

CHOOSE A PLAN AND WATCH YOUR MONEY GROW

Roth IRA

Contributions to a Roth individual retirement account are not tax-deductible, but earnings accumulate tax-free. At the time of withdrawal, earnings are free from taxes if the owner has held the IRA for a minimum of five years and is at least 59½ years old. A Roth IRA generally allows you to contribute a maximum amount per person each tax year.



Traditional IRA

In a Traditional IRA, the contributions you make each year can be deducted from your federal taxes. In addition, earnings accumulate tax-free until the time of withdrawal. Upon distribution at age 59½ or older, the earnings and principal are taxed as ordinary income. There are maximum annual contribution limits for both individuals and for married couples filing jointly.

| | Roth IRA | Traditional IRA | Non-qualified Annuity |
|---|--|--|-------------------------|
| Contributions may be tax-deductible | No | Yes | No |
| Other key tax advantages | Tax-free growth | Tax-deferred growth | Tax-deferred growth |
| Tax treatment of withdrawals | Distributions are tax-free (if age 59½ and account is at least five years old) | Earnings and deductible contributions subject to tax | Earnings subject to tax |
| Eligibility subject to income limits and limits to annual contributions | Yes | Yes | No |

The MBA cannot give tax advice. Before choosing a plan, consult a tax advisor for assistance. Treatment of the Family Retirement Savings Plan may be different under the annuitant's state, local or foreign income (or other) tax rules.

Your MBA representative and the highly trained staff at the MBA are ready to answer all your questions:

Contact your local branch office

Call the MBA at 202-638-4318
Monday-Friday, 8 a.m.-3:30 p.m. ET

Visit our website at www.NALC.org/MBA



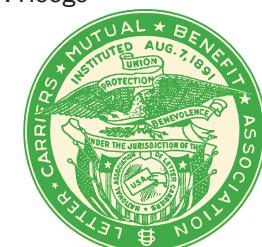
National Association of Letter Carriers

U.S. Letter Carriers Mutual Benefit Association

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NALC CCA RETIREMENT SAVINGS PLAN ADMINISTERED BY THE MBA



PREPARE FOR YOUR FINANCIAL FUTURE

Designed exclusively for CCAs to start saving for retirement before they become career employees

CCA RETIREMENT SAVINGS PLAN



THE ANNUITY PLAN THAT PAYS YOU DURING RETIREMENT

The Retirement Savings Plan can mean the difference between worry and well-being in your retirement—because it is an annuity policy that delivers extra cash to the annuitant every month to supplement your retirement income.

You simply make small contributions now (as little as \$15 a pay period) into an interest-bearing annuity that guarantees above-market returns. You choose how much to contribute and how often. The plan has certain tax advantages, depending on the options you select. And your spouse is eligible to participate, as well.

City Carrier Assistants who participate in the plan may transfer their Traditional IRA funds to the Thrift Savings Plan once they become career letter carriers. The Surrender Charge will be waived in this instance only. Note: The Thrift Savings Plan is not set up to receive Roth IRA transfers at this time.



YOUR MONEY IS GUARANTEED TO GROW

Best of all, you get all the advantages of your Mutual Benefit Association:

Dependability.

NALC stands behind every policy written by the MBA, which was created more than a century ago to give letter carrier families reliable savings and insurance plans.

Affordability.

The MBA operates with low overhead, no fees and no salespeople on commission, and the savings are passed on to you.

Simplicity.

Just fill out an application to join the Retirement Savings Plan. You'll receive a policy to examine for 30 days. If you aren't fully satisfied for any reason, return it for a full refund of any premium you've paid. There's no risk.

- **Enjoy a high rate of return.** You can expect the interest rates you will receive on your Retirement Savings Plan to be higher than the rates paid by most banks.

- **Get the peace of mind of a minimum interest rate.** The MBA provides a guaranteed minimum interest rate on its Retirement Savings Plan. And MBA invests only in high-quality government and corporate securities.

- **Enjoy tax advantages.** Depending on the plan chosen, all the growth in your account is either tax-deferred or tax-free. In addition, if your Retirement Savings Plan is a Traditional IRA, all or part of the contributions may be tax deductible, based on IRS limits.

Choose how you want to contribute—and how much.

The easiest way to pay is through automatic deductions from your paycheck, with a minimum payment of \$15 per pay period. But you can adjust how much you want to contribute, stop and start making payments, or pay in lump sums whenever you want. MBA will handle the automatic deductions, or bill you monthly or annually.

Choose the annuity plan that's right for you.

You can decide to grow your money in a Roth IRA, in a Traditional IRA, or in what is called a Non-qualified Annuity (see other side).

Choose how you receive your Retirement Savings Plan.

Options include monthly payments for as long as you live, a joint annuity payable during the joint lifetimes of two people, and a lifetime annuity with a guaranteed minimum of 5, 10, 15 or 20 years.

Make early cash withdrawals.

If you need emergency cash, you can stay in the Retirement Savings Plan while withdrawing money any time after one year, subject to certain minimums and limitations. However, during the first six years you're in the plan, you'll pay a "surrender charge" on the amount you withdraw, in addition to IRS penalties, if any. You can also surrender your plan for its cash value at any time.

