



**PLANNING YOUR RETIREMENT  
WITH TIAA-CREF**  
WHAT YOU NEED TO KNOW



FINANCIAL SERVICES  
FOR THE GREATER GOOD®



## **TIAA-CREF**

### **FINANCIAL SERVICES FOR THE GREATER GOOD**

**FOR MORE THAN 85 YEARS**, we have been helping millions of people working in the academic, medical and cultural fields plan for retirement. Our clear and long-held commitment to serve those who dedicate themselves to the benefit and enlightenment of others remains unchanged.

**WITH OUR NONPROFIT HERITAGE**, TIAA-CREF has long subscribed to a different set of guiding principles. Principles directly influenced by the people we serve. With over \$370 billion in combined assets as of December 31, 2005, our approach to investing goes beyond sound portfolio management. We are mindful of our social responsibilities. And we stay focused on the best interests of our participants.

**OUR UNIQUE AND DEFINING STRENGTH** is in our service to you, our participants. You are our greatest asset. Our goal is to give you confidence in your financial future.

**THE MISSION WE EMBARKED ON** in 1918 still rings true today — serve those who serve the rest of us. TIAA-CREF is one of the few certainties in a shifting financial world. We were there when you began your career helping others. And we'll be there when you're ready to retire.

**THIS BOOKLET IS DESIGNED FOR** those who are starting to plan seriously for retirement. It provides the information and tools necessary to assess your future financial needs. It also explains how you can use TIAA-CREF's wide range of income options and retirement accounts to develop a strategy that will help you use your resources wisely. If you have questions or need more information, please call us at **800 842-2776** or visit us at **[www.tiaa-cref.org](http://www.tiaa-cref.org)**.



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## GETTING STARTED

**TRANSITIONING FROM WORK TO RETIREMENT** doesn't have to be difficult. At TIAA-CREF, we want to help make it as easy and rewarding as possible. Perhaps the most important part of planning for retirement is evaluating your financial situation, looking at your current lifestyle and income and determining what changes you anticipate in retirement. For example, there may be expenses associated with working that you won't have when you're retired.

This booklet is designed to help you get started. It includes information and tools that will help you set your retirement income goals, including:

- basic principles to use as you plan for retirement;
- a worksheet that can help you compare income to anticipated retirement expenses and show how close you are to meeting your retirement income goals.

After completing this worksheet, you may find:

- You're better off delaying your retirement and contributing to your accounts for a few more years; or
- You only need to begin drawing income from part of your savings.

Remember, this is an initial step in the process, through which you can make well-informed decisions. If you need more information or would like to discuss your retirement income choices with a consultant, call us at **800 842-2776** Monday to Friday from 8 a.m. to 10 p.m., and Saturday from 9 a.m. to 6 p.m. (ET). Or, if you know which option(s) you're interested in, call the same number and request a personalized package of forms for the income option(s) of your choice.

## DETERMINING YOUR INCOME NEEDS

During your working years, TIAA-CREF helped you build your retirement savings. Now, let us help you decide how to best use that savings and other assets to help meet your retirement income needs.

With advances in medicine, medical treatments and healthier lifestyles, life expectancies are longer than ever before. For TIAA-CREF annuitants, the average number of years after retirement at age 60 is 26 years for men and 29 years for women (as of June 2005). Since people are living longer in retirement, an important question arises: How can you use your TIAA-CREF assets to provide the maximum income and security throughout your retirement?

### OVER THE YEARS, WE'VE FOUND THAT THE PRIMARY CONCERNS OF MOST PEOPLE PLANNING FOR RETIREMENT HAVE BEEN THE FOLLOWING:

- “What are my expenses going to be?”
- “I don’t know how long I’ll live. How can I plan without knowing that?”
- “Other people besides me will rely on my retirement income. How can I provide for them and still live comfortably myself?”
- “Will my income be stable or predictable enough to make budgeting easy?”
- “How can I protect my income against inflation?”
- “I have retirement savings from several sources, but I don’t want to have to track payments from different places. What can I do?”
- “I’ll be working part time after retiring. How can I supplement my income without receiving lifetime income from my entire savings right now?”



## **INFLATION AND YOUR RETIREMENT INCOME**

A major challenge for retirees is keeping up with inflation after retirement income starts. Inflation risk — the risk that rising prices will erode the purchasing power of your retirement income over time — is one of the greatest threats to your retirement dollars.

Price increases are likely, so you'll probably need your retirement income to increase in order to at least maintain your standard of living over the long term. For example, an inflation rate of 3% per year will, after 24 years, reduce your money's purchasing power by 50%. How can you give your retirement income the best chance of keeping up with inflation? Consider income options that will give at least part of your retirement income the potential to grow faster than inflation.

## FIGURING YOUR FINANCES

Most people share common retirement concerns. Mainly, they're worried about having enough money to be able to live comfortably. Determining how much income you think you'll need in retirement is important. Remember, your expenses in retirement will probably be different than when you were working.

An important step in planning your retirement income is to understand what you have, what your goals are and what your replacement ratio is (the percentage of your current income you'll need to live on in retirement). The rule of thumb: You'll need 70% to 90% of your current working income, adjusted for inflation, to maintain your current lifestyle for when you retire. Finally, you'll need to know what to do to reach those goals.

Of course, some people tend to spend more, while others are more frugal. To help you determine what your needs will be, complete the Retirement Budget Worksheet on Page 6 to see how your money will be spent in retirement.

While costs for your major bills are well documented, it is often difficult to account for smaller expenditures. An important benefit of this analysis is to help distinguish fixed expenses — mortgage and insurance payments — from discretionary expenses such as vacation and recreation. And you may find that this is an ongoing exercise as some of your expenses will change over time.

## YOUR CASH FLOW ANALYSIS

List every expenditure you think you'll have in retirement. It's probably best to estimate expenses for the year after you retire rather than the actual retirement year, since you may have one-time expenses related to retiring, like moving expenses. Subtract your total monthly expenses from your total income to determine your monthly cash flow. If you're not sure what your income will be in retirement, you'll need to estimate.

You can visit our website at [www.tiaa-cref.org](http://www.tiaa-cref.org) to run an online illustration of your projected income, or you can request one by calling us at **800 842-2776**.

If your projection shows your expenses to be greater than your estimated income, you may need to lower your expenses. Or, you could try to increase your estimated retirement income, either by putting more into your retirement account(s) from now until you retire, or by delaying retirement.

If your projection shows your estimated income exceeds your expenses, you may want to defer receiving income from part of your TIAA-CREF savings. Note: Generally, you must begin receiving income from your retirement accounts by April 1 following the year you turn age 70½.

# RETIREMENT BUDGET WORKSHEET

Estimating your monthly income and expenses will help you develop an effective retirement strategy.

## MONTHLY INCOME

Pension/IRAs \_\_\_\_\_  
 Social Security \_\_\_\_\_  
 Dividends/Interest \_\_\_\_\_  
 Employment \_\_\_\_\_  
 Royalties \_\_\_\_\_  
 Real Estate (Rental Income) \_\_\_\_\_

**Total Monthly Income** \_\_\_\_\_  
 x 12

**Total Yearly Income** \_\_\_\_\_

## MONTHLY EXPENSES

### Household

Mortgage/Rent \_\_\_\_\_  
 Utilities/Telephone \_\_\_\_\_  
 Maintenance \_\_\_\_\_  
 Cable TV/Internet \_\_\_\_\_  
 Home Improvement \_\_\_\_\_  
 Household Supplies \_\_\_\_\_  
 Groceries \_\_\_\_\_  
 Other \_\_\_\_\_

**Total Household** \_\_\_\_\_

### Personal Care

Clothing (Purchase/Cleaning) \_\_\_\_\_  
 Products/Services \_\_\_\_\_

**Total Personal Care** \_\_\_\_\_

### Medical

Physician, Tests, Drugs \_\_\_\_\_  
 Dental \_\_\_\_\_

**Total Medical** \_\_\_\_\_

### Miscellaneous

Charitable Contributions \_\_\_\_\_  
 Gifts \_\_\_\_\_  
 Dues (Memberships) \_\_\_\_\_  
 Professional Services \_\_\_\_\_

**Total Miscellaneous** \_\_\_\_\_

## Transportation

Auto (Fuel, Repairs) \_\_\_\_\_  
 Other (Bus/Train/Air Fare) \_\_\_\_\_

**Total Transportation** \_\_\_\_\_

## Insurance

Life \_\_\_\_\_  
 Auto \_\_\_\_\_  
 Homeowner's/Renter's \_\_\_\_\_  
 Health/Dental \_\_\_\_\_  
 Long-Term Care \_\_\_\_\_

**Total Insurance** \_\_\_\_\_

## Taxes

Income (Federal, State, Local) \_\_\_\_\_  
 Capital Gains \_\_\_\_\_  
 Property \_\_\_\_\_

**Total Taxes** \_\_\_\_\_

## Leisure

Health Club \_\_\_\_\_  
 Vacation/Travel \_\_\_\_\_  
 Dining \_\_\_\_\_  
 Movies, Theater, Video Rentals \_\_\_\_\_  
 Education \_\_\_\_\_  
 Other (Books, Hobbies) \_\_\_\_\_

**Total Leisure** \_\_\_\_\_

## Debt

Credit Cards \_\_\_\_\_  
 Other \_\_\_\_\_

**Total Debt** \_\_\_\_\_

Total Monthly Expenses \_\_\_\_\_  
 x 12

**Total Yearly Expenses** \_\_\_\_\_

**Total Yearly Income** \_\_\_\_\_

**Total Yearly Expenses** - \_\_\_\_\_

**Total** \_\_\_\_\_

# STEPS ON THE WAY TO RETIREMENT

As you plan for retirement, use this checklist as a guide. You should regularly review your retirement investment and savings strategy and evaluate your personal finances, such as your assets, liabilities and insurance.

## FIVE OR MORE YEARS BEFORE RETIREMENT

- Review your Social Security statement, mailed to you each year, for your earnings history and projected future benefits.
- Review any tax-deferred annuity, qualified retirement account, IRA, Keogh, deferred compensation and other retirement plans to make sure you're on track to meet your goals.
- Call TIAA-CREF to request an income illustration, or create your own online at [www.tiaa-cref.org](http://www.tiaa-cref.org).
- For information on life insurance, mutual funds, and after-tax annuities, contact us at **800 223-1200**, or visit our website.

## ONE TO TWO YEARS BEFORE RETIREMENT

- Call TIAA-CREF at **800 842-2776** to begin working on an income strategy and to receive other retirement planning material.
- Obtain information on federal and state taxation of your retirement funds from your tax advisor.
- Obtain current information about expected income from other sources.
- Review your health benefits with your benefits office.
- Review any trust arrangements.

## SIX MONTHS BEFORE RETIREMENT

- Call TIAA-CREF to fine-tune an income strategy, or continue refining your retirement plan through our website.
- Inform your employer of the date you plan to retire.
- Get the retiree health insurance enrollment form from your benefits office.
- Provide TIAA-CREF with documents relating to any recent change of status in life.

## THREE MONTHS BEFORE RETIREMENT

- Contact TIAA-CREF for an individual counseling appointment to review income options.
- Call us to let us know how you want to receive retirement income and request the necessary forms.
- Contact the Social Security Administration at **800 772-1213** or visit [www.ssa.gov](http://www.ssa.gov) to request a current Social Security statement.

## BASIC RETIREMENT PLANNING PRINCIPLES

**YOUR RETIREMENT INCOME IS YOUR REWARD** for working hard and planning ahead. When you start to sort out the variety of questions you may have about how to receive that income, it's useful to have a set of guiding principles to help focus your thinking.

Here are 10 fundamental principles we've developed for you to keep in mind when making the transition from work to retirement. They may help you plan your retirement income.

### **1 LIFETIME INCOME MAY BE APPROPRIATE FOR MOST PEOPLE.**

When you retire, you'll need a source of income that will last a lifetime. That's why a lifetime annuity is a good choice for some people. It pays you a benefit for life and ensures that you cannot outlive your income. There are some special situations — you are in poor health or have another source of sufficient lifetime income — where you should consider other payout options. Carefully examine your own situation before you decide.

### **2 PROTECT THE ONE YOU LOVE.**

Couples who depend upon one another financially usually need a two-life annuity. With a two-life annuity, neither you nor your annuity partner can outlive the income. If you die first, your partner will continue to receive the income. But, if your partner already has enough retirement income or is in poor health, you may not need a two-life annuity. Be sure to consider the potential impact of large medical and long-term care expenses.

### **3 TAKE CARE OF THOSE WHO DEPEND ON YOU.**

Unlike your annuity partner who would need income for the rest of his or her life, your other dependents — children, parents, in-laws — may need your financial support for only a limited period of time after you die. For example, you may need to provide for college tuition for your children or grandchildren. Even after death, these expenses would still have to be paid.

For these situations, choosing an annuity with a guaranteed period ensures that if you die soon after beginning to receive income, payments will continue until the end of the guaranteed period. Without this feature, income stops at your death (or at the death of you and your annuity partner if you choose a two-life annuity). Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. Payments under CREF and the TIAA Real Estate Account are variable and will rise or fall based on investment performance.

Before choosing a guaranteed period, which reduces the amount you and your annuity partner receive, examine other possible sources of income. Life insurance, for example, would take care of anyone who is financially dependent on you for a relatively short period of time.

#### **4 SAFEGUARD YOUR INCOME AGAINST INFLATION.**

Prices seldom stay the same — they usually go up. In fact, your health care expenses may increase dramatically during your retirement years and your income must keep pace with these rising expenses. Therefore, you'll need to choose an income option that strikes an appropriate balance between maximizing income early in your retirement versus protecting against inflation later on.

TIAA-CREF offers a variety of income sources and payment methods at retirement for you to receive your income. When thinking about protecting your purchasing power over time, consider our array of fixed and variable annuity accounts, which are invested in a variety of asset classes. It is important to allocate a portion of your funds to investment options that are designed to keep pace with, or outpace inflation, such as equities, real estate and inflation-linked bonds. Diversification does not guarantee that you will not lose money, or keep pace with inflation, but it does keep you from being overexposed to a major downturn in one type of investment.

In addition to these variable annuity accounts, if you decide to receive lifetime income from the TIAA Traditional Annuity, you have another means of keeping pace with inflation with TIAA's Graded Payment Method (for definition, see the Financial Terms Glossary on Page 14). While the Graded Method is likely to pay less income initially than the TIAA Standard Payment Method (for definition, see the Financial Terms Glossary on Page 15), payments under the Graded Method are designed to increase over time, to help preserve your purchasing power.

#### **5 DIVERSIFY — BEFORE AND AFTER RETIREMENT.**

Diversifying your investments and rebalancing your portfolio is necessary because economic circumstances and your personal preferences can change after you retire. In all likelihood, you allocated your money among various accounts during your working years to help protect yourself against market volatility and to benefit from the growth potential of different types of investments. You probably want the same advantages during your retirement years. If you choose a lifetime income option, receiving part of your income from the TIAA Traditional Graded Payment Method, TIAA Real Estate or the CREF accounts, for example, can provide you with an underlying guaranteed amount from TIAA Traditional, plus more opportunities for growth during your retirement years; losses in one type of investment may be offset by gains from another.

#### **6 IF YOU TAKE TOO MUCH NOW, YOU MAY NOT HAVE ENOUGH LATER.**

Making cash withdrawals from your retirement savings increases your current income but reduces the amount of your future income. In fact, if the cash withdrawal is too large, your retirement payments may not be enough to meet your long-term

needs. Because distributions from your retirement accounts are generally taxable, you may incur a hefty tax bite if you make a large withdrawal. Withdrawals before age 59½ may also be subject to a 10% early withdrawal penalty.

If you have short-term cash needs, such as moving expenses or paying off your mortgage, a better alternative may be to use after-tax resources first, or take a loan if available under the rules of your employer's plan. Your retirement income won't be reduced, and you may not have to pay any tax. Just be sure to leave some money for emergencies.

There are, however, situations where a cash withdrawal from your TIAA-CREF accounts is appropriate. For example, if you already have an adequate lifetime income from another source, it might make sense to meet your short-term cash needs by using part of your TIAA-CREF-funded retirement savings. Keep in mind, withdrawals from your employer's plan are subject to the rules of that plan. Withdrawals from your Supplemental Retirement Annuity, Group Supplemental Retirement Annuity, Retirement Select Plus Annuity, Retirement Choice Plus Annuity, or IRA are not subject to your employer's plan rules. Withdrawals before age 59½ may be subject to a 10% early withdrawal penalty.

In addition, if you're not ready to make an irrevocable decision about a lifetime annuity, but need regular income, you can set up a series of systematic cash withdrawals for the duration and amount you choose. The availability of lump-sum and systematic cash withdrawals depends on your employer's plan rules.

**REMEMBER:**

In most cases, you can reallocate your income in retirement, transferring annuity income from one variable annuity account to another or to TIAA Traditional, or transferring from the TIAA Traditional to the CREF equity accounts.

**7 FACTOR IN YOUR SOCIAL SECURITY BENEFITS.**

Social Security is the equivalent of a fixed-income lifetime annuity (or a joint annuity if you are married) that currently provides for cost-of-living increases, giving you some protection against inflation. Whether or not your Social Security benefits are a significant part of your total retirement income, you need to know how much your benefits will be and include that amount in your planning. (The amount depends on the work histories and salaries of both you and your spouse.) Get an estimate by contacting the Social Security Administration at [www.ssa.gov](http://www.ssa.gov) or by phone at **800 772-1213**.

**8 IT PAYS TO WAIT.**

If your account is too small to produce retirement income that meets your needs, you might want to delay retiring. The longer you delay, the larger your potential retirement income will be. Here's why: You and/or your employer can continue making contributions, which increases your account value. Your account will continue to earn interest in TIAA Traditional and your money will have more time to remain invested in the TIAA-CREF variable annuity accounts. (Of course, the amount of your variable annuity account value

will fluctuate depending upon the performance of the underlying investments.) Finally, delaying your retirement means your savings will be paid over a shorter period of time, thereby increasing the amount of each payment.

Keep in mind that federal law generally requires that you receive a minimum payment beginning April 1 following the year you turn age 70½.

## **9 IF IN DOUBT, DEFER.**

Planning for your retirement needn't be difficult, but you will have to make some important decisions that will affect your future income. If you're uncertain about your plans, don't select a lifetime annuity, at least not right away. Because, once you start receiving income under a lifetime annuity, your decision is irrevocable.

Therefore, if you're uncertain about your future income requirements — for example, your spouse is still working or you're thinking about starting a new career — you can take care of your immediate financial needs by choosing among several payment options we offer that allow you to stop or change your payment option in the future. These can include: a series of systematic payments, interest-only payments from TIAA Traditional or minimum distribution payments.

Later, when you know what your needs will be, you can usually switch from any of these alternatives to another option or lifetime income. At TIAA-CREF, we will work with you to select the best income options for your financial goals and needs.

## **10 IF YOU ARE PLANNING ON PRESERVING YOUR ESTATE.**

When part of your strategy is to leave a legacy to your heirs, you might consider using a Minimum Distribution Payment at age 70½ instead of a lifetime annuity. However, remember the primary purpose of a retirement plan is to provide you with income throughout your retirement. Even if you have other sources of income that are sufficient for your retirement needs and your goal is to leave a sizable estate to your heirs, it still makes sense to use some of your retirement assets during your lifetime.

Substantial tax incentives have made it possible for you to accumulate these assets. And there are corresponding tax provisions that encourage you to use these assets. Retirement assets are expensive to leave to heirs because they are potentially subject to both the estate and income tax.

So it may be appropriate to begin receiving your distributions (even if you don't need them to live on) and give them to your heirs in the form of gifts. You are allowed to give gifts under the IRS rules if they fall within a certain value. (TIAA-CREF does not offer tax advice. See your tax advisor regarding your particular situation.)

## CONSOLIDATING YOUR ASSETS

For more information, please call **800 842-2776**, Monday to Friday from 8 a.m. to 10 p.m., and Saturday from 9 a.m. to 6 p.m. (ET). Our consultants will be happy to discuss consolidating your assets and will help you determine if your funds are eligible for a rollover or direct transfer to the TIAA-CREF IRAs.

In addition to Social Security and retirement savings at TIAA-CREF, you may have additional retirement assets at other financial institutions, particularly if you've worked for more than one employer. Depending on your employer's plan rules, you may be eligible to make a direct transfer to your existing annuity, or you may transfer to a TIAA-CREF IRA.

You can maintain the tax-deferred status of your funds through a nontaxable rollover or transfer. When moving funds to TIAA-CREF's IRAs or retirement accounts, you also get the benefit of TIAA-CREF's investment expertise, strategies and variety of payment flexibilities. You can also take advantage of our experienced consultants to help you with your retirement planning. And you'll be able to simplify your life and rely on one source — TIAA-CREF — to fulfill all of your financial services needs in retirement.

Note: There may be tax consequences associated with the transfer of assets. Indirect transfers may be subject to surrender charges, taxation and penalties. Consult your own tax advisor for your particular situation. Our IRAs are also available to spouses of TIAA-CREF participants. In addition to Traditional IRAs, TIAA-CREF also offers Roth IRAs and savings opportunities with the TIAA-CREF Mutual Funds and TIAA-CREF Life Insurance Company's after-tax annuities.

### WHAT MONEY IS ELIGIBLE TO BE ROLLED OVER TO A TIAA-CREF TRADITIONAL IRA?

- Tax-deferred funds from other IRAs;
- Distributions from any former employer's pension plan, including plans sponsored by business, industry and government entities;
- Distributions from non-TIAA-CREF-funded plans at eligible institutions;
- Distributions from TIAA-CREF-funded retirement plans; and
- Death benefits from a TIAA-CREF-funded plan or other retirement plan from eligible institutions.

## FINANCIAL TERMS GLOSSARY

When it comes to today's finances and planning your retirement income, it pays to know the language. The following is a guide to some of the key financial terms you should be familiar with when planning your retirement with TIAA-CREF.

**ADDITIONAL AMOUNTS** — For the TIAA Traditional Annuity, amounts credited to accumulations or paid as income, over and above the contractually guaranteed interest rate.

**ANNUITANT** — A person entitled to, or currently receiving payments from, an annuity.

**ANNUITY PARTNER** — Person who becomes the owner of annuity benefits under a joint-life income option after the death of the retiree or original annuity owner. In your actual payout contracts, TIAA annuity partners are referred to as “second annuitants” and CREF annuity partners are referred to as “second participants.”

**ANNUITY UNIT** — A share of participation in a variable annuity account once annuity income has begun.

**ASSUMED INVESTMENT RETURN (AIR)** — An assumption about how much will be earned on a variable annuity. Because variable annuities don't guarantee returns, an AIR is used to calculate an individual's initial income. If the actual annualized earnings equal the AIR, the benefit stays the same. If the earnings are higher than the AIR, benefits increase; if lower, they decrease. The TIAA-CREF variable annuity accounts currently use a 4% AIR.

**BENEFICIARY** — The person, trust, institution or estate named to receive death benefits, if any, from insurance or annuity contracts.

**CASH WITHDRAWAL** — A contractual provision that permits withdrawal of some or all of the balance from your account. Cash withdrawals are available from your Supplemental Retirement Annuity, Group Supplemental Retirement Annuity, Retirement Select Plus, Retirement Choice Plus, and IRA. They may also be available from Retirement Annuity, Group Retirement Annuity, Retirement Select and Retirement Choice plans.

**DIRECT TRANSFER** — An employee's transfer of retirement assets to and from “like” plans, directly between financial institutions, without incurring a tax liability.

**FIXED ANNUITY** — A traditional insurance investment vehicle, often used for retirement accounts, that guarantees principal and a specified interest rate and may also offer additional amounts.

**GRADED PAYMENT METHOD** — A payment method for TIAA Traditional annuities designed to help fight inflation. A portion of the additional amount is not paid as income, but is reinvested to increase future payments.

**GUARANTEED PERIOD** — A minimum payment period during which income will be paid even if the annuitant (and annuity partner, if any) dies. Payments continue to the beneficiary until the end of the guaranteed period. Guaranteed periods for TIAA-CREF annuities are available for 10, 15 and 20 years.

**INCOME REPLACEMENT RATIO** — The percentage of income that an individual needs to maintain the same standard of living during each year of retirement. The desired replacement ratio is usually an income equal to 70% to 90% of an individual's salary during his or her last year of work.

**IRAs** — An individual investment product that provides participants the opportunity to save for retirement outside of an employer's plan. IRAs can accept contributions or rollovers from other plans. TIAA-CREF offers both the Traditional and Roth IRAs. Each type has its own rules and income limits; withdrawal rules also vary. Generally, the Traditional IRA offers the opportunity for tax-deferred investment and growth potential. The Roth IRA offers tax-free growth and distributions, but contributions are made from after-tax money and are not deductible.

**LIFE ANNUITY** — A one-life annuity provides lifetime income to one person. A two-life annuity provides income for two people as long as either lives.

**MINIMUM DISTRIBUTION PAYMENT** — An option that automatically pays an amount that satisfies federal tax law requiring most individuals to begin receiving a portion of income from tax-deferred annuities no later than April 1 of the calendar year following the year they reach age 70½ or retire, whichever is later.

**PURCHASING POWER** — The buying power of the dollar over time. When purchasing power decreases, you buy fewer goods and services with a specified dollar amount. For example, when purchasing power decreases over a 10-year period, \$100 at the end of this period will buy less than \$100 did at the beginning of the period. Therefore, to maintain purchasing power during inflationary periods, income must increase at about the same rate as the prices of goods and services.

**ROLLOVER** — An employee's transfer of retirement funds from one retirement plan to another plan of the same type, or into an IRA, or from one IRA to another, without incurring a tax liability. A rollover can be made directly between carriers, or you can elect to receive the distribution yourself. However, the rollover must be made within 60 days of receiving the cash distribution, otherwise the law requires 20% federal income tax withholding on the money eligible for rollover if it is not moved directly to the second plan or investment company.

**SOCIAL SECURITY BENEFITS** — The comprehensive federal program of benefits providing workers and their dependents with retirement income, disability income and other benefits.

**STANDARD PAYMENT METHOD** — A payment method for TIAA Traditional that includes the interest earnings with each payment. Payments can change from year to year if additional amounts rise or fall.

**SYSTEMATIC CASH WITHDRAWALS** — A contractual provision that enables you to receive payments for any time period or any amount you want (a minimum of \$100 per payment per account) from your cashable accumulations. You can change, stop or restart payments anytime. Systematic withdrawals are available from your Supplemental Retirement Annuity, Group Supplemental Retirement Annuity, and IRA. They may also be available from Retirement Annuity, Group Retirement Annuity, Retirement Select and Retirement Choice plans. (See Transfer Payout Annuity for information on TIAA Traditional for Retirement Annuities.)

**TIAA TRADITIONAL** — The TIAA Traditional Annuity offers maximum safety. Backed by the company's claims-paying ability, TIAA Traditional guarantees your principal and a specified interest rate, plus it offers the opportunity for greater growth through additional amounts — which may be declared on a year-by-year basis by the TIAA Board of Trustees.

**TIAA-CREF VARIABLE ANNUITY ACCOUNTS** — The TIAA-CREF variable annuity accounts are: CREF Stock, CREF Global Equities, CREF Growth, CREF Equity Index, TIAA Real Estate, CREF Bond Market, CREF Inflation-Linked Bond, CREF Money Market and CREF Social Choice. (See Variable Annuity for more information.)

**TRANSFER PAYOUT ANNUITY** — An annuity contract that pays out funds from TIAA Traditional in 10 annual installments. TIAA Traditional Retirement Annuity and Group Retirement Annuity balances can be transferred to any of the TIAA-CREF variable annuity accounts, or depending on an institution's plan provisions, to another investment company, or can be received as cash. Retirement Select and Retirement Choice plans offer an 84-month systematic withdrawal or transfer method in which you can transfer to a TIAA-CREF variable annuity account, or depending on the employer's plan provisions, to another investment company or received as cash.

**VARIABLE ANNUITY** — An annuity whose value fluctuates based on the market performance of an underlying securities portfolio. Unlike fixed annuities, there is no guarantee of principal or a specified rate of return.

**VINTAGE** — A period during which TIAA Traditional contributions and amounts transferred from a TIAA-CREF variable annuity account, or from outside investment firms, are credited to a TIAA Traditional annuity. Different vintages have different interest rates reflecting current returns on investments made during those periods.

**You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or go to [www.tiaa-cref.org](http://www.tiaa-cref.org) for a prospectus that contains this and other information. Please read the prospectus carefully before investing.**

## HOW TO CONTACT US

▶ **TIAA-CREF WEBSITE**  
**WWW.TIAA-CREF.ORG**

To obtain basic company information online, including your account profile, daily accumulation unit values for the TIAA-CREF variable annuity accounts and current interest rates for TIAA Traditional annuity, net asset values for TIAA-CREF mutual funds, account profiles and investment performance, strategies and interactive tools for building your retirement plan portfolio and information on income options, publication excerpts and answers to frequently asked questions.

▶ **TELEPHONE COUNSELING CENTER**  
**800 842-2776**

For questions on investment choices, income options, benefits, retirement illustrations, contributions, payments and taxation. Representatives are available Monday to Friday from 8 a.m. to 10 p.m. and Saturday from 9 a.m. to 6 p.m. (ET).

▶ **AUTOMATED TELEPHONE SERVICE**  
**800 842-2252**

For allocation of future contributions, transferring among the TIAA-CREF variable annuity accounts and to TIAA Traditional annuity, net asset values for TIAA-CREF mutual funds, performance information, unit values, the current value of your requesting booklets and certain forms. You can also find out the status of your lump-sum and systematic withdrawal or transfer requests. Available 24 hours a day, seven days a week.

▶ **TTY DIRECT LINE**  
**800 842-2755**

Designated line for hearing- and speech-impaired participants using text telephones. Representatives are available Monday to Friday from 8 a.m. to 10 p.m. and Saturday from 9 a.m. to 6 p.m. (ET).

▶ **PLANNING AND SERVICE CENTER**  
**800 223-1200**

For questions about TIAA-CREF mutual funds, TIAA-CREF Life Insurance Company's individual life insurance and after-tax annuities. Representatives are available weekdays from 8 a.m. to 10 p.m. (ET).

**TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., distribute securities products.** TIAA (Teachers Insurance and Annuity Association) New York, NY and TIAA-CREF Life Insurance Co., New York, NY issue insurance and annuities.

Retirement Annuity (RA) contract form series 1000.24; Group Retirement Annuity (GRA) contract form series G-1000.4 and G-1000.5; Supplemental Retirement Annuity (SRA) contract form series 1200.8; Group Supplemental Retirement Annuity (GSRA) contract form series G1250.1; IRA annuity contract form series 1280.2; Roth IRA annuity contract form series 1280.3; Retirement Choice Annuity Contract Series IGRS-01-84, IGRS-01-60, and IGRS-01-5, Certificate Series IGRS-CERT1-84, IGRS-CERT1-60, and IGRSCERT1-5; Retirement Select Annuity contract series GRS-MC, Certificate Series GRS-02. Not all products are available in all states.

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