



HIGHLIGHTS

October 2012

Why use a withdrawal wizard?

Your withdrawal request is serious business, and the TSP will not make any guesses about your intentions. Using an online wizard helps you get your withdrawal form in good order.

For one thing, when you complete a form with the help of one of the online wizards, you can be sure you are submitting the most up-to-date version of that form. But just as important, the wizards help you get your forms filled out correctly, and help you avoid making mistakes that might cause your form to reject and your request to be delayed.

For example, if you submitted Form TSP-70, Request for Full Withdrawal, and chose a lifetime annuity, but you submitted your form without the annuity page, your form would be rejected.

If you had used the online wizard to complete your form, all the necessary pages would have printed out for you at the end. The wizard even provides a customized checklist of what you have to do to complete the form and get it to the TSP.

To use a wizard, you have to be able to log into your account. You'll need your account number (printed on your participant statements) and Web password (or custom ID, if you created one).



New TSP Tools and Materials

With the introduction of Roth TSP, there has been a lot of revising and devising of TSP materials and educational tools. Whether you plan to take advantage of Roth TSP or not, you will not be able to miss its presence in TSP communications. In this *Highlights*, we guide you through some of the new and revised TSP tools you may be navigating in the coming months and years.

Forms. It's true. TSP withdrawal forms have gotten longer since the addition of Roth TSP. We have had to offer you separate sections to transfer Roth and traditional money from your account to an IRA or eligible employer plan, and you now have to have your signature notarized to protect your account against fraud. However, other changes were also rolled out with the Roth changes, and these are intended to make your life easier:

- We've eliminated the "U" versions of withdrawal forms for uniformed services participants. All participants now use the same versions of TSP withdrawal (and also loan and beneficiary designation) forms.
- There's now a Federal tax withholding section on withdrawal forms so you will no longer have to submit IRS Form W-4P to change your tax withholding.

Wizards. One way to take the sting out of completing the new withdrawal forms is to let our online interactive tools ("wizards") be your guide (see the sidebar to the left). Log into your account on the TSP website, and choose "Withdrawals" from the Online Transactions menu on the left side of the page. There you can access four wizards—two for active participants (financial hardship and age-based in-service withdrawals) and two for separated participants (partial and full withdrawals). Not all withdrawals can be completed online, but the wizard will walk you through a series of questions, which will allow you to fill out the form electronically.

Walk through this simple screen

Request for Full Withdrawal: Civilian



? Please enter your daytime phone number:

Your TSP address of record is shown below. Is this your correct address?

Yes No

**12 WEST MAIN ST
TEST, LA 12345**

Cancel

Continue >

and ...

... the entire first section of your form is filled in for you.

I. INFORMATION ABOUT YOU — This section is required.

This request applies to my: Civilian Account **OR** Uniformed Services Account

1. Last Name: S M I T H First Name: J O H N Middle Name: H

2. TSP Account Number: 0 4 0 8 5 1 6 9 5 1 3 2 8 3. Date of Birth (mm/dd/yyyy): 0 1 / 0 1 / 1 9 5 0 4. Daytime Phone (Area Code and Number): 3313213211

5. Foreign address? Check here. 6. Street Address or Box Number: 1 2 W E S T M A I N S T Street Address Line 2: _____

7. City: T E S T 8. State: L A 9. Zip Code: 1 2 3 4 5 - 0 0 0 0

New Calculators. The TSP already has a full roster of calculators, but several more will be available in the Planning & Tools section of the TSP website in the coming months:

Contribution Comparison Calculator— Compare the effects, on your paycheck today and your account balance in the future, when you make Roth vs. traditional contributions.

Paycheck Estimator— See how a TSP contribution will affect your take-home pay and your account savings over time.

Retirement Income Calculator— See the estimated amount you'd receive each month in retirement from the available TSP monthly income options and features.

Video Clips. We know you don't always want to dig around in print materials looking for a quick explanation of how certain TSP features work. That's why we are developing video clips to inform you in a hurry, and in a format we know you like to use—YouTube. The videos will explain the new Roth TSP feature, and explore topics such as the difference between contribution allocations and interfund transfers and how to change your address on your TSP account. You will be able to connect to the TSP videos on the website or by going to www.youtube.com. 

Rates of Return										
	L 2050	L 2040	L 2030	L 2020	L Income	G Fund	F Fund	C Fund	S Fund	I Fund
Monthly 2012										
Jan	4.87%	4.34%	3.77%	3.03%	1.18%	0.13%	0.88%	4.50%	7.59%	5.36%
Feb	3.99	3.54	3.10	2.53	0.98	0.12	0.05	4.34	3.99	5.14
Mar	1.86	1.68	1.49	1.23	0.54	0.14	-0.61	3.30	2.30	0.13
Apr	-0.78	-0.63	-0.52	-0.38	0.01	0.15	1.12	-0.62	-0.71	-1.87
May	-6.85	-6.00	-5.23	-4.20	-1.38	0.14	0.91	-5.99	-6.91	-11.40
June	4.27	3.77	3.32	2.72	1.04	0.11	0.05	4.13	3.25	7.08
July	0.78	0.75	0.71	0.63	0.37	0.12	1.38	1.40	-0.62	0.56
Aug	2.51	2.23	1.94	1.57	0.63	0.11	0.07	2.25	3.57	3.29
Annual 2002 – 2011										
2002	-	-	-	-	-	5.00%	10.27%	-22.05%	-18.14%	-15.98%
2003	-	-	-	-	-	4.11	4.11	28.54	42.92	37.94
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

The returns for the TSP funds represent net earnings after 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.

The Lifecycle funds, which are invested in the individual TSP funds (G, F, C, S, and I*), were implemented on August 1, 2005; therefore, the first annual returns are for 2006.

* 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; the International Stock Index Investment (I) Fund