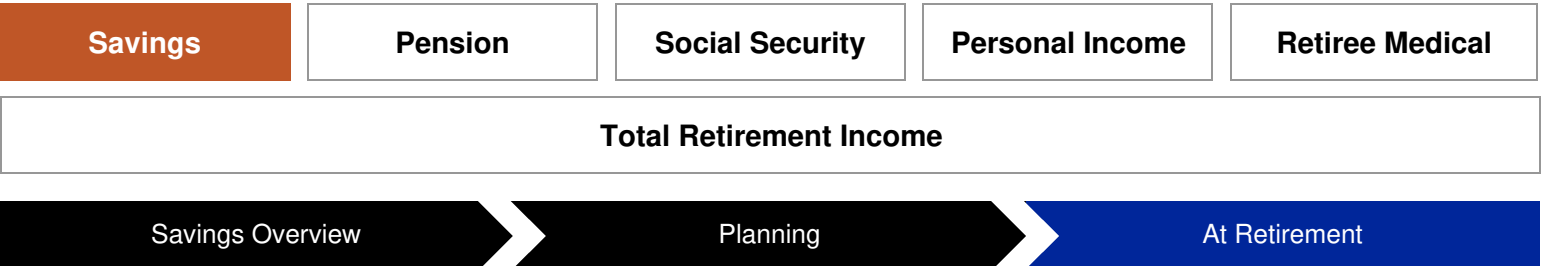




# Retirement Planning

Whether you're just getting started or nearing retirement, it's important to save, invest and plan for your future retirement. Your retirement from work will shift your income from an employer-provided paycheck to your own retirement paycheck.

Understanding your estimated income from your savings and pension plans, Social Security, other personal income and retiree medical expenses helps you envision your potential total retirement income. Review the Overview, Planning and At Retirement sections for each of the areas below to help you learn more.



## At Retirement

*When you're ready to retire, we're here to help at every step*

When deciding what to do with your Northrop Grumman Savings Plan account after you retire, consider your options carefully and decide which approach works for you.

**Resources**

- One-on-one financial consultation
- Northrop Grumman Benefits Center at 800-894-4194

## Leaving Your Money in the Plan

In most situations, you don't need to move money out of the Northrop Grumman Savings Plan just because you're retiring. You will still have access to the same investment choices you've had all along. You just won't be adding any additional contributions.

When you reach age 72, you will be required to start taking minimum distributions from your account.

You can request a partial or full distribution of your account at any time by calling the [NGBC](#).

If your account balance is less than \$1,000, your balance will be cashed out 60 days after you leave the company.

## Rolling Over Your Money to an Eligible Retirement Plan

Rolling over your money from the Northrop Grumman Savings Plan to an eligible retirement plan, such as another qualified plan or an IRA, is another option. This will allow you to defer federal and state income taxes and avoid any applicable penalties.

Before rolling over your money, you should compare the underlying fees and expenses of the investment options in the Savings Plan to those in the receiving account.

The Savings Plan also allows you to roll over your balance to purchase an annuity.

Call the [NGBC](#) if you'd like to roll over some or all of your Savings Plan balance, or to ask about the annuity option.

## Taking Your Money in Cash

A withdrawal gives you access to the money in your account, but is subject to federal and state income taxes, and if you're under age 59½, potentially an early-withdrawal penalty, unless you qualify for an exception to this rule.

- A *partial withdrawal* allows you to withdraw up to a specified dollar amount.
- A *full distribution* closes out your account. You can choose what to do with the assets: how much to withdraw as cash and how much to roll over to another qualified plan.

Make sure you understand the tax impact of taking your money from the Northrop Grumman Savings Plan. Read the “Taxes and Your Savings Plan Benefits” section of the Summary Plan Description (SPD) available on [NetBenefits](#). You should also consult your tax or financial advisor.

If your account balance is \$1,000 or less, it will be automatically distributed to you as a lump sum payment 60 days after you separate from the company unless you choose to request a full payment (rolled over or as cash) prior to that date.

## Reviewing What To Do If You Have a Plan Loan

If you have an outstanding loan from the Savings Plan when you leave Northrop Grumman, you may choose to make monthly loan repayments via direct debit from your checking or savings account.

In order to avoid taxation on your outstanding loan balance, you must make timely loan repayments and leave some or all of your balance in the Northrop Grumman Savings Plan. You will receive instructions on how to establish loan repayments via direct debit from the [NGBC](#).

## Additional Resources

<b>Planning Summary</b> Personalized view of your full financial picture in one spot, with help on what to do next in planning your financial journey.	<b>Learning Resources</b> Research related topics through interactive tools, articles, videos and/or workshops.	<b>Schedule an Appointment</b> Set up time to meet 1:1 with a retirement planner.	<b>Retirement Decision Guide</b> Get help in your one-of-a-kind retirement journey, beyond your financial well-being.
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**Financial Wellness Central**  
See what you're doing well and ways you can improve your financial well-being.