

Top 10 reasons to join the NJSEDCP



- 1 Saving is easy.** Automatic payroll deductions mean you'll pay yourself first!
- 2 You can save on taxes now—or later.** You have the option to make pre-tax contributions, after-tax Roth contributions, or a combination of both. Traditional pre-tax contributions can lower your tax bill today, while after-tax Roth contributions can mean federal tax-free income tomorrow.¹
- 3 Another way to save on taxes.** The money in your NJSEDCP account offers the potential for tax-free growth of investment earnings as long as your money remains invested.
- 4 You can save a substantial amount for your retirement.** For 2021, you can contribute up to \$19,500 to your NJSEDCP account. This limit includes both after-tax Roth and traditional pre-tax contributions.
- 5 You might be able to save even more for retirement.** The NJSEDCP offers two types of catch-up contributions. If you're age 50 or over as of December 31, 2021, you can contribute an extra \$6,500 to your plan account, for a total contribution amount of \$26,000 in 2021. Or, if you're within three years of your normal retirement date, you may be able to take advantage of a Special 457 catch-up contribution if you have not always maximized your annual plan contributions. If eligible, your maximum annual contribution could be up to \$39,000 in 2021.
- 6 Even small contributions make a difference over time.** If you're thinking you can't afford to join the plan, consider this: Even small contributions over time can make a big difference. Look at what could happen if you save as little as \$1.25 a day over 30 years² (figure to right).

\$1.25 a day | \$8.75 a week | \$455.00 a year

Potential nest egg: \$36,070

¹Amounts withdrawn, except for qualified withdrawals from a Roth 401(k), are generally taxed at ordinary income tax rates. Amounts withdrawn before age 59½ may be subject to a 10% federal income tax penalty, applicable taxes, and plan restrictions. Neither Prudential Financial nor any of its affiliates provide tax or legal advice for which you should consult your qualified professional.

²Assumes 6% return over 30 years, compounded annually. The compounding concept is hypothetical, for illustration only and not intended to represent the performance of any specific investment, which may fluctuate. No taxes are considered in the calculation; withdrawals are generally taxable at ordinary rates.

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- 7 Investing is easy with the NJSEDCP.** You have access to GoalMaker® (an optional asset allocation program available at no additional cost to you), which can help you identify a portfolio of investments based on your risk tolerance and time horizon. Keep in mind that application of asset allocation and diversification concepts does not assure a profit or protect against loss in a declining market. **You can lose money by investing in securities.**
- 8 You can enjoy lifetime income.** Whether you choose GoalMaker or select your own investments, you can invest in Prudential IncomeFlex Target® Balanced Fund, which provides the growth potential many individuals want with the lifetime income guarantee that they need.³
- 9 You can rely on the support of Prudential's retirement counselors.** Your retirement counselor can help you develop an investment strategy that's suited to your individual needs—and work with you to monitor this strategy throughout your working years.
- 10 You can stay in the plan for the rest of your life—and so can your spouse or partner.** Required minimum distributions will apply once you reach a certain age. Check with your retirement counselor for details.

³Guarantees are based on the claims-paying ability of the insurance company and are subject to certain limitations, terms, and conditions. Withdrawals or transfers (other than transfers between IncomeFlex Target Funds) proportionately reduce guaranteed values prior to locking in. After lock-in withdrawals in excess of the lifetime annual withdrawal amount will reduce future guaranteed withdrawals proportionately and can even stop them.

For more details

Contact an on-site Prudential retirement counselor at **866-NJSEDCP** (866-657-3327), or visit newjersey.retirepru.com.



Where will retirement take you?

The Prudential Day One® IncomeFlex Target® Balanced Fund was designed for use with Prudential IncomeFlex Target, an in-plan guaranteed retirement income product, and is available as an insurance company separate account under group variable annuity contracts issued by **Prudential Retirement Insurance and Annuity Company (PRIAC)**, Hartford, CT. PRIAC does not guarantee the investment performance or return on contributions to the separate account. PRIAC is solely responsible for its financial condition and contractual obligations. Availability and terms may vary by jurisdiction, subject to regulatory approvals. Guarantees are based on the claims-paying ability of the insurance company and are subject to certain limitations, terms and conditions. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. **Contract form #GA-2020-TGWB4-0805-NJ.**

For this and other information, please visit prudential.com/njseDCP or call 866-NJSEDCP (866-657-3327) for a copy of the Prudential IncomeFlex Target® Important Considerations before investing.

Retirement counselors are registered representatives of Prudential Investment Management Services LLC (PIMS), Newark, NJ. PIMS is a Prudential Financial company.

GoalMaker is an optional tool and available at no additional cost. GoalMaker's model allocations are based on generally accepted financial theories that take into account the historic returns of different asset classes. But, of course, past performance of any investment does not guarantee future results. Participants should consider their other assets, income and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) in addition to their interest in the plan, to the extent those items are not taken into account in the model. Participants should also periodically reassess their GoalMaker investments to make sure their model portfolio continues to correspond to their changing attitudes and retirement time horizon.

Neither Prudential Financial nor any of its representatives are tax or legal advisors and encourage you to consult your individual legal or tax advisor with any specific questions.

Prudential Retirement's group variable annuity contracts are issued by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, CT, a Prudential Financial company.

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