

New York Power Authority
Employees' Savings Plan (401(k) Plan)



**NY Power
Authority**

A photograph of several high-voltage power lines stretching across the frame from left to right. The lines are supported by tall metal towers. The sky is a mix of blue and pink, suggesting a sunset or sunrise. In the background, there are green trees and a road with some vehicles. A large, semi-transparent blue circle is overlaid on the bottom half of the image, containing the text "ENERGIZE YOUR SAVINGS" in white.

**ENERGIZE
YOUR SAVINGS**



THE POWER OF SAVING

Whether you picture retirement as well down the road or just beyond the horizon, every paycheck can count toward the future. Because the sooner you start saving, the more time your money will have to grow.

That's how the 401(k) Plan can be a powerful asset for you. It offers flexible options and intelligent features to help you dial in your approach to saving and investing—whether you're an experienced investor or just starting out. And as you move forward, the 401(k) Plan lets you fine-tune your strategy at any time.

Welcome to a future filled with possibilities.

Let's get started. Enrolling in the 401(k) Plan is easy.

- 1** **Decide** how much you'd like to save each pay period
- 2** **Select** how you want to contribute
- 3** **Choose** your investments
- 4** **Complete** your online profile by naming a beneficiary for your account

Read on for help with these steps and more.
Or give us a call at **1-800-922-9945**.

We're committed to your success.

Your retirement savings is one of your most valuable assets. That's why New York Power Authority carefully selected T. Rowe Price as your 401(k) Plan provider. As a leader in the retirement industry, we currently help more than 2 million employees across the country save and plan for their future. We're here to help you feel confident about taking the first steps. As you move forward, we can provide the guidance and information you need to help you reach your long-term financial goals.

Si desea hablar con un representante en español, llame a T. Rowe Price al **1-800-368-2768**.

SAVING FOR TOMORROW— TIME IS POWERFUL.

You may think you have more pressing needs than saving for retirement, but you only have so many working years to save enough for the future.

Here are a few more reasons why you shouldn't wait:

- **You'll likely need more money in retirement than you think.**
People are living longer. In fact, your nest egg may need to last 30 years or more.
- **You may not be able to count on Social Security.**
To maintain the lifestyle you're used to, you'll need more retirement income than Social Security alone will provide.
- **Your living costs keep going up.**
Inflation averages about 3% every year—meaning the cost of everything is likely to keep rising.

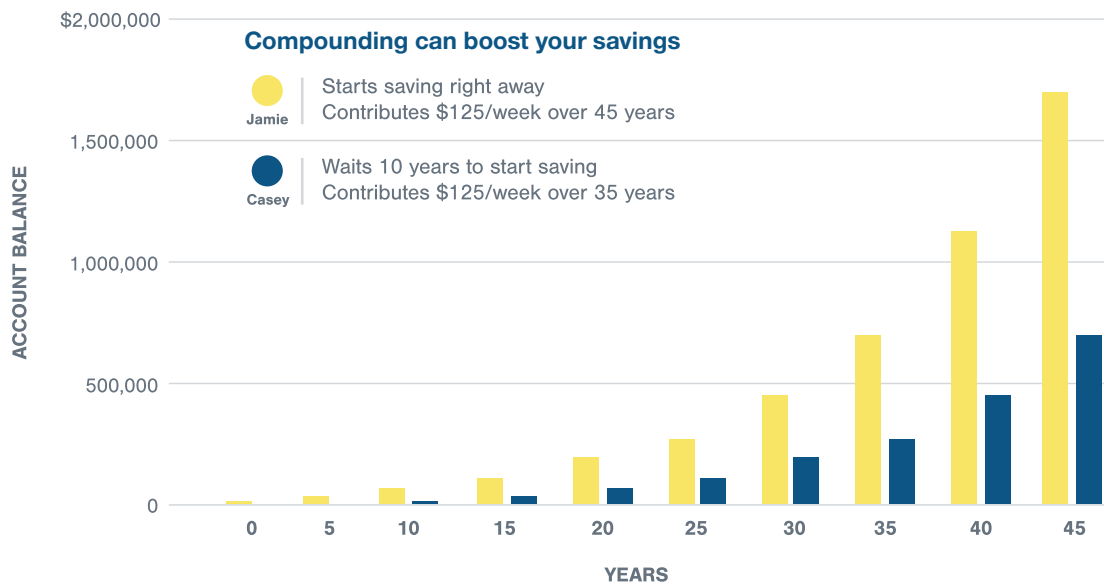
Taking a step—like enrolling in the New York Power Authority Employees' Savings Plan (401(k) Plan)—can help you start saving the money you'll need to enjoy the future you want.



Compounding: Another reason to save now

When you invest through the 401(k) Plan, any earnings are put right back into your account. The longer your money stays invested, the more it can potentially earn through compounding—so it's important to start now. Saving even a small amount in the 401(k) Plan can make a difference. Consider this example:

Over Time, \$20 a Month Can Go Far*



*This chart is for illustrative purposes only and is not meant to represent the performance of any specific investment option. Final account balances are rounded to the nearest thousand. Assumes \$125 invested each week in a tax-deferred account and a 7% annual rate of return for a hypothetical investor from age 20 to age 65. All investments involve risk, including possible loss of principal.



START SMALL AND BUILD

Step 1: Choose how much you want to save

Your 401(k) Plan makes it convenient to save with every paycheck. The important thing is to choose a savings amount and get started. Read on to learn all the ways your plan can work for you” for contribution types, amounts, and services available to you.

When you go to enroll and make your selections, remember: **It’s okay to start small.** Building up your savings takes time, so the sooner you start, the better.

Here are a few tips to make saving for retirement less stressful for you:

- **Right now, simply save what you can.** Just a little bit of savings today can go a long way in retirement. Consider setting aside 1% or 2% of your pay now—for many, that’s a few dollars a week—and increase the amount by 1% or 2% each year.
- **Consider where you are now**—your age, salary, and monthly budget. These factors will impact how much you save for retirement. Once you’ve enrolled in the 401(k) Plan, you can try out different contribution amounts and see the impact on your paycheck by using the **Paycheck Impact Calculator** at rps.troweprice.com.
- **Make the most of your employer contribution.** New York Power Authority offers an employer matching contribution for your retirement. Read on to learn how an employer contribution can add to your savings.
- **Work toward a goal of 15%.** Financial experts believe you should save that much of your pay for retirement, including your 401(k) Plan contributions and any employer contributions. That may seem like a lot, but if you increase your savings a little each year, you can get there.

Balancing saving with other priorities

Everyday life can be complicated—we understand. With all the competing priorities for your money today, there will always be a reason to put off saving for retirement. But think about it: You may have options for managing many of these short-term challenges. The best long-term solution is to pay yourself first by saving through your retirement plan every pay period.



Step 2: Select how you want to contribute

Your 401(k) Plan offers various options for how you contribute. You'll find the contribution choices offered by your plan in this guide. Be sure to look them over so you can make the choices that are right for you.

Step 3: Choose the investment approach that fits your style

The New York Power Authority Employees' Savings Plan (401(k) Plan) makes it easy to invest your contributions. Simply choose the approach that suits your style and comfort with investing.

Age-Based Investment

If you want a portfolio that automatically adjusts over time, consider investing in a pre-assembled target date investment.

- Provides a single diversified investment designed for investors of specific ages.
- Asset allocation automatically adjusts throughout a person's working years and retirement.

Build-Your-Own Custom Mix

If you want more control, consider building your own portfolio.

- Choose among your plan's investment options.
- Manage your portfolio and asset allocation over time to suit your risk tolerance, time horizon, and financial goals.

For a full list of the investment options available to you, see page 12. You can also visit rps.troweprice.com to access investment descriptions and fact sheets.



Investing Basics: Risk vs. Return

Successful investing means finding the right balance. Most of your 401(k) Plan investment options fall into three categories:

- **Stocks:** high potential return, high market risk, low inflation risk.
- **Bonds:** lower return potential, lower market risk, higher inflation risk.
- **Money market/stable value:** low potential returns, low market risk, high inflation risk.

Just starting out? Generally speaking, you are investing for the long term and can afford higher market risk. And as retirement approaches, you'll want to dial down market risk in favor of steady returns.

Get more investing basics at rps.troweprice.com.

All investing is subject to market risk, including the potential loss of principal.

HOW YOU AND YOUR PLAN WORK TOGETHER.

Your 401(k) Plan offers various options for how you contribute to it and how your contributions are invested. Read on to learn more about them.

Employee contributions: Your options for building your savings

Before-Tax Contributions

You can contribute up to 100% of your pay each year on a before-tax basis, subject to IRS limits. Your contribution comes out of your paycheck before income taxes are taken out, which means your current taxable income will be lower. In addition, you don't pay taxes until you withdraw from your account.

Roth Contributions

You may also contribute up to 100% of your pay each year in Roth contributions, subject to IRS limits. Roth contributions offer another way to save for retirement and are made with money that has already been taxed. However, if you take a qualified distribution, you will not have to pay taxes on the money you've contributed or on any earnings in your Roth account.*

Employer Contributions: How your company is adding to your savings

You can receive additional money toward your retirement when you make before-tax or Roth contributions to the 401(k) Plan. For every \$1.00 you contribute up to 6% of your salary, your employer will add \$0.50 to your account.

Note: Employer contributions that are made to the before-tax portion of your account are still considered taxable by the IRS upon distribution. For more information about this contribution, see the Employees' Savings Plan Summary.

After-Tax Contributions

You may also contribute up to 10% of your pay each year in after-tax contributions—money that has already been taxed. When you begin taking withdrawals, you will not have to pay taxes on your after-tax contributions, but you will owe tax on any earnings.

Catch-Up Contributions

If you will be age 50 or over this year—and you are already contributing the maximum allowed by the 401(k) Plan—you can make additional catch-up contributions. The IRS catch-up contribution limit may vary each year.

Your before-tax and Roth contributions are subject to IRS annual limits.

Vesting: What it is and how it works

Vesting refers to the portion of your account that you may take with you when you leave the company or borrow from when you need a loan. You are always 100% vested in the part of your account balance that comes from your own contributions, including rollovers. Your employer contributions account will become vested according to the following schedule:

Years of service	1	2	3	4	5	6
Percent Vested	0%	20%	40%	60%	80%	100%

Rollover Contributions

You may consolidate your retirement savings by "rolling over" vested balances from other employers' eligible plans, including 401(k), 403(b), or governmental 457 plans. These amounts will be credited to your rollover contribution source within your 401(k) Plan account.

You may not roll over any Roth contributions or earnings from other employer-sponsored plans or Roth IRAs into this account.

Loans

Your 401(k) Plan will allow you to take a loan from the vested portion of your account using the following guidelines:

- You may borrow a minimum of \$1,000 and a maximum of 50% of your vested account balance up to \$50,000 (reduced by your highest outstanding loan balance during the preceding 12 months).
- You may not take more than two loans at any time, and your loan total may not exceed the maximum loan amount.
- Your loan, plus interest, must be repaid within five years, except for primary residence loans, which must be repaid in 30 years.
- Loan payments are taken as payroll deductions. Loans can be repaid in full at any time.
- Loan interest is the prime rate plus 1%.

Withdrawals

When you leave your money in the 401(k) Plan until retirement, your assets have an opportunity to grow tax-deferred. You can withdraw from your 401(k) Plan account when you:

- Retire.
- Reach the age of 59½.
- Leave the company for any other reason (if you have a vested account balance).
- Experience a financial hardship.
- Are taking money out of the after-tax portion of your 401(k) Plan account.
- Are taking money out of the vested portion of your employer matching contributions, after such contributions have been in the 401(k) Plan for at least two plan years.

What are the tax consequences of taking a withdrawal?

- Any withdrawals of before-tax or employer contributions and related earnings are taxable income for federal and sometimes state taxes.
- Generally, a 10% penalty applies to taxable withdrawals taken before age 59½.
- Most withdrawals are subject to a mandatory 20% federal withholding unless you make a direct rollover to an IRA or an eligible employer retirement plan.
- The earnings on any after-tax contributions you withdraw are taxed as income. (After-tax contributions can be returned to you tax-free or may be rolled over to an IRA or an eligible employer retirement plan.)

*A qualified distribution is tax-free if taken at least 5 years after the year of your first Roth contribution AND you've reached age 59½, become totally disabled, or died. If your distribution is not qualified, any earnings from the Roth portion will be taxable in the year it is distributed. These rules apply to Roth distributions only from employer sponsored retirement plans. Additional plan distribution rules apply.

Mandatory payroll deductions will be taken before salary deductions.

CHOOSE THE INVESTMENT APPROACH THAT FEELS RIGHT.

The 401(k) Plan offers a variety of investment options to choose from. For more details, such as investment descriptions and fact sheets, visit rps.troweprice.com.

Your 401(k) Plan lineup: Investment options available to you

T. ROWE PRICE AGE-BASED INVESTMENTS	
RETIREMENT 2005 TRUST ^{1,3}	RETIREMENT 2040 TRUST ^{1,3}
RETIREMENT 2010 TRUST ^{1,3}	RETIREMENT 2045 TRUST ^{1,3}
RETIREMENT 2015 TRUST ^{1,3}	RETIREMENT 2050 TRUST ^{1,3}
RETIREMENT 2020 TRUST ^{1,3}	RETIREMENT 2055 TRUST ^{1,3}
RETIREMENT 2025 TRUST ^{1,3}	RETIREMENT 2060 TRUST ^{1,3}
RETIREMENT 2030 TRUST ^{1,3}	RETIREMENT 2065 TRUST ^{1,3}
RETIREMENT 2035 TRUST ^{1,3}	

BUILD-YOUR-OWN CUSTOM MIX*	
STOCK INVESTMENTS	BOND INVESTMENTS
AMERICAN FUNDS EUROPACIFIC GROWTH FUND, R6	FIDELITY US BOND INDEX FUND
AMERICAN FUNDS GROWTH FUND OF AMERICA, R6	PIMCO TOTAL RETURN FUND, INST'L.
DODGE & COX INTERNATIONAL STOCK FUND	VANGUARD TOTAL BOND INDEX FUND, ADM.
FIDELITY GLOBAL EX-U.S. INDEX FUND	MONEY MARKET/STABLE VALUE INVESTMENT
FIDELITY SMALL CAP INDEX FUND	T. ROWE PRICE GOVERNMENT MONEY MARKET FUND
FIDELITY TOTAL MARKET INDEX FUND	T. ROWE PRICE STABLE VALUE COMMON TRUST FUND ^{2,3}
T. ROWE PRICE CAPITAL APPRECIATION FUND	
T. ROWE PRICE EQUITY INCOME FUND	
T. ROWE PRICE MID-CAP GROWTH FUND	
T. ROWE PRICE MID-CAP VALUE FUND	
T. ROWE PRICE NEW HORIZONS FUND	

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 800-922-9945. Read it carefully.

*Investment options are generally classified as stock or bond investments based on overall allocations and may contain significant holdings in an asset class that is different from its identified category.

¹The principal value of the Retirement Trusts is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the trust. If an investor plans to retire significantly earlier or later than age 65, the trusts may not be an appropriate investment even if the investor is retiring on or near the target date. The trusts' allocations among a broad range of underlying T. Rowe Price stock and bond portfolios will change over time. The trusts emphasize potential capital appreciation during the early phases of retirement asset accumulation, balance the need for appreciation with the need for income as retirement approaches, and focus on supporting an income stream over a long-term postretirement withdrawal horizon. The trusts are not designed for a lump-sum redemption at the target date and do not guarantee a particular level of income. The trusts maintain a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons.

²The T. Rowe Price Retirement Trusts and the Stable Value Common Trust Fund (Trusts) are not mutual funds; rather, the Trusts are operated and maintained so as to qualify for exemption from registration as mutual funds pursuant to Section 3(c)(11) of the Investment Company Act of 1940, as amended. The Trusts are established by T. Rowe Price Trust Company under Maryland banking law, and their units are exempt from registration under the Securities Act of 1933. Investments in the Trusts are not deposits or obligations of, or guaranteed by, the U.S. government or its agencies or T. Rowe Price Trust Company and are subject to investment risks, including possible loss of principal. Although the T. Rowe Price Stable Value Common Trust Fund seeks to preserve the value of your investment at \$1.00 per unit, it is possible to lose money by investing in the Trust. For additional information on the common trust funds being offered, including a trust fact sheet, please call T. Rowe Price.

³The Trust imposes a 90-day "equity wash" provision on exchanges to competing investment options. The Trust is interest rate sensitive; therefore, direct exchanges from the Trust to money market funds or investments with a substantial guarantee as to principal and/or interest are not permitted. Permissible, or eligible, investment options include most common stock funds and fixed income funds. Exchanges from the Trust must remain invested in eligible investment options for at least 90 days before exchanging into competing investment options.

Money Market Investments: You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.



Self-directed brokerage: Additional options beyond your 401(k) Plan’s core investments

Your 401(k) Plan also offers a brokerage service that gives you access to hundreds of investment options beyond those in the 401(k) Plan’s core investments. Self-directed brokerage is for experienced investors and requires a separate agreement to establish the service. For additional information about this option, including fees and risks, visit rps.troweprice.com/brokerage or call **1-800-922-9945**.

Additional assistance available for saving and investing decisions

Learn more about additional services offered by your 401(k) Plan.

Morningstar Associates

Your 401(k) Plan offers additional assistance available through Morningstar®. Learn more on the website at rps.troweprice.com.

- **Morningstar® Retirement ManagerSM**
This Morningstar service offers investment recommendations and strategies, asset mix information, and access to Morningstar research and education tools.
- **Morningstar® Portfolio ManagerSM**
This Morningstar service offers asset mix information and investment Morningstar RatingsTM.

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**DON'T WASTE FINANCIAL ENERGY.
ENROLL AT [RPS.TROWEPRICE.COM](https://rps.troweprice.com).**

Remember, it doesn't take much time or money to get started in your 401(k) Plan.


Just take these steps:


- 1** Decide how much you'd like to save each pay period
- 2** Select how you want to contribute
- 3** Choose your investments
- 4** Complete your online profile by naming a beneficiary for your account

Connect with us.

We'll help you feel confident about saving and investing for retirement.

 **Your Retirement Plan Website:**
Go to rps.troweprice.com.

 **Dedicated Representatives**
Call your plan's toll-free number.

 **Mobile Solutions:**
Visit rps.troweprice.com/mobilesolutions to choose the option that's best for you.

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