



North Carolina Supplemental Retirement Plans

3Q 2013 Board of Trustees Report

Presented by: Michael McCann, Vice President, Key Account Management

On: December 18, 2013

As of: September 30, 2013

Report contains information up through the last business day of the period end.



North Carolina
Total Retirement Plans | 401k | 457

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Fiscal Year (7/1/2013 – 6/30/2014) 401(k) Goal Results

- Increase use of GoalMaker® utilization among new members to 89.5% – 89.8% as of September 30, 2013
- Increase use of GoalMaker® utilization among members to 55% – 52% as of September 30, 2013
- Increase the average monthly employee deferral \$160 monthly – the average monthly employee deferral as of September 30, 2013 \$159.05 (3rd quarter 2013 and January 1, 2013 thru September 30, 2013 results for the 401(k) Plan are found on page 14)
- Increase active participation to 27% - 26.74% as of September 30, 2013 (3rd quarter 2013 results for the 401(k) Plan are found on page 10 and the January 1, 2013 thru September 30, 2013 results are found on page 11)
- 3 employers adopted the 401(k) Plan in 2013

Fiscal Year (7/1/2013 – 6/30/2014) 457 Goal Results

- Increase use of GoalMaker® utilization among new members to 91.5% – 90.6% as of September 30, 2013
- Increase use of GoalMaker® utilization among members to 55% – 50% as of September 30, 2013
- Increase the average monthly employee deferral \$130 monthly – the average monthly employee deferral as of September 30, 2013 \$137.79. (3rd quarter 2013 and January 1, 2013 thru September 30, 2013 results for the 401(k) Plan are found on page 15).
- Increase active participation to 12.25% – 11.07% as of September 30, 2013 (3rd quarter 2013 results for the 401(k) Plan are found on page 12 and the January 1, 2013 thru September 30, 2013 results are found on page 13)
- 43 employers adopted the 457 Plan in 2013

Asset Allocation By Fund – 401(k) Plan

Investment Option	Asset Class	9/30/2010		# Participants Utilizing		9/30/2011		# Participants Utilizing		9/30/2012		9/30/2013	
		9/30/2010	%	9/30/2010	9/30/2011	%	9/30/2011	9/30/2012	%	9/30/2012	9/30/2013	%	9/30/2013
NC STABLE VALUE-401K	Stable Value	\$1,543,012,662	32.10%	157,371	\$1,655,185,966	33.35%	162,394	\$1,785,884,595	30.02%	167,685	\$1,844,941,046	26.70%	180,333
FIDELITY INTERMEDIATE BOND FUND	Fixed Income	\$7,756,150	0.16%	914	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
NORTH CAROLINA FIXED INCOME FUND	Fixed Income	\$328,108,236	6.83%	132,426	\$366,759,582	7.39%	121,117	\$436,539,192	7.34%	127,629	\$467,985,856	6.77%	139,675
NORTH CAROLINA FIXED INCOME INDEX	Fixed Income	\$98,106,262	2.04%	91,956	\$160,425,360	3.23%	85,276	\$217,410,365	3.65%	94,734	\$262,896,678	3.80%	107,742
FIDELITY BALANCED FUND	Balanced	\$229,717	0.00%	25	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY FREEDOM 2000	Balanced	\$2,098	0.00%	1	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY FREEDOM 2010	Balanced	\$7,584	0.00%	2	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY FREEDOM 2020	Balanced	\$2,733	0.00%	2	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY FREEDOM INCOME	Balanced	\$1,468	0.00%	1	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
INVESCO VAN KAMPEN EQUITY AND INCOME FUND A	Balanced	\$8,425,695	0.18%	984	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
AMERICAN FUNDS GROWTH FUND OF AMER R4	Large-Cap Stock	\$17,491,148	0.36%	1,676	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FEDERATED CAPITAL APPRECIATION FUND	Large-Cap Stock	\$3,521	0.00%	3	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY EQUITY INCOME FUND	Large-Cap Stock	\$2,076,141	0.04%	82	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY MAGELLAN FUND	Large-Cap Stock	\$6,446,253	0.13%	195	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
FIDELITY SPARTAN U.S. EQUITY INDEX	Large-Cap Stock	\$977,134	0.02%	58	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
INVESCO VAN KAMPEN GROWTH & INCOME FUND A	Large-Cap Stock	\$16,044,760	0.33%	1,556	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
NORTH CAROLINA LARGE CAP GROWTH FUND	Large-Cap Stock	\$529,961,584	11.02%	159,959	\$490,154,447	9.88%	166,617	\$608,279,352	10.22%	171,858	\$672,914,018	9.74%	186,819
NORTH CAROLINA LARGE CAP INDEX FUND	Large-Cap Stock	\$829,444,326	17.25%	162,954	\$732,093,410	14.75%	168,789	\$925,705,393	15.56%	174,075	\$948,384,149	13.72%	189,593
NORTH CAROLINA LARGE CAP VALUE FUND	Large-Cap Stock	\$557,568,874	11.60%	161,216	\$493,262,955	9.94%	167,373	\$616,404,041	10.36%	172,532	\$694,646,968	10.05%	188,061
PUTNAM MULTI-CAP GROWTH FUND	Large-Cap Stock	\$237,096	0.00%	37	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
VANGUARD EQUITY INDEX PORTFOLIO	Large-Cap Stock	\$392	0.00%	2	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
GOLDMAN SACHS MID CAP VALUE FUND A	Mid-Cap Stock	\$5,851,887	0.12%	936	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
BB&T STERLING CAPITAL SMALL CAP VALUE CLASS I	Small-Cap Stock	\$98,433	0.00%	24	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
NORTH CAROLINA SMID CAP INDEX FUND	Small-Cap Stock	\$219,339,889	4.56%	119,708	\$249,161,154	5.02%	128,693	\$320,982,655	5.39%	136,306	\$176,546,560	2.55%	25,701
NORTH CAROLINA SMID GROWTH FUND	Small-Cap Stock	\$69,812,037	1.45%	96,509	\$78,835,126	1.59%	107,045	\$103,649,799	1.74%	116,287	\$232,481,523	3.36%	131,297
NORTH CAROLINA SMID VALUE FUND	Small-Cap Stock	\$127,609,288	2.65%	108,653	\$128,246,718	2.58%	118,070	\$168,942,889	2.84%	126,350	\$317,948,442	4.60%	141,363
OPPENHEIMER MAIN STREET SMALL & MID CAP A	Small-Cap Stock	\$6,250,028	0.13%	1,016	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
PUTNAM CAPITAL OPPORTUNITIES FUND	Small-Cap Stock	\$4,452	0.00%	3	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
AMERICAN FUNDS EUROPAFCIF GROWTH FUND R4	Global/Intl Stock	\$13,783,379	0.29%	1,267	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
NORTH CAROLINA GLOBAL EQUITY FUND	Global/Intl Stock	\$113,515,569	2.36%	96,183	\$112,121,881	2.26%	106,485	\$145,588,535	2.45%	115,616	\$574,185,471	8.31%	130,525
NORTH CAROLINA INTERNATIONAL FUND	Global/Intl Stock	\$211,800,274	4.41%	119,838	\$301,046,313	6.07%	128,438	\$364,914,572	6.13%	135,654	\$428,607,354	6.20%	150,188
NORTH CAROLINA INTERNATIONAL INDEX FUND	Global/Intl Stock	\$93,115,489	1.94%	96,632	\$195,359,494	3.94%	107,064	\$255,589,977	4.30%	116,113	\$27,319,126	0.40%	5,497
T. ROWE PRICE INTERNATIONAL STOCK FUND	Global/Intl Stock	\$195,857	0.00%	17	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0
NC INFLATION RESPONSIVE FUND	Specialty	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0	\$261,215,066	3.78%	121,999
Total Plan Assets		\$4,807,280,412	100.00%		\$4,962,652,406	100.00%		\$5,949,891,363	100.00%		\$6,910,072,258	100.00%	

The funds highlighted in yellow denote current funds in the Plan's line up.

Assets reflect actual participant account balances and do not include expense account assets.

Asset Allocation By Fund – 457 Plan

Investment Option	Asset Class	9/30/2010		# Participants Utilizing		9/30/2011		# Participants Utilizing		9/30/2012		# Participants Utilizing		9/30/2013	
		Asset Class	9/30/2010	%	9/30/2010	9/30/2011	%	9/30/2011	9/30/2012	%	9/30/2012	9/30/2013	%	9/30/2013	
NC STABLE VALUE-457	Stable Value	\$336,256,536	44.60%	27,119	\$358,357,317	46.53%	30,213	\$376,321,153	41.94%	33,522	\$389,536,801	37.97%	40,184		
NORTH CAROLINA FIXED INCOME FUND	Fixed Income	\$45,010,747	5.97%	13,538	\$52,009,558	6.75%	16,940	\$62,439,764	6.96%	20,865	\$62,889,266	6.13%	27,211		
NORTH CAROLINA FIXED INCOME INDEX	Fixed Income	\$3,552,839	0.47%	5,650	\$11,584,525	1.50%	10,219	\$19,588,174	2.18%	14,838	\$23,300,452	2.27%	21,282		
PIMCO TOTAL RETURN FUND ADMIN	Fixed Income	\$3,161,233	0.42%	212	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
AMERICAN FUNDS AMERICAN BALANCED A	Balanced	\$1,355,799	0.18%	109	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
DODGE & COX STOCK FUND	Large-Cap Stock	\$3,745,239	0.50%	285	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
FIDELITY CONTRAFUND	Large-Cap Stock	\$7,261,837	0.96%	347	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
FIDELITY EQUITY INCOME FUND	Large-Cap Stock	\$3,213,118	0.43%	184	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
NORTH CAROLINA LARGE CAP GROWTH FUND	Large-Cap Stock	\$68,013,178	9.02%	19,682	\$69,401,530	9.01%	24,036	\$85,031,442	9.48%	28,117	\$98,694,262	9.62%	35,734		
NORTH CAROLINA LARGE CAP INDEX FUND	Large-Cap Stock	\$81,868,020	10.86%	14,997	\$83,121,658	10.79%	19,829	\$104,857,714	11.69%	24,354	\$115,751,970	11.28%	32,021		
NORTH CAROLINA LARGE CAP VALUE FUND	Large-Cap Stock	\$67,174,258	8.91%	19,307	\$65,795,816	8.54%	23,568	\$80,682,241	8.99%	27,618	\$96,167,646	9.37%	35,289		
T. ROWE PRICE BLUE CHIP GROWTH FUND	Large-Cap Stock	\$2,773,639	0.37%	246	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
ARTISAN MID CAP FUND INV	Mid-Cap Stock	\$1,610,081	0.21%	185	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
LORD ABBETT MID CAP VALUE FUND	Mid-Cap Stock	\$1,074,542	0.14%	185	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
BARON SMALL CAP	Small-Cap Stock	\$608,337	0.08%	125	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
NORTH CAROLINA SMID CAP INDEX FUND	Small-Cap Stock	\$6,754,069	0.90%	6,423	\$9,875,049	1.28%	12,217	\$15,731,977	1.75%	17,396	\$11,523,650	1.12%	1,276		
NORTH CAROLINA SMID GROWTH FUND	Small-Cap Stock	\$23,755,309	3.15%	15,939	\$24,153,229	3.14%	20,491	\$30,835,226	3.44%	24,787	\$46,004,764	4.48%	32,258		
NORTH CAROLINA SMID VALUE FUND	Small-Cap Stock	\$38,700,747	5.13%	16,452	\$36,009,596	4.68%	20,938	\$47,546,025	5.30%	25,228	\$67,789,698	6.61%	32,732		
T. ROWE PRICE SMALL-CAP VALUE	Small-Cap Stock	\$2,062,134	0.27%	230	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
AMERICAN FUNDS EUROPA CIFIC GROWTH FUND A	Global/Intl Stock	\$3,899,380	0.52%	318	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0		
NORTH CAROLINA GLOBAL EQUITY FUND	Global/Intl Stock	\$4,023,076	0.53%	6,227	\$5,677,972	0.74%	11,917	\$8,901,361	0.99%	17,078	\$32,849,237	3.20%	24,654		
NORTH CAROLINA INTERNATIONAL FUND	Global/Intl Stock	\$42,967,015	5.70%	17,113	\$43,897,470	5.70%	21,517	\$49,785,671	5.55%	25,666	\$57,541,848	5.61%	33,077		
NORTH CAROLINA INTERNATIONAL INDEX FUND	Global/Intl Stock	\$5,016,612	0.67%	6,383	\$10,259,972	1.33%	12,115	\$15,472,993	1.72%	17,244	\$7,483,846	0.73%	1,037		
NC INFLATION RESPONSIVE FUND	Specialty	\$0	0.00%	0	\$0	0.00%	0	\$0	0.00%	0	\$16,440,361	1.60%	22,884		
Total Plan Assets		\$753,857,745	100.00%		\$770,143,691	100.00%		\$897,193,742	100.00%		\$1,025,973,802	100.00%			

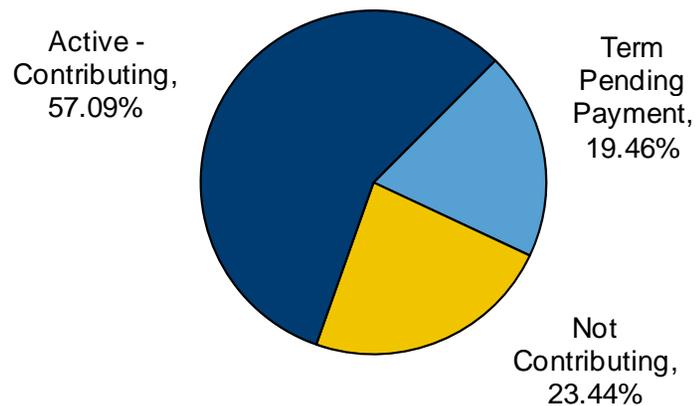
The funds highlighted in yellow denote current funds in the Plan's line up.

Assets reflect actual participant account balances and do not include expense account assets.

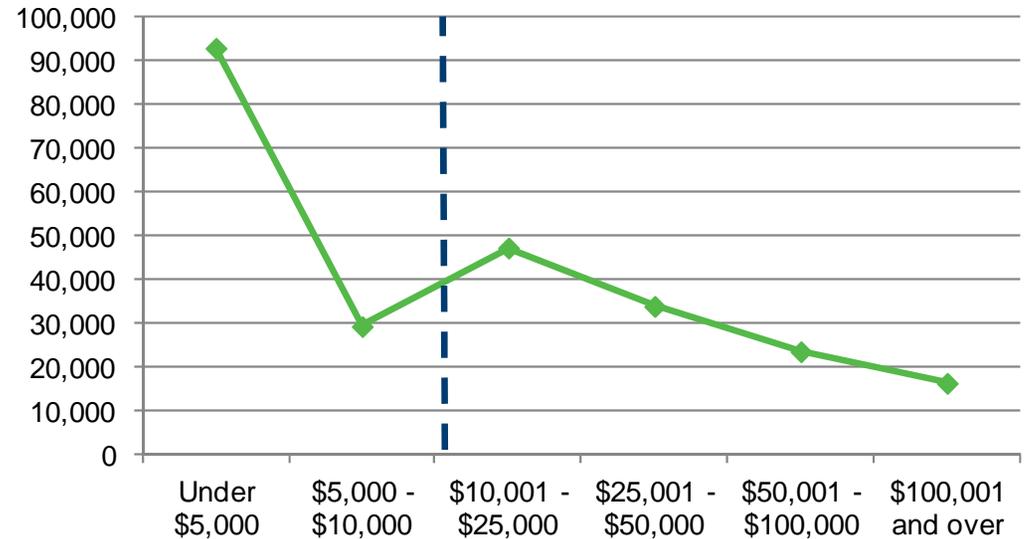
401(k) Plan				
	3Q 2012	3Q 2013	Difference #	Difference %
Members with an Account Balance	229,100	242,450	13,350	5.83%
Average Account Balance	\$25,971	\$28,501	\$2,530	9.74%
Median Account Balance	\$9,674	\$9,866	\$192	1.98%

401(k) Plan Percentage Gain						
	Assets (9/30/2012)	Contributions	Distributions	Earnings	Assets (9/30/2013)	Percentage Gain
NC 401(k) Plan	\$5,949,891,363	\$468,734,400	\$329,296,307	\$820,742,802	\$6,910,072,258	13.48%

401(k) Member Breakdown



of Members

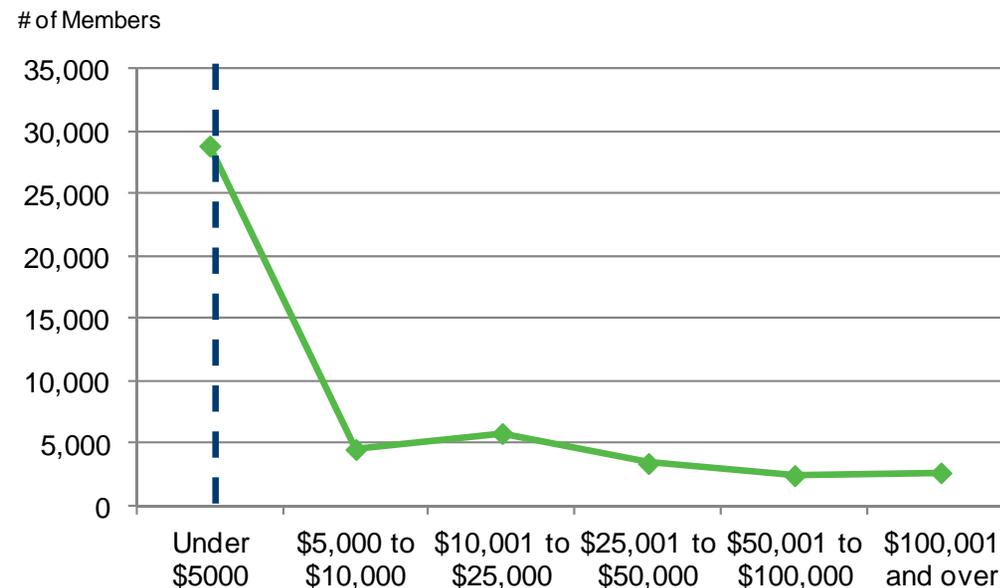
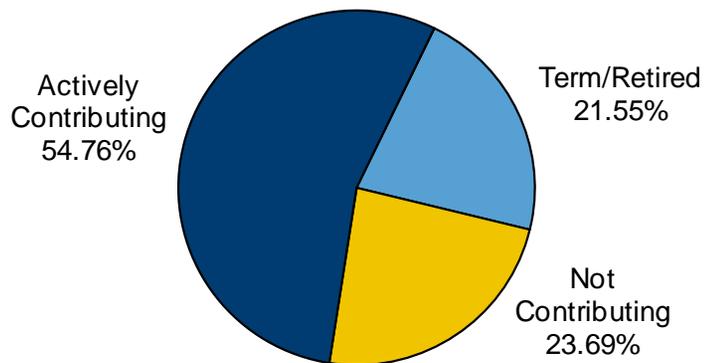


Member breakdown reflects status on recordkeeping system updated from limited indicative data received from employers which may cause the active status to be inflated

457 Plan				
	3Q 2012	3Q 2013	Difference #	Difference %
Members with an Account Balance	39,347	47,616	8,269	21.02%
Average Account Balance	\$22,802	\$21,547	(\$1,255)	-5.50%
Median Account Balance	\$3,490	\$2,344	(\$1,146)	-32.84%

457 Plan Percentage Gain						
	Assets (9/30/2012)	Contributions	Distributions	Earnings	Assets (9/30/2013)	Percentage Gain
NC 457 Plan	\$897,193,742	\$66,471,917	\$51,703,014	\$114,011,157	\$1,025,973,802	12.50%

457 Member Breakdown



Member breakdown reflects status on recordkeeping system updated from limited indicative data received from employers which may cause the active status to be inflated

401(k) Plan Quarterly Enrollments & Contribution Changes & 401(k) Plan Quarterly Enrollments & Contribution Change Method

401(k) Plan Quarterly Enrollments & Contribution Changes							
	3Q 2010	3Q 2011	3Q 2011 % of Change	3Q 2012	3Q 2012 % of Change	3Q 2013	3Q 2013 % of Change
Enrollments	3,571	3,398	-5.09%	4,332	27.49%	4,360	0.65%
% of New Hires Enrolled in Plan	34.95%	32.84%	-6.44%	25.13%	-23.48%	34.79%	38.44%
GoalMaker Elections	2,829	3,052	7.31%	3,723	21.99%	3,973	6.29%
Contribution Changes							
Deferral Decreases	2,231	2,502	10.83%	2,376	-5.04%	4,125	73.61%
Deferral Increases	3,374	3,705	8.93%	5,089	37.35%	7,241	42.29%
Pre-tax Participation Rate	23.12%	22.80%	-1.40%	20.64%	-9.47%	20.56%	-0.39%
Roth Participation Rate	3.65%	4.81%	24.12%	5.10%	6.03%	6.19%	21.37%
Voluntary (Employee & Roth) Participation Rate	25.37%	25.91%	2.08%	24.22%	-6.52%	24.97%	3.10%

401(k) Plan Quarterly Enrollments & Contribution Change Method				
	3Q 2010	3Q 2011	3Q 2012	3Q 2013
Method of Enrollment				
Paper Form	85.56%	78.34%	80.66%	82.05%
Pseudo Enrollment	10.77%	17.83%	15.36%	14.92%
Internet	3.67%	3.83%	3.98%	3.03%
Method of Contribution Change				
Internet	88.67%	83.51%	91.50%	97.54%
Paper Form	7.46%	14.52%	7.19%	1.96%
Participant Service Center	3.23%	1.31%	0.82%	0.17%
VRU	0.63%	0.66%	0.49%	0.34%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported. As a result, the participation results will vary.

401(k) Plan YTD Enrollments & Contribution Changes & 401(k) Plan YTD Enrollments & Contribution Change Method

401(k) Plan YTD Enrollments & Contribution Changes							
	YTD 2010	YTD 2011	YTD 2011 % of Change	YTD 2012	YTD 2012 % of Change	YTD 2013	YTD 2013 % of Change
Enrollments	9,390	9,583	2.01%	10,479	9.35%	11,702	11.67%
% of New Hires Enrolled in Plan	44.70%	52.82%	15.36%	37.96%	-28.13%	47.21%	24.37%
GoalMaker Elections	7,108	8,490	16.28%	9,183	8.16%	10,484	14.17%
Contribution Changes							
Deferral Decreases	5,868	6,247	6.07%	6,022	-3.60%	8,898	47.76%
Deferral Increases	10,169	12,251	16.99%	13,505	10.24%	19,651	45.51%
Pre-tax Participation Rate	24.87%	24.45%	-1.72%	22.17%	-9.33%	22.12%	-0.23%
Roth Participation Rate	3.93%	5.15%	23.69%	5.49%	6.60%	6.63%	20.77%
Voluntary (Employee & Roth) Participation Rate	27.18%	27.67%	1.77%	26.74%	-3.36%	26.74%	0.00%

401(k) Plan YTD Enrollments & Contribution Change Method				
	YTD 2010	YTD 2011	YTD 2012	YTD 2013
Method of Enrollment				
Paper Form	91.75%	77.58%	81.18%	82.44%
Pseudo Enrollment	5.10%	18.53%	15.51%	14.04%
Internet	3.15%	3.89%	3.31%	3.52%
Method of Contribution Change				
Internet	89.96%	84.93%	90.18%	97.61%
Paper Form	6.69%	12.44%	8.50%	1.84%
Participant Service Center	2.68%	1.96%	0.78%	0.20%
VRU	0.67%	0.66%	0.54%	0.35%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported. As a result, the participation results will vary.

457 Plan Quarterly Enrollments & Contribution Changes & 457 Plan Quarterly Enrollments & Contribution Change Method

457 Plan Quarterly Enrollments & Contribution Changes							
	3Q 2010	3Q 2011	3Q 2011 % of Change	3Q 2012	3Q 2012 % of Change	3Q 2013	3Q 2013 % of Change
Enrollments	1,308	1,568	19.88%	1,864	18.88%	2,351	26.13%
% of New Hires Enrolled in Plan	32.34%	25.52%	-21.09%	18.24%	-28.50%	32.65%	78.95%
GoalMaker Elections	1,186	1,411	18.97%	1,684	19.35%	2,149	27.61%
Contribution Changes							
Deferral Decreases	338	457	35.21%	460	0.66%	598	30.00%
Deferral Increases	472	751	59.11%	765	1.86%	1,198	56.60%
Pre-tax Participation Rate	10.04%	10.43%	3.88%	9.23%	-11.51%	10.05%	8.88%
Roth Participation Rate	N/A	0.50%	100.00%	0.56%	12.00%	0.90%	60.71%
Voluntary (Employee & Roth) Participation Rate	10.04%	10.49%	4.48%	9.33%	-11.06%	10.30%	10.40%

457 Plan Quarterly Enrollments & Contribution Change Method				
	3Q 2010	3Q 2011	3Q 2012	3Q 2013
Method of Enrollment				
Paper Form	94.95%	95.22%	93.11%	90.92%
Pseudo Enrollment	1.30%	0.77%	1.52%	3.85%
Internet	3.75%	4.02%	5.37%	5.22%
Method of Contribution Change				
Internet	88.05%	81.61%	96.82%	96.29%
Paper Form	7.79%	15.82%	1.51%	3.41%
Participant Service Center	3.64%	2.24%	1.27%	0.13%
VRU	0.52%	0.33%	0.40%	0.17%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported. As a result, the participation results will vary.

457 Plan YTD Enrollments & Contribution Changes & 457 Plan YTD Enrollments & Contribution Change Method

457 Plan YTD Enrollments & Contribution Changes							
	2010	2011	2011 % of Change	2012	2012 % of Change	2013	2013 % of Change
Enrollments	3,399	4,506	32.57%	4,897	8.68%	6,226	27.14%
% of New Hires Enrolled in Plan	34.25%	42.98%	25.46%	29.77%	-30.74%	36.14%	21.41%
GoalMaker Elections	2,993	4,045	35.15%	4,411	9.05%	5,624	27.50%
Contribution Changes							
Deferral Decreases	881	1,157	131.33%	1,302	12.53%	755	-42.01%
Deferral Increases	1,499	2,366	57.84%	2,568	8.54%	3,846	49.77%
Pre-tax Participation Rate	10.70%	11.10%	3.74%	11.02%	-0.72%	10.81%	-1.91%
Roth Participation Rate	N/A	0.51%	100.00%	0.60%	17.65%	0.89%	48.33%
Voluntary (Employee & Roth) Participation Rate	10.70%	11.16%	4.30%	11.07%	-0.81%	11.07%	0.00%

457 Plan YTD Enrollments & Contribution Change Method				
	2010	2011	2012	2013
Method of Enrollment				
Paper Form	84.31%	79.57%	82.95%	91.97%
Pseudo Enrollment	10.58%	14.15%	11.64%	1.87%
Internet	5.11%	6.29%	5.41%	6.16%
Method of Contribution Change				
Internet	89.99%	83.91%	91.51%	97.60%
Paper Form	6.77%	13.21%	6.98%	1.75%
Participant Service Center	2.76%	2.56%	1.16%	0.41%
VRU	0.48%	0.32%	0.35%	0.24%

Participation rates for YTD and quarter are based on the population actively contributing for the time period reported. As a result, the participation results will vary.

401(k) Contributions

	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Employee Contributions	\$51,594,806	\$52,500,115	1.75%	\$50,067,404	-4.63%	\$51,796,492	3.45%
Roth	\$4,660,068	\$5,630,973	20.83%	\$6,136,981	8.99%	\$7,293,012	18.84%
Total Employee Contributions	\$56,254,874	\$58,131,088	3.34%	\$56,204,385	-3.31%	\$59,089,504	5.13%
Employer Contributions	\$38,598,233	\$41,320,089	7.05%	\$41,532,526	0.51%	\$42,458,533	2.23%
Rollovers	\$8,550,433	\$11,464,119	34.08%	\$10,786,540	-5.91%	\$19,909,605	84.58%
Total Contributions	\$103,403,540	\$110,915,296	7.26%	\$108,523,451	-2.16%	\$121,457,641	11.92%
Average Voluntary Contributions	\$169	\$175	3.17%	\$170	-2.33%	\$176	3.45%
Average Roth Contributions	\$108	\$97	-9.52%	\$92	-5.81%	\$89	-3.11%
Average Employee Contributions	\$168	\$170	1.21%	\$164	-3.58%	\$166	1.26%

401(k) Contributions

	YTD 2010	YTD 2011	YTD 2011 Change %	YTD 2012	YTD 2012 Change %	YTD 2013	YTD 2013 Change %
Voluntary Contributions	\$162,648,973	\$162,343,152	-0.19%	\$159,893,065	-1.51%	\$159,262,935	-0.39%
Roth	\$13,809,833	\$16,354,313	18.43%	\$18,567,183	13.53%	\$21,373,640	15.12%
Total Employee Contributions	\$176,458,806	\$178,697,465	1.27%	\$178,460,249	-0.13%	\$180,636,576	1.22%
Employer Contributions	\$117,264,824	\$117,806,754	0.46%	\$120,597,058	2.37%	\$124,224,043	3.01%
Rollovers	\$24,693,355	\$27,683,965	12.11%	\$28,264,425	2.10%	\$45,393,570	60.60%
Total Contributions	\$318,416,985	\$324,188,184	1.81%	\$327,321,732	0.97%	\$350,254,189	7.01%
Average Voluntary Contributions	\$167	\$168	0.48%	\$167	-0.74%	\$169	1.30%
Average Roth Contributions	\$99	\$89	-9.76%	\$86	-3.91%	\$81	-5.73%
Average Employee Contributions	\$166	\$164	-1.30%	\$161	-2.05%	\$159	-0.95%

Average contributions for YTD and the quarter are based on the population actively contributing for the time period reported. As a result, the average contribution amounts will vary.

North Carolina Supplemental Retirement Plans

457 Contributions

	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Voluntary Contributions	\$10,415,902	\$11,383,842	9.29%	\$12,135,674	6.60%	\$13,411,459	10.51%
Roth	\$0	\$86,047	100.00%	\$272,700	216.92%	\$557,375	104.39%
Total Employee Contributions	\$10,415,902	\$11,469,889	10.12%	\$12,408,374	100.00%	\$13,968,834	12.58%
Employer Contributions	\$0	\$0	0.00%	\$0	0.00%	\$12,546	100.00%
Rollovers	\$2,104,752	\$3,595,735	70.84%	\$2,891,351	-19.59%	\$2,950,248	2.04%
Total Contributions	\$12,520,654	\$15,065,624	20.33%	\$15,299,725	1.55%	\$16,931,627	10.67%
Average Voluntary Contributions	\$176	\$170	-3.03%	\$160	-5.90%	\$149	-7.29%
Average Roth Contributions	\$0	\$95	100.00%	\$119	25.31%	\$123	3.40%
Average Employee Contributions	\$176	\$170	-3.02%	\$161	-5.35%	\$151	-6.32%

457 Contributions

	2010	2011	2011 Change %	2012	2012 Change %	2013	2013 Change %
Voluntary Contributions	\$31,002,105	\$33,255,579	7.27%	\$35,110,240	5.58%	\$39,395,264	12.20%
Roth	\$0	\$119,623	100.00%	\$621,867	419.86%	\$1,513,552	143.39%
Total Employee Contributions	\$31,002,105	\$33,375,202	7.65%	\$35,732,107	7.06%	\$40,908,816	14.49%
Employer Contributions	\$0	\$0	0.00%	\$0	0.00%	\$12,546	100.00%
Rollovers	\$4,964,341	\$9,603,268	93.44%	\$9,797,855	2.03%	\$8,709,543	-11.11%
Total Contributions	\$35,966,446	\$42,978,470	19.50%	\$45,529,962	5.94%	\$49,618,360	8.98%
Average Voluntary Contributions	\$169	\$155	-8.21%	\$144	-7.24%	\$136	-5.54%
Average Roth Contributions	\$0	\$42	100.00%	\$82	92.95%	\$102	24.21%
Average Employee Contributions	\$169	\$155	-8.33%	\$144	-6.87%	\$138	-4.44%

Average contributions for YTD and the quarter are based on the population actively contributing for the time period reported. As a result, the average contribution amounts will vary.

401(k) GoalMaker Participation

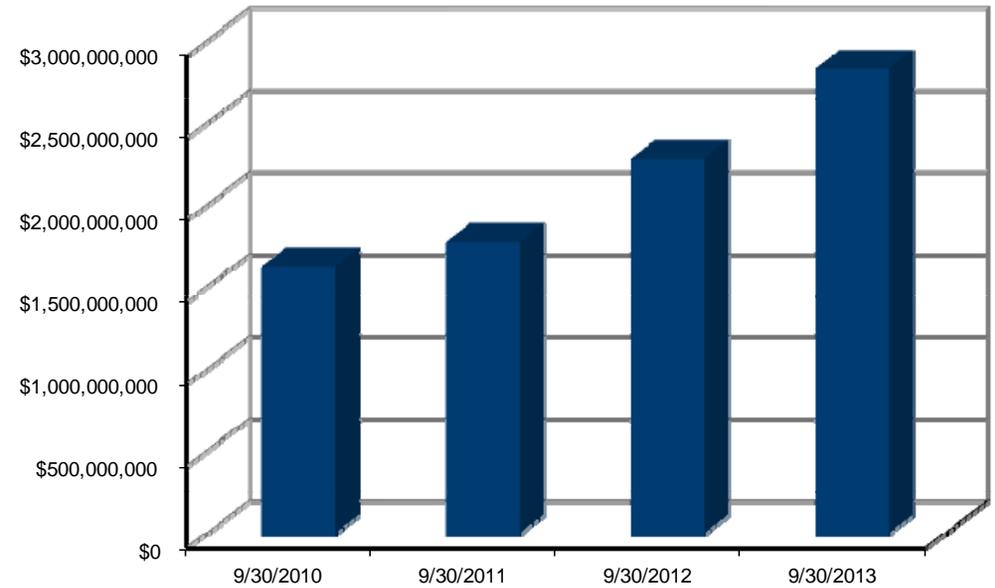
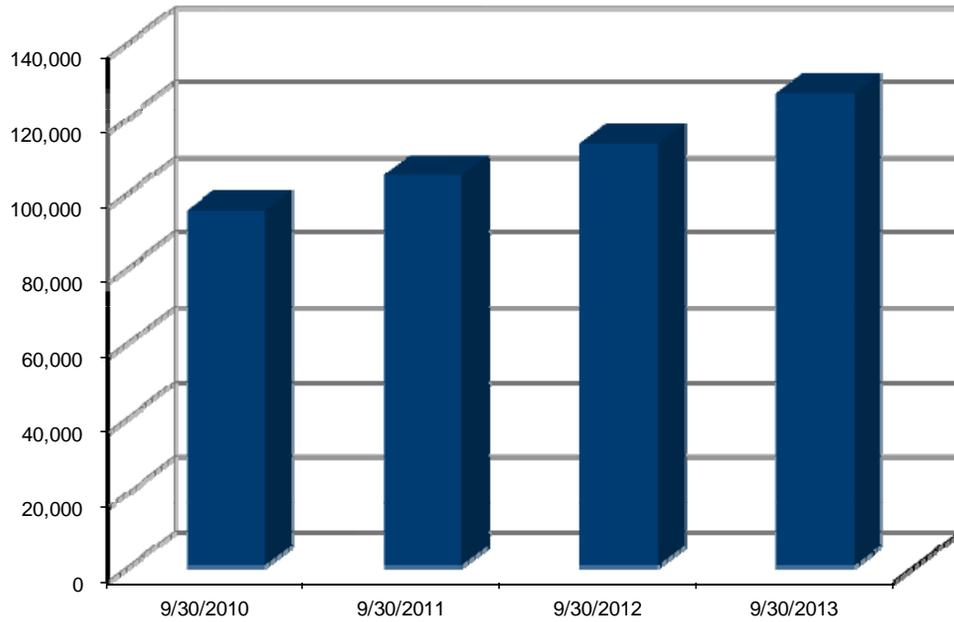
	9/30/2010	9/30/2011	9/30/2012	9/30/2013
Total Plan Assets in GoalMaker	\$1,625,716,097	\$1,773,288,834	\$2,284,726,758	\$2,828,730,848
Total # of Participants in GoalMaker	95,063	104,382	112,838	126,051
Year to Date % of New Enrollments w ith GoalMaker Election	78.96%	88.01%	87.74%	89.77%
Total Participation Rate	42.87%	46.29%	49.55%	51.97%
Prudential's Book of Business GoalMaker Average Participation Rate*	33.61%	38.14%	41.08%	43.90%
Total % of Assets	33.82%	35.74%	38.41%	40.95%

Participant Age Range	Conservative	Moderate	Aggressive	Total
Age 18-29	4,405	8,133	4,257	16,795
Age 30-39	7,113	15,644	10,250	33,007
Age 40-49	7,262	16,797	10,322	34,381
Age 50-59	7,842	14,501	5,852	28,195
Age 60-69	4,213	5,520	2,136	11,869
Age 70+	401	406	202	1,009
No DOB	74	673	48	795
Total	31,310	61,674	33,067	126,051

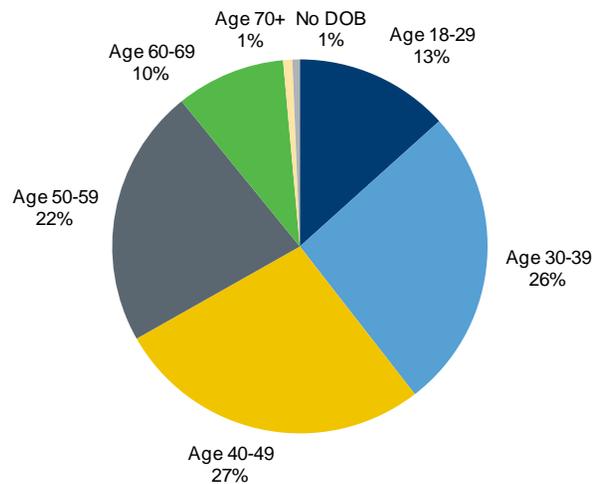
Participant Age Range	Conservative	Moderate	Aggressive	Total
Age 18-29	\$17,524,072	\$39,739,468	\$33,683,539	\$90,947,079
Age 30-39	\$58,088,498	\$189,753,922	\$200,225,779	\$448,068,199
Age 40-49	\$107,050,262	\$365,567,969	\$375,888,913	\$848,507,144
Age 50-59	\$189,425,836	\$447,596,243	\$264,901,215	\$901,923,294
Age 60-69	\$149,150,346	\$231,129,038	\$108,396,128	\$488,675,512
Age 70+	\$18,018,129	\$20,330,333	\$10,526,665	\$48,875,127
No DOB	\$307,181	\$1,213,298	\$214,013	\$1,734,493
Total	\$539,564,325	\$1,295,330,271	\$993,836,252	\$2,828,730,848

*Prudential's Defined Contribution book of business averages.

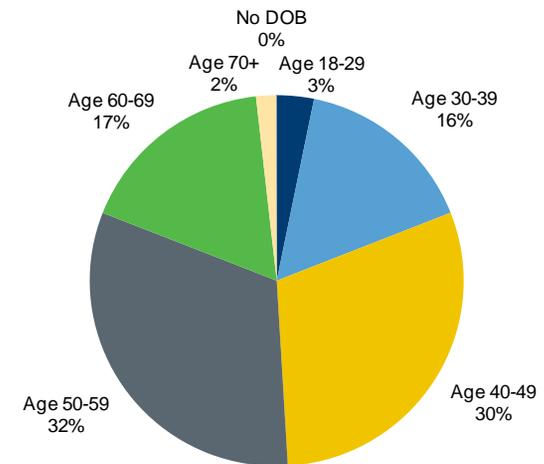
401(k) GoalMaker Participation



Participation by Age Range



Assets by Age Range



457 GoalMaker Participation

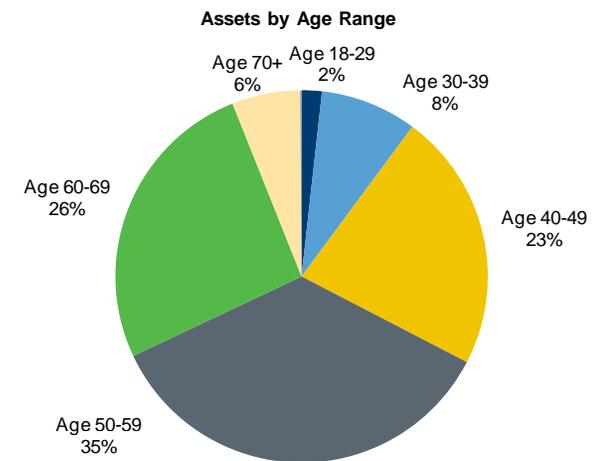
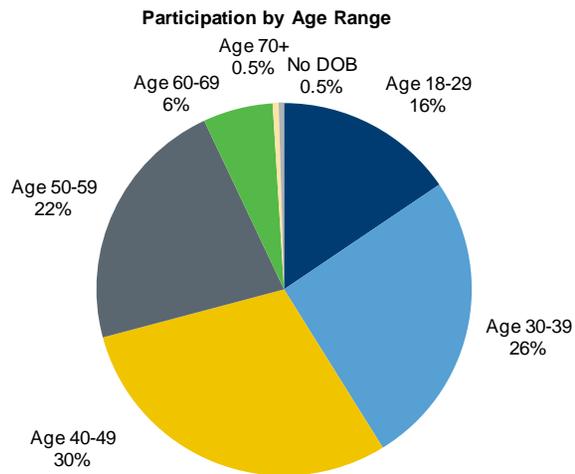
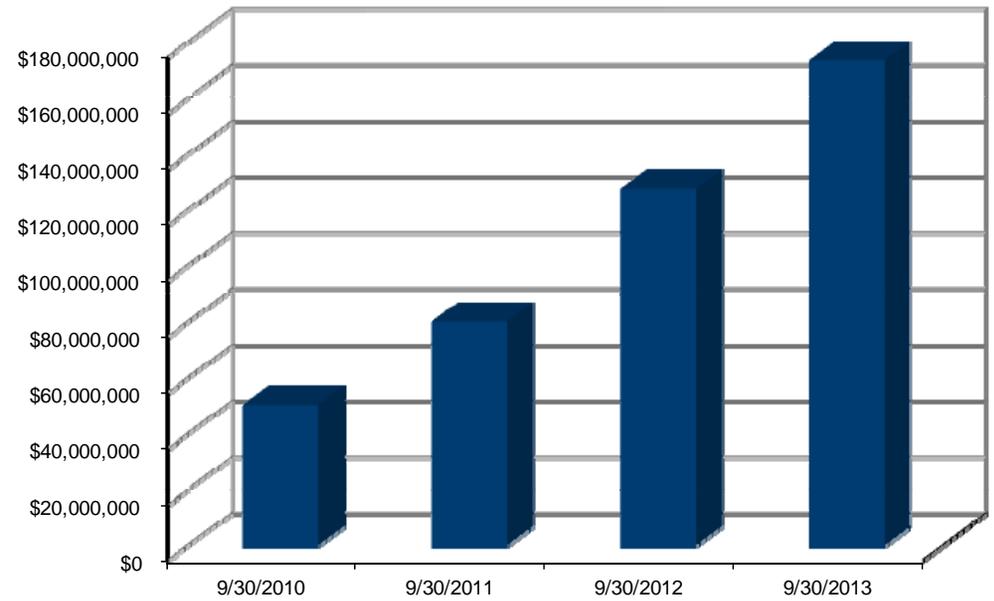
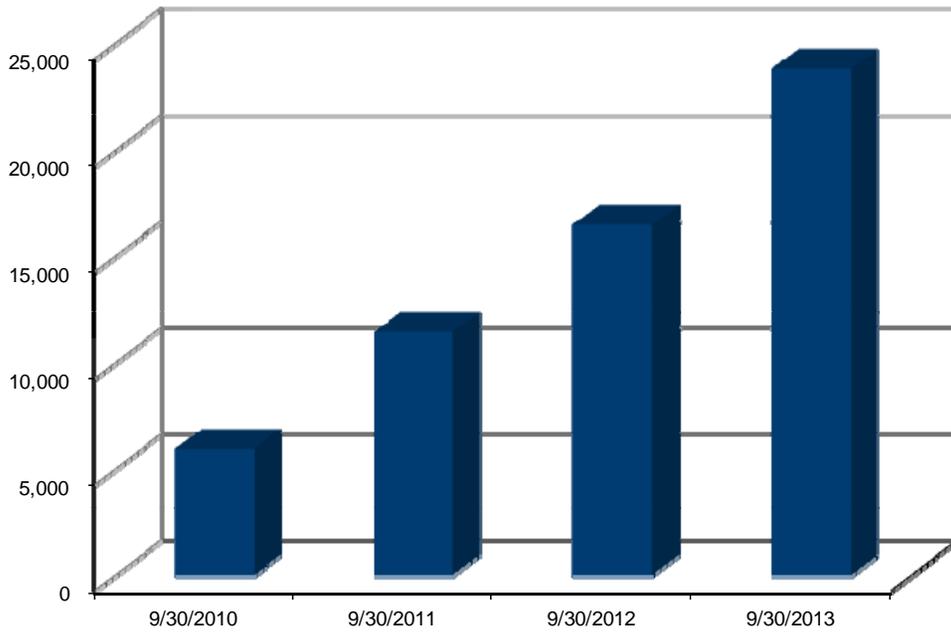
	9/30/2010	9/30/2011	9/30/2012	9/30/2013
Total Plan Assets in GoalMaker	\$50,590,525	\$80,274,027	\$127,759,403	\$173,540,523
Total # of Participants in GoalMaker	5,943	11,450	16,478	23,799
Year to Date % of New Enrollments with GoalMaker Election	88.83%	90.12%	88.97%	90.55%
Total Participation Rate	18.82%	32.37%	41.98%	49.97%
Prudential's Book of Business GoalMaker Average Participation Rate*	33.61%	38.14%	41.08%	43.90%
Total % of Assets	6.71%	10.42%	14.24%	16.92%

Participant Age Range	Conservative	Moderate	Aggressive	Total
Age 18-29	1,138	1,670	887	3,695
Age 30-39	1,712	2,774	1,611	6,097
Age 40-49	2,074	3,301	1,696	7,071
Age 50-59	1,871	2,493	902	5,266
Age 60-69	634	576	228	1,438
Age 70+	53	50	19	122
No DOB	36	60	14	110
Total	7,518	10,924	5,357	23,799

Participant Age Range	Conservative	Moderate	Aggressive	Total
Age 18-29	\$574,216	\$1,286,135	\$1,164,232	\$3,024,583
Age 30-39	\$1,742,489	\$6,238,311	\$6,552,991	\$14,533,792
Age 40-49	\$5,586,565	\$17,450,998	\$16,049,290	\$39,086,854
Age 50-59	\$14,632,800	\$30,316,732	\$16,350,797	\$61,300,328
Age 60-69	\$15,922,368	\$19,330,480	\$9,873,230	\$45,126,078
Age 70+	\$3,329,664	\$4,556,396	\$2,391,484	\$10,277,544
No DOB	\$54,147	\$131,181	\$6,015	\$191,343
Total	\$41,842,250	\$79,310,233	\$52,388,039	\$173,540,523

*Prudential's Defined Contribution book of business averages.

457 GoalMaker Participation



Loan Information

In 2010, 28% of participants reported having an outstanding loan.

Source: "More raid retirement accounts to pay bills," Washington Post Michael A. Fletcher, January 15, 2013

401(k) YTD Loans					
	2010	2011	2012	2013	Change %
% of Members in Plan with a Loan	19.97%	20.55%	20.71%	19.70%	-4.88%
# of Outstanding Loans	44,295	46,348	47,440	47,784	0.73%
# of New Loans for the Period	14,145	13,352	12,675	12,981	2.41%
Average Loan Balance	\$5,094	\$5,390	\$5,514	\$5,705	3.47%
Total Outstanding Loan Balance	\$225,620,285	\$249,794,599	\$261,567,366	\$272,607,113	4.22%

In 2011, 15% of participants have an outstanding loan.

Source: "PLAN SPONSOR Defined Contribution Survey," 2012 Industry Report 457 Plans

457 YTD Loans					
	2010	2011	2012	2013	Change %
% of Members in Plan with a Loan	12.06%	12.27%	12.06%	10.94%	-9.29%
# of Outstanding Loans	3,809	4,341	4,744	5,207	9.76%
# of New Loans for the Period	1,335	1,380	1,415	1,579	11.59%
Average Loan Balance	\$2,907	\$3,048	\$3,058	\$3,105	1.53%
Total Outstanding Loan Balance	\$11,073,192	\$13,229,875	\$14,507,851	\$16,166,650	11.43%

401(k) Disbursements – Quarterly

One in Four American workers with 401(k) and other retirement savings accounts use them to pay current expenses.

Source: "More raid retirement accounts to pay bills," Washington Post Michael A. Fletcher, January 15, 2013

401(k) Disbursements							
	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Term - Lump Sum	\$37,793,633	\$48,057,251	27.16%	\$57,116,574	18.85%	\$68,332,002	19.64%
In-Service	\$11,697,515	\$13,401,687	14.57%	\$15,536,156	15.93%	\$15,374,346	-1.04%
State Retirement System	\$6,858,267	\$7,253,677	5.77%	\$5,697,298	-21.46%	\$4,326,520	-24.06%
Hardship	\$1,993,062	\$2,056,185	3.17%	\$1,919,531	-6.65%	\$2,241,712	16.78%
Systematic	\$1,688,242	\$1,902,233	12.68%	\$1,982,031	4.19%	\$2,348,782	18.50%
Total Disbursements	\$60,030,720	\$72,671,034	21.06%	\$82,251,590	13.18%	\$92,623,363	12.61%

401(k) Disbursements							
	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Term – Lump Sum	3,509	4,055	15.56%	3,760	-7.27%	6,348	68.83%
In-Service	1,370	1,602	16.93%	2,131	33.02%	1,974	-7.37%
State Retirement System	249	200	-19.68%	243	21.50%	212	-12.76%
Hardship	762	812	6.56%	749	-7.76%	747	-0.27%
Systematic	2,096	2,369	13.02%	2,778	17.26%	2,984	7.42%
Total Disbursements	7,986	9,038	13.17%	9,661	6.89%	12,265	26.95%

401(k) Disbursements – Year to Date

401(k) Disbursements							
	2010	2011	2011 Change %	2012	2012 Change %	2013	2013 Change %
Term - Lump Sum	\$101,431,477	\$135,153,688	33.25%	\$158,868,319	17.55%	\$193,469,779	21.78%
In-Service	\$32,740,965	\$37,746,944	15.29%	\$40,551,974	7.43%	\$32,999,167	-18.63%
State Retirement System	\$18,755,379	\$23,528,424	25.45%	\$18,105,852	-23.05%	\$11,477,125	-36.61%
Hardship	\$5,066,482	\$4,675,228	-7.72%	\$4,680,124	0.10%	\$5,318,629	13.64%
Systematic	\$6,154,982	\$6,007,100	-2.40%	\$6,098,159	1.52%	\$6,885,588	12.91%
Total Disbursements	\$164,149,284	\$207,111,384	26.17%	\$228,304,428	10.23%	\$250,150,289	9.57%

401(k) Disbursements							
	2010	2011	2011 Change %	2012	2012 Change %	2013	2013 Change %
Term – Lump Sum	9,300	11,575	24.46%	11,684	0.94%	14,984	28.24%
In-Service	4,093	4,541	10.95%	5,328	17.33%	5,341	0.24%
State Retirement System	575	672	16.87%	597	-11.16%	438	-26.63%
Hardship	1,859	1,910	2.74%	1,821	-4.66%	1,895	4.06%
Systematic	6,577	6,970	5.98%	7,852	12.65%	9,043	15.17%
Total Disbursements	22,404	25,668	14.57%	27,282	6.29%	31,701	16.20%

457 Disbursements – Quarterly

457 Disbursements							
	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Term - Lump Sum	\$7,622,965	\$9,718,110	27.48%	\$7,910,926	-18.60%	\$12,808,970	61.91%
In-Service	\$39,124	\$48,493	23.95%	\$350,821	623.45%	\$201,342	-42.61%
State Retirement System	\$189,603	\$587,869	210.05%	\$221,827	-62.27%	\$132,342	-40.34%
Hardship	\$131,173	\$158,217	20.62%	\$99,740	-36.96%	\$178,894	79.36%
Systematic	\$989,919	\$1,240,252	25.29%	\$1,190,998	-3.97%	\$1,310,773	10.06%
Total Disbursements	\$8,972,783	\$11,752,941	30.98%	\$9,774,312	-16.84%	\$14,632,321	49.70%

457 Disbursements							
	3Q 2010	3Q 2011	3Q 2011 Change %	3Q 2012	3Q 2012 Change %	3Q 2013	3Q 2013 Change %
Term – Lump Sum	1,253	1,179	-5.91%	835	-29.18%	2,196	162.99%
In-Service	14	20	42.86%	112	460.00%	22	-80.36%
State Retirement System	10	7	-30.00%	11	57.14%	9	-18.18%
Hardship	83	99	19.28%	87	-12.12%	112	28.74%
Systematic	1,229	1,202	-2.20%	1,466	21.96%	1,587	8.25%
Total Disbursements	2,589	2,507	-3.17%	2,511	0.16%	3,926	56.35%

457 Disbursements – Year to Date

457 Disbursements							
	2010	2011	2011 Change %	2012	2012 Change %	2013	2013 Change %
Term - Lump Sum	\$21,642,004	\$27,274,896	26.03%	\$29,483,769	8.10%	\$32,425,005	9.98%
In-Service	\$59,488	\$375,572	531.34%	\$563,749	50.10%	\$1,977,751	250.82%
State Retirement System	\$469,318	\$1,099,969	134.38%	\$592,717	-46.12%	\$4,153,111	600.69%
Hardship	\$281,630	\$404,629	43.67%	\$371,357	-8.22%	\$459,681	23.78%
Systematic	\$3,627,964	\$3,530,529	-2.69%	\$3,762,194	6.56%	\$3,948,564	4.95%
Total Disbursements	\$26,080,404	\$32,685,594	25.33%	\$34,773,786	6.39%	\$42,964,112	23.55%

457 Disbursements							
	2010	2011	2011 Change %	2012	2012 Change %	2013	2013 Change %
Term – Lump Sum	3,561	3,376	-5.20%	3,241	-4.00%	3,494	7.81%
In-Service	33	69	109.09%	154	123.19%	54	-64.94%
State Retirement System	23	33	43.48%	34	3.03%	21	-38.24%
Hardship	166	220	32.53%	255	15.91%	343	34.51%
Systematic	3,762	3,637	-3.32%	3,850	5.86%	4,791	24.44%
Total Disbursements	7,545	7,335	-2.78%	7,534	2.71%	8,703	15.52%

401(k) Plan Asset Allocation/Net Cash Flow July 1, 2013 to September 30, 2013

	18-29	30-39	40-49	50-59	60-69	70+	No DOB	TOTAL
Total Plan Assets	\$103,682,982	\$703,799,005	\$1,773,970,016	\$2,258,480,269	\$1,709,108,717	\$357,939,078	\$3,092,191	\$6,910,072,258
% Assets	1.50%	10.19%	25.67%	32.68%	24.73%	5.18%	0.04%	100.00%
Total Contributions	\$6,928,363	\$18,193,735	\$29,648,546	\$31,026,369	\$14,633,120	\$738,737	\$379,168	\$101,548,037
Rollovers In	\$326,232	\$1,253,572	\$3,711,028	\$7,011,520	\$7,021,688	\$501,050	\$84,514	\$19,909,605
Total Distributions including:	(\$1,281,462)	(\$5,702,565)	(\$11,053,987)	(\$28,018,350)	(\$38,983,801)	(\$7,599,233)	(\$14,801)	(\$92,654,199)
Rollovers Out	(\$390,113)	(\$2,159,291)	(\$5,342,438)	(\$15,936,457)	(\$24,195,215)	(\$3,373,975)	\$0	(\$51,397,489)
Cash Distributions	(\$891,349)	(\$3,543,274)	(\$5,711,549)	(\$12,081,893)	(\$14,788,586)	(\$4,225,258)	(\$14,801)	(\$41,256,710)
Net Cash Flow	\$5,973,133	\$13,744,742	\$22,305,587	\$10,019,539	(\$17,328,993)	(\$6,359,446)	\$448,880	\$28,803,442
Total Unique Participants	19,026	48,664	67,389	62,738	36,322	6,848	1,463	242,450
Avg. Account Balance	\$5,450	\$14,462	\$26,324	\$35,999	\$47,054	\$52,269	\$2,114	\$28,501
<i>Prudential Participant Avg. Account Balance*</i>	\$6,724	\$23,126	\$49,411	\$75,352	\$92,542	\$106,427	\$2,669	\$53,956

401(k) Plan Asset Allocation/Net Cash Flow January 1, 2013 to September 30, 2013

	18-29	30-39	40-49	50-59	60-69	70+	No DOB	TOTAL
Total Plan Assets	\$103,682,982	\$703,799,005	\$1,773,970,016	\$2,258,480,269	\$1,709,108,717	\$357,939,078	\$3,092,191	\$6,910,072,258
% Assets	1.50%	10.19%	25.67%	32.68%	24.73%	5.18%	0.04%	100.00%
Total Contributions	\$20,765,847	\$54,482,563	\$88,533,643	\$93,664,903	\$44,008,812	\$2,301,166	\$1,103,684	\$304,860,619
Rollovers In	\$738,864	\$4,103,618	\$8,318,140	\$14,893,504	\$15,768,753	\$1,432,491	\$138,200	\$45,393,570
Total Distributions including:	(\$3,117,944)	(\$15,263,387)	(\$29,904,365)	(\$75,997,043)	(\$111,921,376)	(\$21,101,876)	(\$14,815)	(\$257,320,806)
Rollovers Out	(\$974,450)	(\$5,942,643)	(\$14,306,147)	(\$43,683,333)	(\$66,323,773)	(\$9,892,642)	\$0	(\$141,122,988)
Cash Distributions	(\$2,143,494)	(\$9,320,744)	(\$15,598,218)	(\$32,313,710)	(\$45,597,603)	(\$11,209,234)	(\$14,815)	(\$116,197,818)
Net Cash Flow	\$18,386,767	\$43,322,794	\$66,947,418	\$32,561,365	(\$52,143,811)	(\$17,368,218)	\$1,227,069	\$92,933,383
Total Unique Participants	19,026	48,664	67,389	62,738	36,322	6,848	1,463	242,450
Avg. Account Balance	\$5,450	\$14,462	\$26,324	\$35,999	\$47,054	\$52,269	\$2,114	\$28,501
<i>Prudential Participant Avg. Account Balance*</i>	\$6,724	\$23,126	\$49,411	\$75,352	\$92,542	\$106,427	\$2,669	\$53,956

*Prudential's Defined Contribution book of business averages.

457 Plan Asset Allocation/Net Cash Flow July 1, 2013 to September 30, 2013

	18-29	30-39	40-49	50-59	60-69	70+	No DOB	TOTAL
Total Plan Assets	\$3,839,923	\$30,441,962	\$126,673,164	\$277,988,219	\$392,938,261	\$193,886,563	\$205,710	\$1,025,973,802
% Assets	0.37%	2.97%	12.35%	27.10%	38.30%	18.90%	0.02%	100.00%
Total Contributions	\$471,240	\$1,470,081	\$3,311,152	\$5,192,198	\$3,201,774	\$317,690	\$17,245	\$13,981,379
Rollovers In	\$22,630	\$122,822	\$277,762	\$686,896	\$678,051	\$1,161,727	\$361	\$2,950,248
Total Distributions including:								
Rollovers Out	(\$11,744)	(\$73,250)	(\$329,537)	(\$1,030,900)	(\$5,219,706)	(\$2,215,840)	\$0	(\$8,880,976)
Cash Distributions	(\$30,947)	(\$191,406)	(\$478,892)	(\$1,414,678)	(\$2,042,578)	(\$1,592,791)	\$0	(\$5,751,293)
Net Cash Flow	\$451,179	\$1,328,247	\$2,780,484	\$3,433,516	(\$3,382,459)	(\$2,329,214)	\$17,607	\$2,299,359
Total Unique Participants	4,198	8,748	12,581	12,366	7,461	2,137	125	47,616
Avg. Account Balance	\$915	\$3,480	\$10,069	\$22,480	\$52,666	\$90,728	\$1,646	\$21,547
<i>Prudential Participant Avg. Account Balance*</i>	\$6,724	\$23,126	\$49,411	\$75,352	\$92,542	\$106,427	\$2,669	\$53,956

457 Plan Asset Allocation/Net Cash Flow January 1, 2013 to September 30, 2013

	18-29	30-39	40-49	50-59	60-69	70+	No DOB	TOTAL
Total Plan Assets	\$3,839,923	\$30,441,962	\$126,673,164	\$277,988,219	\$392,938,261	\$193,886,563	\$205,710	\$1,025,973,802
% Assets	0.37%	2.97%	12.35%	27.10%	38.30%	18.90%	0.02%	100.00%
Total Contributions	\$1,313,726	\$4,291,771	\$9,615,811	\$15,555,565	\$9,022,328	\$1,065,975	\$56,186	\$40,921,362
Rollovers In	\$53,645	\$333,407	\$946,351	\$2,451,918	\$3,439,710	\$1,463,314	\$21,198	\$8,709,543
Total Distributions including:								
Rollovers Out	(\$52,653)	(\$287,366)	(\$843,161)	(\$3,262,471)	(\$11,513,696)	(\$4,876,334)	\$0	(\$20,835,682)
Cash Distributions	(\$97,716)	(\$425,130)	(\$978,273)	(\$3,867,358)	(\$6,532,276)	(\$5,168,417)	\$0	(\$17,069,168)
Net Cash Flow	\$1,217,002	\$3,912,682	\$8,740,729	\$10,877,655	(\$5,583,935)	(\$7,515,461)	\$77,384	\$11,726,055
Total Unique Participants	4,198	8,748	12,581	12,366	7,461	2,137	125	47,616
Avg. Account Balance	\$915	\$3,480	\$10,069	\$22,480	\$52,666	\$90,728	\$1,646	\$21,547
<i>Prudential Participant Avg. Account Balance*</i>	\$6,724	\$23,126	\$49,411	\$75,352	\$92,542	\$106,427	\$2,669	\$53,956

*Prudential's Defined Contribution book of business averages.

401(k) Plan Retirement Preparation Analysis

Retirement Income Calculator (RIC) Utilization	7/1/2013 - 9/30/2013
Participants Increasing Deferral Percentage	472
Average Deferral Change	4.86%
Average Annualized Dollar Increase	\$2,181
% of Participants Increasing After Utilizing RIC	15.07%
Participants Decreasing Deferral Percentage	114
Average Deferral Change	-7.75%
Average Annualized Dollar Decrease	-\$3,857
% of Participants Decreasing After Utilizing RIC	3.64%

Retirement Income Calculator (RIC) Utilization	1/1/2013 - 9/30/2013
Participants Increasing Deferral Percentage	1,413
Average Deferral Change	4.67%
Average Annualized Dollar Increase	\$2,216
% of Participants Increasing After Utilizing RIC	17.55%
Participants Decreasing Deferral Percentage	439
Average Deferral Change	-8.55%
Average Annualized Dollar Decrease	-\$3,783
% of Participants Decreasing After Utilizing RIC	5.45%

Participant Age Range	Ppts Utilizing RIC	% of RIC Utilization
Age 18-29	279	8.91%
Age 30-39	537	17.15%
Age 40-49	852	27.20%
Age 50-59	1,024	32.69%
Age 60-69	429	13.70%
Age 70+	11	0.35%
Grand Total	3,132	100.00%

Participant Age Range	Ppts Utilizing RIC	% of RIC Utilization
Age 18-29	685	8.51%
Age 30-39	1,511	18.77%
Age 40-49	2,285	28.38%
Age 50-59	2,562	31.82%
Age 60-69	987	12.26%
Age 70+	21	0.26%
Grand Total	8,051	100.00%

“According to (a) study, currently **56% of the world’s working population** is not preparing adequately for a comfortable retirement, **with 1 in 5 (19%) saving nothing at all**”.

Source: BHSBS’s *The Future of Retirement*: <http://www.hsbc.com/1/2/retirement/future-of-retirement>, February 20, 2013

457 Plan Retirement Preparation Analysis

Retirement Income Calculator (RIC) Utilization		7/1/2013 - 9/30/2013
Participants Increasing Deferral Percentage		87
Average Deferral Change		8.01%
Average Annualized Dollar Increase		\$3,057
% of Participants Increasing After Utilizing RIC		13.06%
Participants Decreasing Deferral Percentage		29
Average Deferral Change		-10.06%
Average Annualized Dollar Decrease		-\$5,002
% of Participants Decreasing After Utilizing RIC		4.35%

Retirement Income Calculator (RIC) Utilization		1/1/2013 - 9/30/2013
Participants Increasing Deferral Percentage		313
Average Deferral Change		5.63%
Average Annualized Dollar Increase		\$2,424
% of Participants Increasing After Utilizing RIC		18.23%
Participants Decreasing Deferral Percentage		104
Average Deferral Change		-8.75%
Average Annualized Dollar Decrease		-\$4,168
% of Participants Decreasing After Utilizing RIC		6.06%

Participant Age Range	Ppts Utilizing RIC	% of RIC Utilization
Age 18-29	72	10.81%
Age 30-39	124	18.62%
Age 40-49	189	28.38%
Age 50-59	202	30.33%
Age 60-69	77	11.56%
Age 70+	2	0.30%
Grand Total	666	100.00%

Participant Age Range	Ppts Utilizing RIC	% of RIC Utilization
Age 18-29	186	10.83%
Age 30-39	344	20.03%
Age 40-49	490	28.54%
Age 50-59	520	30.29%
Age 60-69	173	10.08%
Age 70+	4	0.23%
Grand Total	1,717	100.00%

“Almost half of working households will be prepared to retire at age 65. Approximately one quarter of the households will have to work an additional one to three years, while 17% will have to work four to six years beyond 65”.

Source: Prudential Research, 'Planning for Retirement: How Much Longer Do We Need to Work, June, 2012.

Expense Account Information

401(k) State Account			
Account Activity	Date	Opening/Closing Balance	Debits/Credits
Opening account value	7/1/2013	\$2,535,131.58	
Distribution to Participant Accounts	7/2/2013		(\$168,855.42)
May 2013 Separate Account Asset Based Fees	7/9/2013		\$109,611.86
2Q 2013 Separate Account Asset Based Fees	7/11/2013		\$97,292.46
June 2013 Separate Account Asset Based Fees	7/25/2013		\$115,997.05
July 2013 Separate Account Asset Based Fees	8/13/2013		\$118,858.64
Miscellaneous Receipt	8/22/2013		\$78,400.00
August 2013 Separate Account Asset Based Fees	9/16/2013		\$109,499.94
Gain/loss in account value			\$13,781.47
Closing Account Value	9/30/2013	\$3,009,717.58	

457 State Account			
Account Activity	Date	Opening/Closing Balance	Debits/Credits
Opening account value	7/1/2013	\$611,006.06	
Distribution to Participants Accounts	7/2/2013		(\$242,439.62)
June Separate Account Asset Based Fees	7/11/2013		\$12,244.04
2Q 2013 Separate Account Asset Based Fees	7/26/2013		\$24,151.83
July 2013 Separate Account Asset Based Fees	8/13/2013		\$14,986.05
Miscellaneous Receipt	8/22/2013		\$4,300.00
August 2013 Separate Account Asset Based Fees	9/16/2013		\$13,820.38
Gain/loss in account value			\$2,080.66
Closing Account Value	9/30/2013	\$440,149.40	

Participant Service Center Statistics

401(k) & 457 Quarterly Participant Service Center Statistics				
	3Q 2010	3Q 2011	3Q 2012	3Q 2013
Service Center Calls	41,490	42,255	41,480	43,717
Service Percentage	78.83%	86.13%	84.17%	87.67%
Average Speed to Answer (seconds)	26 sec	10 sec	20 sec	11 sec
Abandon Percentage	1.57%	0.40%	118.00%	0.58%

401(k) & 457 YTD Participant Service Center Statistics				
	2010	2011	2012	2013
Service Center Calls	116,961	119,326	119,450	126,454
Service Percentage	80.19%	84.24%	84.77%	89.00%
Average Speed to Answer (seconds)	21 sec	12 sec	14 sec	11 sec
Abandon Percentage	1.24%	0.49%	0.84%	0.51%

Retirement Security Education Information

401(k) & 457 Quarterly Retirement Security Education Team Activity				
	3Q 2010	3Q 2011	3Q 2012	3Q2013
Member Meetings	937	1,181	1,194	1,220
Number of Members Attending Meeting	30,386	26,074	30,450	27,764
Proactive Calls to Employers	855	663	637	581

401(k) & 457 YTD Retirement Security Education Team Activity				
	2010	2011	2012	2013
Member Meetings	3,133	3,447	3,738	3,934
Number of Members Attending Meeting	77,468	79,444	78,808	79,307
Proactive Calls to Employers	2,749	2,019	1,777	1,823

401(k) & 457 Retirement Security Education Team Survey Results							
679 Surveys Returned	1	2	3	4	5	6	7
Presenter's explanation of the benefits of the Plan(s)	0%	0%	0%	1%	3%	15%	81%
Presenter's clarity in response to questions	0%	0%	0%	1%	3%	11%	85%
Length of presentation	0%	0%	0%	1%	4%	19%	76%
Did the presentation increase your awareness of the importance of saving for your retirement?				Yes	No		
				99%	1%		

Survey ratings are from 1 to 7, with 1 being poor and 7 being outstanding.

401(k) Employers Changing from Employer Contribution to Employer Match

Guilford County went from a 5% across the board ER contribution to a 5% match

Town of Lake Lure changed their current employer contribution from 5% for all eligible general employees to 5% employer match.
Town of Nags Head changed their current employer contribution from 1% for all eligible general employees to 2% employer match.

401(k) Employers Increasing Employer Contribution

Person County increasing their employer contribution from 3.5% to 5%

Town of Butner increasing their employer contribution from 4% to 5%

Town of Wade increasing their employer contribution from 2.2% to 3.5%

Town of China Grove increasing their employer contribution from 4% to 5%

401(k) Employers Adding An Employer Match

Benson Housing Authority added an employer match. Will match employee deferral up to 2%.

Orange County is adding a \$50 match, in addition to the \$27.50 employer contribution.

401(k) Employers Adding An Employer Contribution

East Spencer Housing Authority approved an employer contribution of 3% for all eligible employees.

Willow Oak Montessori School adding 5% employer contribution across the board.

Employers Adopting the 401(k) Plan in 2013

Municipalities

Town of Elm City

Schools

Corvian Community School

Other

East Spencer Housing Authority



457 Additions					
Employer Type	2010	2011	2012	2013	# of Eligible
CHARTER SCHOOL	2	6	3	3	565
COMMUNITY COLLEGE	2	6	10	3	5,770
COUNTY	10	10	6	3	20,807
MUNICIPAL	22	14	10	12	9,711
OTHER	12	9	11	12	2,428
SCHOOL	11	13	10	10	56,620

Employers Adopting the 457 Plan in 2013

Municipalities

City of Asheboro
 City of Laurinburg
 Town of Cornelius
 Town of Elm City
 Town of Franklinton
 Town of Holly Springs
 Town of Kill Devil Hills
 Town of Manteo
 Town of Surf City
 Town of White Lake
 Village of Clemmons
 Village of Misenheimer

Community College

A B Technical Community College
 College of Albemarle
 Davidson Community College

Schools

Ashe County Schools
 Beaufort County Schools
 Bertie County Schools
 Cherokee County Schools
 Currituck County Schools
 Gaston County Schools
 Johnson County Schools
 Lee County Schools
 Surry County Schools

County

Currituck County
 Gates County
 Macon County

Other

Cumberland County ABC Board
 Benson Housing Authority
 Butner Public Safety Authority
 East Spencer Housing Authority
 Elizabethtown ABC
 Hendersonville ABC Stores
 Martin County Tourism Development Authority
 Smithfield Housing Authority
 Summerfield Fire District
 Wilmington International Airport Authority
 Wilson County ABC
 Western Highlands Area Authority

Charter Schools

Bear Grass Charter Schools
 Corvian Community School
 Voyager Academy

Disclosures

Assets and contributions reflect actual participant account balances and do not include forfeiture and / or expense account assets.

This information should not be considered an offer or solicitation of securities, insurance products or services. No offer is intended nor should this material be construed as an offer of any product. The information is being presented by us solely in our role as the plan's service provider and or record keeper.

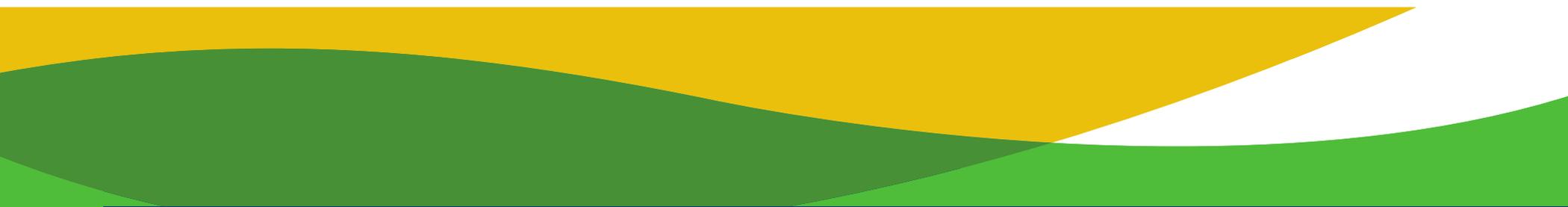
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Prudential's Book of Business averages are as of 9/30/2013.



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Communication Accomplishments

3Q13



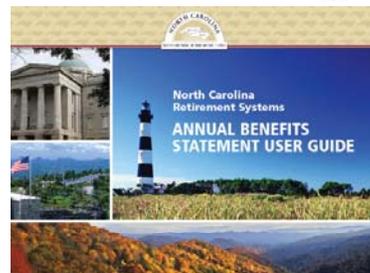
NC 401(k) & NC 457 Communication Accomplishments 3Q13

- Updated Regional Retirement Education Manager Flyers
 - RREM & RM Contact Flyers

- Annual Benefits Statement
 - Video Posted to Website
- 2Q13 Performance Flyer
 - Updated & posted to Website
- Webinar – Begin the Journey to a More Secure Retirement
 - Video Posted to Website

NC 401(k) and NC Deferred Compensation (457) Performance*

Fund Name	Average Annual Returns as of 9/30/2013									
	3 Mo.	6 Mo.	1 Year	3 Years	5 Years	10 Years	Since Inception	Best Annual Return	Worst Annual Return	Standard Deviation
Global Bond	2.56%	2.28%	2.07%	5.07%	5.6%	5.26%	6/30/2009	8.44%	-5.43%	54.43
Global Equity	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Fixed	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Growth	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Income	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Real Estate	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Small Cap	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Tech	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global Value	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43
Global World	2.17%	2.16%	2.07%	5.6%	5.6%	5.36%	6/30/2009	8.44%	-5.43%	54.43

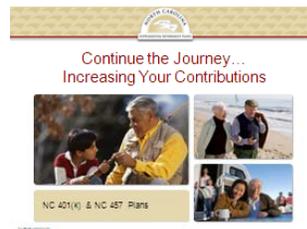


NC 401(k) & NC 457 Communication Accomplishments 3Q13

- 2Q13 Signature Newsletter Mailed
 - 2Q12 Statement Insert
 - 2Q13 Statement Message
 - 2Q13 Signature Newsletter
 - 242,544 total participant statements
 - 155,718 mailed
 - 86,826 electronic



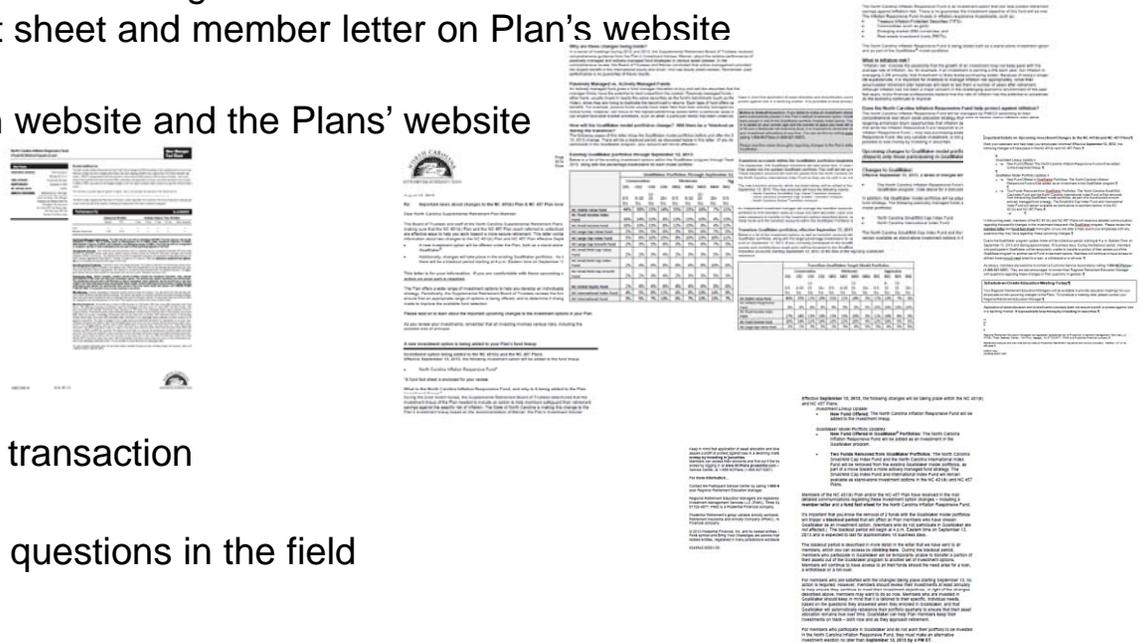
- July Webinar – Continuing the Journey...Increasing Your Contributions
 - Presentation
 - Employer Email
 - Employee Email
 - Invite
 - 1,397 attendees

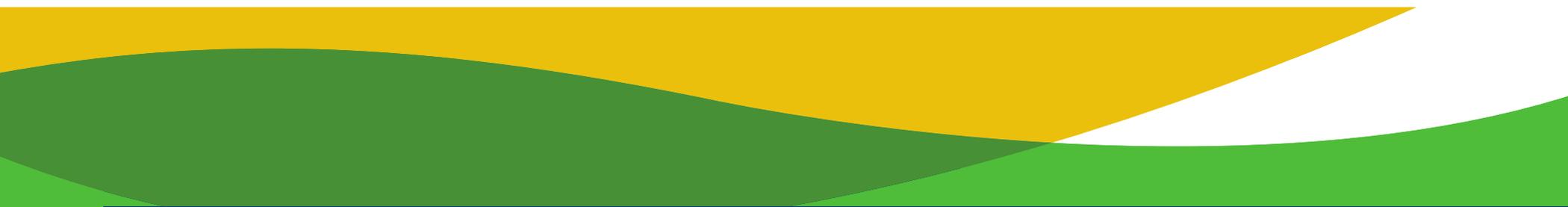


NC 401(k) & NC 457 Communication Accomplishments 3Q13

• New Fund – Inflation Responsive Fund Outreach

- Electronic outreach:
 - Email to Employers (2,450)
 - Posted update on Plan Sponsor website Message
 - Member article with links to fund fact sheet and member letter on Plan’s website
 - Log in site message for members
 - New fund fact sheet posted on log in website and the Plans’ website
- Hardcopy outreach:
 - Letter to Employers (134)
 - Letter to Members (275,692)
 - New Fund Fact Sheet
- Toll-free phone line:
 - Message recorded on IVR
 - Phone reps addressed details of the transaction
- In-person:
 - Education team trained and address questions in the field





Signature Newsletter

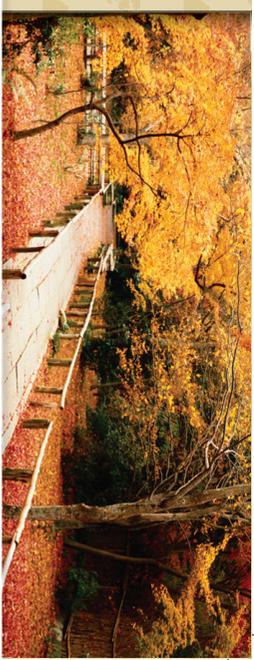
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Signature

NEWSLETTER



3rd Quarter 2013

A message from North Carolina's State Treasurer



My focus this past legislative session was making sure that my team and I had the tools and options to protect our pension fund over the long term. This has become increasingly more difficult as we face unprecedented times in investment markets. We have been fortunate to see positive returns the last few years for the pension fund.

To help navigate volatile markets and take advantage of opportunities to protect and grow the fund, we needed the ability to better diversify our portfolio. That is why we successfully sought investment flexibility legislation in the General Assembly. The changes will allow the pension fund to continue a long-standing tradition of conservative fiscal management, which has served North Carolina's public workers and taxpayers well.

I encourage you to also take the longterm view in managing your retirement savings. The General Assembly provided me with the tools that I need to protect the state's pension fund. In turn, my Supplemental Retirement Plans team and I work to make sure that you have the resources to grow your personal retirement savings.

Sincerely,

Janet Cowell
State Treasurer

Part of planning for the future is having the right information. This newsletter includes the questions to ask yourself when determining how much you should be saving. An important way to make sure you are prepared for retirement is to be well-versed in the do's and don'ts of retirement planning and to utilize the resources that are available to you.

The Retirement Income Calculator is provided online and allows you to make informed decisions when planning your retirement. The calculator takes into account personal factors as well as your investment behavior in order to estimate your retirement income as well as provide suggestions on how to achieve the income you want. See page 3 for more information. Also, be sure to visit our website's financial literacy section for more tips to help you budget and save your way to a better retirement.

Four steps to retirement savings check-up

Will you be ready for it?

For most people, retirement planning takes place over many years – even decades, because it's an ongoing process. Along the way, you'll need to answer some questions regarding what kind of retirement you are looking for. That will help you to decide how much you may need to set aside for the future, so you can enjoy retirement on your terms.



Continues on the next page. See "Your retirement"

Coming soon: a new "look" for the supplemental retirement plans!

The North Carolina Department of State Treasurer is updating its brand identity for the supplemental retirement plans with a new, overarching description: the "North Carolina Total Retirement Plans." This new identity's logo was inspired by the stunning natural scenery of such a beautiful state – including our mountains, forests, and unspoiled beaches – and will eventually appear on all NC 401(k) and NC 457 plan communications.

In this issue...

- What Will Retirement Look Like?page 1
- New Brandingpage 1
- Member Spotlightpage 4
- Do I Stay Or Do I Gopage 4

"Your retirement" continued from page 1

Step 1: Consider your lifestyle in retirement

How do you want to spend your time, and who do you want to spend it with?

The answer to these questions will be different for everyone. Perhaps you'll want to travel to foreign places, or just travel to visit family, study, or even start your own business or embark on a second career. It might surprise you to know that as many as 81 percent of baby boomers plan to continue to work in retirement.¹

Where will you live?

Will you sell your home, stay put, or downsize? Perhaps you'll make a cross-country move to be near friends or family.



Step 2: Identify expenses and budget

Once you've identified your desired retirement lifestyle, you can begin to plan your retirement budget by considering which expenses are "must-haves" ... and which are just "nice-to-haves."

- Consider the necessities of life—such as food, clothing and shelter—these are your "must-haves."
- Then consider the "nice-to-haves." If you have a little extra money left at the end of the month, what would you spend it on... dinners out, travel, the movies?

How is your health?

Now let's think about your post-retirement expenses, one of the largest of which will be medical care. When we look at health care as it stands today, only 24 percent of American workers are very confident about having enough money to cover their own medical expenses in retirement.² It's important to consider how much medical care may cost you, so you can save accordingly. If you find you have a shortfall in any of your important retirement budget categories, reprioritize your list of expenses. Remember that your money will need to last as long as you do!

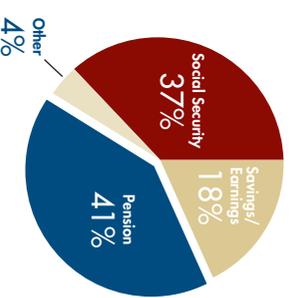
Step 3: Determine your sources of income and how long they need to last

In general terms, many individuals today receive income from Social Security, pensions, and personal savings. Here is how today's North Carolina state retired employees with an average of 20 years of service are funding their retirement:

- **Social Security** may account for 37 percent of your retirement income. And if you retire between ages 62 and 67, you will receive less than if you wait until age 70.³

Where will your money in retirement come from?

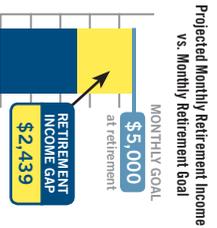
- **Pensions** may account for about 41 percent of retirement income if you're eligible for a pension benefit.⁴
- **Personal savings/earnings** may account for 18 percent of your retirement income. Social Security may help, but it won't replace your salary—and it was never meant to. And remember, the more you make, the less Social Security may replace.



How long do you expect you'll need retirement income?

You may want to plan on at least 20 or 30 years. Think about it: Are your parents still alive, and if so, how old are they now? If they are no longer with us, how old were they when they passed away? How long a person lives can be determined by genetics, but there are other factors to consider as well. Using your parents' longevity as a guide may help you to "guesstimate" how long you'll need retirement income.

Final Step: Determine if you are on track with the Retirement Income Calculator



Many people feel that saving for retirement is often a guessing game, since they don't know how much they need to save. But it doesn't have to be! As a member of the NC 401(k) Plan and/or the NC 457 Plan, you've got a great tool right at your fingertips: the Retirement Income

Calculator.⁵ The Retirement Income Calculator can show if you may be doing enough to save for your retirement, or if you need to do more. In just a few minutes, you can:

- **Discover how much monthly income you may need**
- **Learn if you're saving enough now to afford retirement savings are on track**
- **Create an action plan to ensure your desired retirement**

Plus, the Retirement Income Calculator retains the data you input and syncs with your online account(s), updating every time you log on!⁶

The Retirement Income Calculator is a powerful tool.

It uses information you provide (such as your current age, your desired retirement age, how you are investing—whether conservatively, moderately, or aggressively) and combines it with your NC 401(k) Plan or NC 457 Plan information to estimate your projected potential retirement income.

It will also show you how much you may need to save to provide you with your desired level of retirement income. But it doesn't stop there, because then the calculator will give you suggestions for closing any gaps that exist. To log on to the Retirement Income Calculator (if you have never used it before!):

1. Visit www.NCPlans.prudential.com.
2. Log on to your NC 401(k) Plan or NC 457 Plan account.
3. At the bottom of the page, click on the Retirement Income Calculator icon.

Reminder: New Fund Added to the Plans

By now, you may be aware that, effective September 13, 2013, the North Carolina Inflation Responsive Fund was added to the investment lineup in the NC 401(k) Plan and the NC 457 Plan. Here are some reminders about this new investment option:

- The North Carolina Inflation Responsive Fund is available both as a stand-alone investment option and as part of the GoalMaker® model portfolios. (GoalMaker is the Plans' easy-to-use asset allocation program.)
- The North Carolina Inflation Responsive Fund can help retirement investors protect themselves against inflation risk.**
- This new fund is part of a wide range of investment options* that the State of North Carolina offers Plan members.

To learn more about the North Carolina Inflation Responsive Fund, visit the Plan's website, www.NCPlans.Prudential.com, or call [1-866-NCPlans](tel:1-866-NCPlans) (1-866-627-5267).

* Keep in mind that application of asset allocation and diversification concepts does not assure a profit or protect against loss in a declining market. **It is possible to lose money by investing in securities.**

** While the Inflation Responsive Fund is designed to respond to inflation risk, any investment—including the Inflation Responsive Fund—may lose purchasing power due to inflation.

Put it all together for your financial future.

As part of your retirement planning process, you may wish to:

1. **Review your Social Security estimate:** Visit www.ssa.gov and use the Retirement Estimator. (Click on "Retirement Estimator" to obtain your estimate.)
2. **Contact your benefits manager** to see if you've qualified for a pension—as well as the benefits departments of any past employers—for an estimate of your future pension income.
3. **Take stock of your personal financial resources:** To learn more about whether or not you are on track toward reaching your retirement income goals, refer to "Calculate Your Retirement Savings Needs" in this newsletter for more information.

Need personal assistance? Your Regional Retirement Education Manager can assist you with your retirement planning questions. To contact yours, visit www.NCPlans.Prudential.com or call [1-866-NCPlans](tel:1-866-NCPlans) (1-866-627-5267) for more information.



Member Spotlight



Leah Craddock

Leah Craddock works for Gates County's Financial Services Department. As a Human Resources professional who handles benefits and payroll, she's a strong advocate for the NC 401(k) Plan – and does whatever she can to help other county employees save enough for retirement. (She was also a vocal supporter of the NC 457 Plan before the county added it to their benefits package.)

Leah, currently an MBA student at ECU, is a “super saver.” She practices, in her own approach to retirement savings, what she preaches at the office, based on her view that “choices you make now dictate your quality of life later.” Leah’s passion to save emerged while working in a bank, where she witnessed some customers’ difficult financial journeys firsthand. That experience led her to believe that when it comes to saving for retirement, “the earlier you start, the better.”

Leah appreciates the Plans’ numerous benefits, including the tax-deferred contributions that help her save on federal income taxes today – and the Roth contributions that may help her save on income taxes tomorrow. She also likes the Plans’ flexibility: She knows she can change her contribution rate quickly and easily, since nothing is locked in. Leah puts the Plans’ tools to work in her retirement planning, including the Plans’ informative webinars, its website, and her member statements. She also regularly uses the Plans’ Retirement Income Calculator (available through the Plans’ website when she logs in), which helps her determine if she’s on track toward reaching her long-term savings goals.

Do I Stay or Do I Go?

Should I cash out my retirement savings?

This is a common question when people are leaving a job—and a decision that can have a significant impact on your retirement savings. Based on a recent report from Aon Hewitt*:

- 43% of people who leave their job are going to cash out their retirement savings plan account balance after termination.
- 60% of employers report being concerned about cash-out behavior.
- Depending on age and tax bracket, cashing out can cost thousands of dollars in taxes and in lost earnings over the long term.

Cash-outs decrease savings and leave you at a disadvantage. Not only do you lose a portion of your retirement savings, but you are also left without the benefits of having money invested in that employer-provided plan—including access to a wide variety of investment options.

Withdrawing retirement funds can give you immediate access to your savings, but could come at a high price: You could owe a hefty IRS early withdrawal penalty as well as a tax bill on your contributions and earnings. Worst of all, you will give up the potential for years or even decades of the powerful tax-advantaged compound growth that the money you are withdrawing could offer.

“The participants that cash out of the program must spend additional time and effort to decide on how to set up their retirement,” says Allison Berland of Aon Hewitt. “Personal investment can be difficult and often leads to a smaller retirement savings (account) than one would have with the expertise and fiduciary oversight that the employer could provide.” For more information about things to consider when thinking about cashing out retirement savings, visit www.NCPlans.Prudential.com.

*Aon Hewitt, Leakage of Participants’ DC Assets: How Loans, Withdrawals, and Cashouts Are Eroding Retirement Income, 2011



Take advantage of National Save 4 Retirement Week—October 20-26, 2013!

There’s always so much going on in your life, but don’t let the demands of today get in the way of planning for a better financial future. **National Save 4 Retirement Week—October 20-26, 2013**—is an excellent time for you to consider:

- Whether or not you are saving enough for retirement. (“Final Step: Determine if you are on track with the Retirement Income Calculator” on page 3 in this newsletter for more information.)
- If you are making the most of your benefits as a member of the NC 401(k) Plan and/or the NC 457 Plan.
- How you can find additional ways to save for a more secure retirement.

To learn more, visit www.NCPlans.Prudential.com or call [1-866-NCPlans](tel:1-866-NCPlans) (1-866-627-5267) for personal assistance.

PRUDENTIAL RETIREMENT

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¹ Source: AARP “Baby Boomers Envision What’s Next?” June 2011 (1200 Americans age 46-65, both retired 249, non-retired 954).

² Source: 2013 Retirement Confidence Survey from the Employee Benefit Research Institute (1003 workers surveyed, 251 retirees surveyed).

³ Fast facts and Figures About Social Security, 2012.

⁴ NC Retirement System, 2012 (figure is an average figure and will vary between vested members)

⁵ The Retirement Income Calculator is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. There is no assurance that retirement income objectives will be met. **It is possible to lose money by investing in securities.**

⁶ After you have used the calculator one or more times.

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

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0248313-00001-00

NDNL068 | Printed 09/2013

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Thank you



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