



HIGHLIGHTS

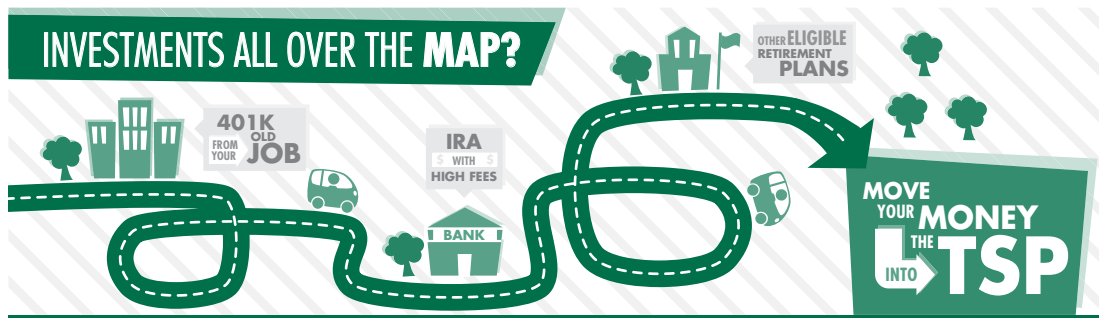
October 2014

Adding Some "Fun" to Funds

The TSP is pleased to announce the release of its investment fund videos, which you can view by visiting the TSP's YouTube channel, TSP4gov. You'll find separate videos that explain each of the TSP's five funds (G, F, C, S, and I), as well as the TSP's Lifecycle (L) funds. Whether you're a savvy TSP investor or just want to learn more about the TSP's funds, these videos are a helpful and fun way to learn more about your investment options.

Stay Connected to the TSP

Staying connected to the TSP has never been easier! Follow us on Twitter @tsp4gov to get current, informative messages as well as easy access to helpful retirement tools. While you're online, check out our YouTube channel TSP4gov. You'll learn about the TSP's funds, investing in bonds, vesting rules, and more. Want to check your TSP account on the go? You can view your account balance, transaction history, and perform contribution allocations and interfund transfers on the TSP's mobile site for your smartphone.



Combine and Save with the TSP

Whether you're currently a civilian employee, a member of the uniformed services, or a separated participant, you can move money from other eligible employer plans and IRAs into the TSP. Doing so is a great way for you to combine your retirement savings and take advantage of the TSP's very low costs.

Why would you move your eligible retirement account(s) into the TSP?

The real question is, why not? Consider the following:

- You can keep more of what you save. The TSP offers you low fees, while many retirement plans can cost significantly more. This can add up to tens of thousands of additional dollars in retirement money over the course of your career.
- The TSP offers you smart, simple choices. When it comes to saving for retirement, more investment options aren't always better. Too many options can be confusing and difficult to manage. With the TSP, you can invest in five individual funds (G, F, C, S, and I) that cover most of the investment landscape.
- You can make your life even easier by investing in the Lifecycle (L) Funds. They diversify your account among the TSP's five funds (G, F, C, S, and I) and become more conservative as you grow closer to retirement. Just choose the one most closely associated with the year you plan to need your money: L 2050, L 2040, L 2030, L 2020, and L Income.
- You have the ability to change how you invest. Once you move your money into the TSP, you can change your investment mix by making an interfund transfer (IFT). An IFT allows you to redistribute the existing money in your TSP account among the different TSP funds.
- The eligible money that you move into the TSP doesn't count toward the Internal Revenue Code (IRC) contribution limits—\$17,500 for 2014—so there's no restriction on the amount of money you can move into the TSP.

TSP Website:
tsp.gov

ThriftLine: 1-TSP-YOU-FRST (1-877-968-3778)
Outside the U.S. and Canada: 404-233-4400
TDD: 1-TSP-THRIFT5 (1-877-847-4385)

YouTube: TSP4gov
Twitter: @tsp4gov

- You'll have more of your retirement savings in one place. This makes it easier to see if you're on track to reach your retirement goals.

Now that you've learned why moving your eligible retirement plan(s) into the TSP is a good idea, here's how:

You can either **transfer** or **roll over** money from your eligible retirement plan(s) into your TSP account. Use Form TSP-60, Request for a Transfer Into the TSP, for tax-deferred (traditional) amounts. Use Form TSP-60-R, Request for a Roth Transfer Into the TSP, for Roth (after-tax) money.

Transfers. By submitting the appropriate form to the plan administrator of your traditional IRA or eligible employer plan, you are requesting that your money be sent to the TSP. This is called a "transfer" or a "direct

rollover." If you decide to transfer into the TSP, you won't owe any income taxes immediately. Depending on the type of money you transfer, you may be subject to income tax when you begin to withdraw your TSP account. For more information, see the TSP tax notice "Important Tax Information About Payments From Your TSP Account." Keep in mind that the TSP can't accept transfers from Roth IRAs.

Rollovers. You can receive money directly from your traditional IRA or eligible employer plan and then put it into your TSP account yourself. This is called a "rollover." If you decide to do a rollover, or if your plan has already sent you a check for your account balance, you'll have 60 days to complete the transaction. The 60 days begins on the date that you receive the funds from your plan. The TSP will not accept rollovers of any Roth distributions that have already been paid to you. 📌

Rates of Return and Administrative Expenses

| | L 2050 | L 2040 | L 2030 | L 2020 | L Income | G Fund | F Fund | C Fund | S Fund | I Fund |
|-------------------------------------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-----------|-----------|
| Monthly 2014 | | | | | | | | | | |
| Jan | -2.71% | -2.35% | -2.04% | -1.57% | -0.42% | 0.21% | 1.58% | -3.45% | -1.91% | -4.03% |
| Feb | 4.44 | 3.94 | 3.44 | 2.73 | 1.15 | 0.18 | 0.62 | 4.58 | 5.43 | 5.58 |
| Mar | 0.09 | 0.12 | 0.14 | 0.17 | 0.19 | 0.19 | -0.15 | 0.85 | -0.69 | -0.57 |
| Apr | 0.32 | 0.32 | 0.37 | 0.39 | 0.31 | 0.20 | 0.90 | 0.75 | -2.47 | 1.51 |
| May | 1.78 | 1.63 | 1.46 | 1.20 | 0.64 | 0.20 | 1.21 | 2.35 | 1.52 | 1.72 |
| June | 1.96 | 1.77 | 1.52 | 1.19 | 0.58 | 0.19 | 0.14 | 2.07 | 4.45 | 0.99 |
| July | -1.86 | -1.63 | -1.34 | -0.97 | -0.26 | 0.19 | -0.19 | -1.37 | -4.38 | -1.95 |
| Aug | 2.61 | 2.40 | 2.07 | 1.64 | 0.84 | 0.20 | 1.12 | 4.01 | 4.98 | -0.14 |
| Annual 2004-2013 | | | | | | | | | | |
| 2004 | - | - | - | - | - | 4.30% | 4.30% | 10.82% | 18.03% | 20.00% |
| 2005 | - | - | - | - | - | 4.49 | 2.40 | 4.96 | 10.45 | 13.63 |
| 2006 | - | 16.53 | 15.00 | 13.72 | 7.59 | 4.93 | 4.40 | 15.79 | 15.30 | 26.32 |
| 2007 | - | 7.36 | 7.14 | 6.87 | 5.56 | 4.87 | 7.09 | 5.54 | 5.49 | 11.43 |
| 2008 | - | -31.53 | -27.50 | -22.77 | -5.09 | 3.75 | 5.45 | -36.99 | -38.32 | -42.43 |
| 2009 | - | 25.19 | 22.48 | 19.14 | 8.57 | 2.97 | 5.99 | 26.68 | 34.85 | 30.04 |
| 2010 | - | 13.89 | 12.48 | 10.59 | 5.74 | 2.81 | 6.71 | 15.06 | 29.06 | 7.94 |
| 2011 | - | -0.96 | -0.31 | 0.41 | 2.23 | 2.45 | 7.89 | 2.11 | -3.38 | -11.81 |
| 2012 | 15.85 | 14.27 | 12.61 | 10.42 | 4.77 | 1.47 | 4.29 | 16.07 | 18.57 | 18.62 |
| 2013 | 26.20 | 23.23 | 20.16 | 16.03 | 6.97 | 1.89 | -1.68 | 32.45 | 38.35 | 22.13 |
| 2013 Administrative Expenses | | | | | | | | | | |
| Gross | .047% | .046% | .046% | .045% | .045% | .044% | .056% | .046% | .044% | .046% |
| Net** | .029% | .029% | .029% | .028% | .028% | .027% | .039% | .029% | .026% | .029% |

The returns for the TSP funds represent net earnings after the deduction of administrative expenses and, in the cases of the F, C, S, I, and L Funds, after deduction of trading costs and investment management fees. Additional information about the TSP funds, the related indexes, and their respective 1-, 3-, 5-, and 10-year returns can be found in the TSP Fund Information sheets on the TSP website.

With the exception of L 2050, the Lifecycle funds, which are invested in the individual TSP funds—G, F, C, S, and I*—were implemented on August 1, 2005. Therefore, their first annual returns are for 2006. Since L 2050 was implemented on January 31, 2011, its first annual returns are for 2012.

* The Government Securities Investment (G) Fund; the Fixed Income Index Investment (F) Fund; the Common Stock Index Investment (C) Fund; the Small Capitalization Stock Index (S) Fund; and the International Stock Index Investment (I) Fund.

** Net administrative expenses are the expenses charged to TSP participants per dollar invested in the respective funds after offsetting gross administrative expenses with account forfeitures and loan fees.