Your MetLife Representative Can Help

Your MetLife Financial Services Representative is a trained professional who is experienced in helping people to prepare for retirement and other financial goals. He or she can help you to identify where you are now, where you want to be when you retire and the realistic strategies you can implement that may help to get you there.

Your Representative is an experienced professional. Through confidential, face-to-face discussions, he or she is available to help you make informed decisions about:

- How much to save in your Governmental 457(b) Deferred Compensation Plan
- How to find the money to save
- How much income you may need in retirement
- How your employer's Governmental 457(b) Deferred Compensation Plan works
- The type of funding options in your employer's 457(b) Deferred Compensation Plan that match your time-frame and tolerance for potential risk
- Reaching other financial goals you may have

MetLife Financial Services Representatives are highly trained and have access to tools and resources that can help keep you on track. The goal is to provide you with the satisfaction that comes from knowing you have a professional committed to helping you address your objectives. Based on your needs and goals, your MetLife Financial Services Representative can recommend a financial strategy to help you have confidence in your savings and financial security now and in the future. Give your Representative a call today to learn more and to put your savings plan into action.

It's Your Future. Plan For It.

Kevin Daly
Financial Services Representative
(774) 232-0444

Pursuant to IRS Circular 230, MetLife is providing you with the following notification: The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This document supports the promotion and marketing of insurance and other financial products. You should seek advice based on your particular circumstances from an independent tax advisor.

The foregoing discussion is general in nature and not intended as specific advice. Neither MetLife nor its representatives are engaged in rendering tax, accounting or legal advice. A qualified professional should be consulted regarding the effect of such considerations on the matters covered in this publication. No reference to any MetLife product is intended.

Metropolitan Life Insurance Company (MLIC), New York, NY 10166. Securities offered through MetLife Securities, Inc. (MSI)(member FINRA/SIPC). 1095 Avenue of the Americas, New York, NY 10036. MLIC & MSI are MetLife companies.

MetLife

Metropolitan Life Insurance Company
200 Park Avenue
New York, NY 10166
www.metlife.com

You've Got A Plan!

Your Guide to a Governmental 457(b) Deferred Compensation Plan

MetLife

Your retirement may be near or many years into the future. Either way, planning for your retirement income is important. That's why your employer offers a 457(b) deferred compensation plan as part of your benefits package.

A Quick Look at a 457(b) Deferred Compensation Plan

A 457(b) plan for government employees is employer sponsored and allows you to contribute part of your salary toward your retirement savings –while deferring taxes on that income. In some cases, employers may also contribute to the plan, also on a tax-deferred basis.

A 457(b) Deferred Compensation Plan offers you:	
Simplicity and convenience	Contributions are made directly from your paycheck – the amount is decided by you, subject to maximum Internal Revenue Service (IRS) limits.
Pre-tax savings	You may be able to reduce your current income taxes because contributions are deducted from your pay before taxes come out. Generally, this means that you can benefit by reducing your taxable income and your income tax withholding now so you can save more for retirement.
Tax deferral	Your account has the potential to grow on a tax-deferred basis. That means that taxes won't be due on your savings until you take a distribution or withdraw it.*
Funding choices	Your plan offers professionally managed funding options; you choose the ones that fit your personal circumstances, including age and tolerance for risk.
The ability to take it with you	If you leave your employer, you can transfer your account balance to another 457(b) plan – if the new plan accepts such transfers, roll it over to an IRA, a 403(b) or another eligible retirement plan. You may decide to withdraw your account balance, which may be subject to an income tax penalty. Your tax advisor can provide you with the details of these options.*
An income when you retire	When you're ready to retire, your employer's plan may allow you to select from several pay out options. They may include taking a lump sum, receiving regular periodic payments based on the amount you saved, or receiving regular payments based on your life expectancy. Whatever you choose, remember that you are subject to ordinary income taxation when you receive the money in retirement.

**In general there is no penalty tax for early (before age 59½) distributions. However, if you participate in a 457(b) plan of a state or local governmental employer and have rolled into the plan amounts from IRAs and non-IRA qualified retirement plans including 403(b) plans, distributions from the 457(b) plan attributable to such amounts rolled into the plan may be subject to a 10% federal penalty tax if you are under 59½ at the time of the withdrawal (e.g., certain distributions upon termination of employment or distributions upon unforeseeable emergency prior to severance from employment).*

Withdrawals

Remember, your 457(b) account is for your retirement savings. That's why, generally speaking, plan rules do not allow distributions unless you no longer work for the employer maintaining the plan, retire, reach age 70½ or have an unforeseeable emergency as defined by IRS regulations. If your plan provides for unforeseeable emergency withdrawals, the emergency that causes the need for withdrawal may occur with respect to the participant, the participant's beneficiary, his or her spouses or dependents. Please check your plan guidelines to see rules regarding withdrawals and loans. Keep in mind that limited access to your account can be beneficial, because it eliminates the temptation to use your money for purposes other than your retirement. Also, if you make withdrawals, you will have to pay ordinary income taxes on the withdrawn funds.

In addition, certain distributions made to eligible retired or disabled public safety officers may be excluded from gross income on an elective basis if such distributions are paid directly to an insurer to cover premiums for health and long-term care insurance for the retired participant, his or her spouse, or certain dependents.

Maximum Annual Contribution

Generally, the maximum amount you may contribute to a 457(b) plan in 2013 is $17,500. You may also be eligible for **"catch-up"** contributions. Here's how it works:

In each of the last three calendar years before the year you reach the plan's normal retirement age, you may qualify to use a catch-up provision that's calculated based on contributions you made to the plan in previous years.

If you're age 50 or older and participate in a 457(b) plan maintained by a government employer, you may qualify to contribute additional amounts to the plan up to a specified amount that is subject to change each year, based on inflation. You may not make both types of catch-up contributions in the same year. Here are the general limits of the combined amounts of your regular and catch-up contributions under either of these alternatives:

Year	Governmental/Employer Plan Maximum Dollar Limit if 50 or Older	Maximum Dollar Limit If One of the Last Three Years Before Year of Plan's Normal Retirement Age
2013	$23,000	$35,000

The amounts shown represent the maximum dollar limit permitted under both catch-up contribution alternatives. Consult your tax advisor to calculate your actual limit in the last three years before you reach the plan's normal retirement age. The increased limit in these years is available only to the extent you have unused portions of the limitations for previous years in the plan.

"Your tax advisor can help you determine the amount you can contribute each year to your account."

The Retirement You'll Live Will Be the Retirement You Save For

Many people think that Social Security will be enough to see them through retirement. But Social Security was never intended to replace the income we earn during our working years – it has always been intended to supplement that income. Consider that Social Security provides the average retiree with 38% of his or her income; the rest comes from other sources – those accumulated over the retiree's lifetime.* Beyond Social Security, the retirement income you receive will be up to the actions you take now.

**Source: Social Security Administration; Fast Facts & Figures About Social Security, 2011.*

When you get a pay raise, increase the contribution you make to your employer's retirement savings plan – before it appears in your paycheck. It's a way to increase your contributions without directly "feeling" it.

You've Got A Plan!

Your employer's Governmental 457(b) Deferred Compensation Plan can be an excellent way to save for retirement. But the thought of saving enough money to see you through your lifetime may seem overwhelming, especially with so many other priorities needing attention. Preparing for ten, twenty, thirty or even more years into the future may not even be on your radar.

The truth is, saving for retirement – no matter how near or far away – may be critical. Your future financial security depends on the actions you take today.

Even Small Amounts Add Up

Over time, even small contributions can add up. The sooner you start saving for retirement – or increasing the amount you put toward retirement from each paycheck – the better, even if that amount may seem relatively small to you.

Take a look at this chart of a hypothetical saver. Let's assume that she earns $35,000 a year, is paid bi-weekly and that her savings earn a hypothetical 8% annual rate of return on her contributions to her employer's retirement savings plan. As you can see, her savings begin to add up over time. Even with relatively small contributions from each paycheck.

Years	1% Contribution $13.46 Per Paycheck	2% Contribution $26.92 Per Paycheck	3% Contribution $40.38 Per Paycheck
5	$2,138	$4,276	$6,413
10	$5,279	$10,558	$15,837
20	$16,675	$33,351	$50,026
30	$41,280	$82,560	$123,840

Please note that federal tax laws limit your contributions. The amount you may contribute annually may differ from that shown. The 8% rate is an assumed rate for illustrative purposes only and returns are not adjusted for inflation or taxes. No reference to any specific MetLife product is intended. Investment returns will vary and there is no guarantee that any individual who makes such contributions will reach these values.

Your MetLife Financial Services Representative can provide you with a similar, hypothetical chart based on your salary and the amount you can contribute to your employer's retirement savings plan. Once you have a clear picture of how quickly your money can potentially grow, you may be more inspired to save.