of your pension plan creditable service- your beneficiary designations for your pension plan(s)- the mandatory employee contribution you make to the defined benefit/pension plan(s)- your current contribution(s) to your NC 401(k) and/or NC 457 Plan account• Checkpoint 2 projects your total estimated monthly income at retirement age from the North Carolina Retirement System(s), Social Security benefits* and your NC 401(k) and/or NC 457 Plan account and any outside assets or monthly income you've entered into the Retirement Income Calculator (RIC).• Checkpoint 3 illustrates how saving more in your NC 401(k) and/or NC 457 Plan account could potentially enhance your monthly income when you retire.	<p>The RIC estimates how much monthly income you may need in retirement, and enables you to create an action plan to help you reach your retirement income goals.</p> <p>It takes into account:</p> <ul style="list-style-type: none">• your existing NC 401(k) and/or NC 457 Plan account balances• the savings balances from up to 10 other retirement savings accounts• monthly income from outside pensions and your potential State of North Carolina pension plan benefits• projected Social Security benefits (optional)• assets you voluntarily included from your outside assets and your monthly pension benefits



How to Access the Retirement Income Calculator

1. Visit NCPlans.prudential.com.
2. Log in to your account.
3. Click the orange "open" button in the top right-hand corner of the landing page.



How to Access Your myRetirement Statement

1. Visit myncretirement.com, and click on the "ORBIT" button.
2. Log in to your personal ORBIT account.
3. Click on "View myNCRetirement Statement" and select the year to view.



*This estimated Social Security income is calculated based on your current earnings and income projections. This estimate is not the result of coordination with the Social Security Administration and does not reflect your actual past earnings. You can access your Social Security Statement by visiting ssa.gov/myaccount.



3. CONSIDER your income options:

- **Defined Benefit Plan:** Your choice of payment option is personal and should take into account your needs during retirement and the needs of a dependent, if any, after your death. Choose your payment option carefully; you can change it only under specific, limited circumstances. Teachers' and State Employees' Retirement System (TSERS) and Local Governmental Employees' Retirement System (LGERS) are defined benefit plans qualified under Section 401(a) of the Internal Revenue Code.
- **NC 401(k) and/or NC 457 Plan withdrawals:** You may withdraw money from your NC 401(k) and/or NC 457 Plan account on either a systematic (withdrawals at regular intervals) or on an as-needed basis.
- **Roll over contributions** from other employer-sponsored retirement plans into the NC 401(k) and/or NC 457 Plan. Benefits include:
 - Money remains tax-deferred
 - Avoid taxes and penalties (that could be incurred by a withdrawal)
 - Access to competitively priced, high-quality investments
 - Simplifies diversifying your investments
 - Gives you a single point of contact and access to Retirement Education Counselors

4. DECIDE if you should:

- **Roll over contributions** from other employer-sponsored retirement plans to your NC 401(k) and/or NC 457 Plan account—to make monitoring your retirement savings easier and more convenient.
- **Make a one-time contribution:** You may defer some or most of your termination payments for accrued unused vacation or annual leave, as well as longevity payments you've earned, to your NC 401(k) Plan account, to help reduce your taxes on the payout and to better manage when you receive the taxable income.
- **Purchase Service Credits:** If eligible, you may elect to roll all or a portion of your NC 401(k) and/or NC 457 Plan balance in-service to the retirement system to purchase service credits.*
- **Utilize the Transfer Benefit:** Allows you to transfer all or a portion of your pre-tax account balance to North Carolina's TSERS or LGERS, where it can be paid as a monthly benefit for your lifetime and/or for the lifetime of your designated survivor.^A

*Costs are calculated by the NC Retirement System and are unique per individual.

^AIncludes the NC 401(k) LEO Transfer Benefit for law enforcement officers who were vested as of June 30, 2010.

5. STEPS TO TAKE TO “GET YOUR DUCKS IN A ROW”

For general information about formulating your retirement strategy, refer to the chart below. For detailed information, refer to the Department of State Treasurer's Retirement Checklist.¹

QUICK RETIREMENT CHECKLIST

Amount of Time Before Your Retirement Date:

1 to 3 Years	120 Days	120 to 90 Days	30 Days
<input type="checkbox"/> Check to see if you have a savings gap in your MRS on ORBIT at MyNCRetirement.com ¹	<input type="checkbox"/> Check to see if you have a savings gap in your MRS on ORBIT at MyNCRetirement.com ¹	<input type="checkbox"/> Read the Guides on the Form 6 for additional detailed information about the retirement process	The NC Retirement Systems will send you the forms you'll need to: <ul style="list-style-type: none"> <input type="checkbox"/> Choose your retirement payment option (Form 6E) <input type="checkbox"/> Designate your beneficiary(ies) for the Guaranteed Refund as a Retiree (Form 336) <input type="checkbox"/> Choose your income tax withholding (Form 290) <input type="checkbox"/> You will receive a Form 6E confirmation letter that lists: <ul style="list-style-type: none"> • the payment option you selected; and • the date your first benefit check will be mailed
<input type="checkbox"/> Check and update your Retirement Income Calculator at NCPlans.prudential.com	<input type="checkbox"/> Check and update your Retirement Income Calculator at NCPlans.prudential.com	<input type="checkbox"/> If you haven't already, consider making a one-time contribution to your NC 401(k) and/or NC 457 Plan account with final vacation payout, etc.; purchase service credits; or elect the Transfer Benefit ⁷	
<input type="checkbox"/> Visit SSA.gov to estimate your future Social Security benefit ²	<input type="checkbox"/> Update your beneficiary(ies), if needed	<input type="checkbox"/> If you haven't already, consider rolling over outside qualified retirement savings into your NC 401(k) and/or NC 457 Plan account to simplify the management of your retirement assets ⁵	
<input type="checkbox"/> Attend a retirement planning conference ³	<input type="checkbox"/> Attend a retirement planning conference, ³ if you haven't already		
<input type="checkbox"/> Update your beneficiary(ies), if needed	<input type="checkbox"/> Speak with your HR office about your expected retirement date and complete and submit to HR Form 6F ⁶		
<input type="checkbox"/> Download your benefits handbook to get the formula for calculating your retirement benefit and your benefit payment options ⁴	<input type="checkbox"/> Consider making a one-time contribution to your NC 401(k) and/or NC 457 Plan account with final vacation payout, etc.; purchase service credits;* or elect the Transfer Benefit ⁷		
<input type="checkbox"/> Consider rolling over outside retirement savings into your NC 401(k) and/or NC 457 Plan account to simplify the management of your retirement assets ⁵			

ASSISTANCE

North Carolina Department of State Treasurer

NC Total Retirement Plans

For additional information about your benefits from the TSERS or the LGERS, you can:

- Visit myncretirement.com
- Call toll-free **877-NCSECURE** (877-627-3287)
- Email nc.retirement@nctreasurer.com, or mail to:
3200 Atlantic Avenue, Raleigh, NC 27604

If you have questions or need further assistance, please feel free to call or schedule an appointment with us.

To learn more about the NC 401(k) and NC 457 Plans, you can:

- Visit NCPlans.prudential.com
- Call toll-free **866-NCPlans** (866-627-5267)
- Mail to 30 Scranton Office Park, Scranton, PA 18507



PRUDENTIAL RETIREMENT®

*Costs are calculated by the NC Retirement System and are unique per individual.

¹Visit MyNCRetirement.com and click on "Retirement Checklist" under "Active Government Employees" on the Retirement & Savings tab.

²Visit SSA.gov and click "Retirement Estimator" on the Benefits tab.

³To obtain the schedule, visit MyNCRetirement.com and click on "Retirement Planning Conferences" under "My NC Retirement" on the Retirement & Savings tab.

⁴Visit MyNCRetirement.com and click on "Retirement Benefits Handbooks" under "My NC Retirement" on the Retirement & Savings tab.

⁵A rollover brochure is located at NCPlans.prudential.com, within the Plan Information tab.

⁶Available on the Forms page in ORBIT. You cannot submit your retirement application more than 120 days before your retirement date. If your application is not received 90 days before your retirement date, you may experience a delay in receiving your first benefit check.

⁷Transfer Benefit information is located at NClifetimeincome.org.

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Prudential Retirement provides the communications and recordkeeping services for the NC 401(k) and NC 457 Plans and the NC 403(b) Program. With the exception of the NC Stable Value Fund and the NC Fixed Income Fund, the investments offered to you within the NC 401(k) and NC 457 Plans are not offered by or affiliated with Prudential Financial or any of its companies or businesses. Prudential Retirement is a Prudential Financial business.

Participants using the Retirement Income Calculator should consider other assets, income and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) when assessing the adequacy of the estimated income stream as provided by this tool. The Retirement Income Calculator is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. There is no assurance that retirement income objectives will be met. **It is possible to lose money by investing in securities.**

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