



STABLE VALUE FUND MANAGER NOW GREAT-WEST RETIREMENT SERVICES®

As of May 7, 2010, the fund manager for the South Carolina Custom Stable Value Fund is Great-West Retirement Services® (Great-West). This change has resulted in a fund management fee reduction for the stable value fund. In addition, the restriction on transferring money directly into the 84-month certificate or self-directed brokerage account no longer applies.



Because this transition from DB Advisors occurred mid-quarter, you may see the following on your second quarter statement if you are invested in this fund:

UNDER ACCOUNT SUMMARY BY INVESTMENT OPTION:

You will see a transaction out of the stable value fund managed by DB Advisors and a transfer into the stable value fund managed by Great-West.

BALANCE PAGE:

You will see a balance in the old stable value fund and the new stable value fund.

If you have any questions about your statement, please call KeyTalk® at (877) 457-6263.¹

¹ Access to KeyTalk and the website may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

CLEAN UP YOUR CREDIT

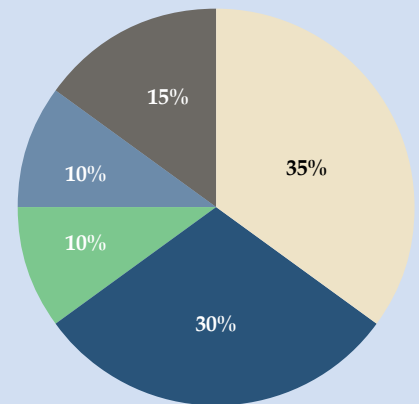
ARE YOUR DEBTS IN GOOD STANDING?

Your credit history affects a number of aspects of your life, from getting a mortgage to the rate you pay on a new car loan – possibly even a prospective employer’s opinion of you. Each year, you’re entitled to a free credit report from each of the three major credit bureaus: Equifax, Experian and TransUnion. For a small fee, you can request your credit score, a three-digit number that reflects how responsible you are as a borrower.

Credit scores range from 300 to 850. Your score could mean the difference between a larger and a smaller monthly payment on a new loan, so pay attention to it. Paying all your bills on time and keeping your credit card balances low are steps you can take to improve your score. If you’re having trouble paying bills, ask your creditor if you can work out a payment plan.

HOW YOUR SCORE IS CALCULATED

The following chart shows the components of a credit score. You’ll notice that timely payments and the size of your balances count the most.



- 35% History of paying on time
- 30% Amount you owe
- 15% How long you have had credit
- 10% Amount of new credit
- 10% Number of accounts

Source: myfico.com, February 2010. Great-West Retirement Services is not responsible for, nor does it endorse the content contained in the additional website provided. This website is for general education and information only and is provided as a benefit to the users of the site.

RETIREE SEMINARS ANNOUNCEMENT

RETIRED FROM WORK BUT NOT LIFE? RETIREE SEMINARS COMING TO A LOCATION NEAR YOU

Your South Carolina Deferred Compensation Program's education counselors² will be hosting retiree seminars across the state during the months of July, August and September. At these educational presentations, local staff will address issues you may encounter in retirement and how the Program can assist you during this time. Topics of discussion at each seminar include:

- » Using the Program in Your Retirement Years
- » Investment Options
- » Distribution Options, Including Required Minimum Distributions
- » Other Retirement-Related Concerns Like Income and Expenses
- » Individual Account Reviews (available after the seminar)

To find a Retiree Seminar near you, visit the website at www.southcarolinadcp.com and click on Local Staff, or call KeyTalk at (877) 457-6263.¹

2 Representatives of GWFS Equities, Inc. are not registered investment advisers and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

2010 RETIREE SEMINAR SCHEDULE

Beaufort

921 Ribaut Rd.
Bldg. 23 • Rm. 100
Aug. 25, Oct. 14
2 p.m.

Columbia

DHEC - Peeples Auditorium
2600 Bull St.
3rd Floor
July 28, Aug. 4, Aug. 18,
Sept. 1, Sept. 15, Oct. 7
10 a.m.

Conway

Horry County Government Complex
MPR-A (Multi-Purpose Room)
Sept. 1, Sept. 15
10:30 a.m. & 1 p.m.

Florence

Florence-Darlington Technical College
Bldg. 100 • Rm. 109
July 26, Aug. 10, Oct. 4
10:30 a.m.

Greenville

Greenville Technical College
620 S. Pleasantburg Dr.
UT Bldg. 104 • Rm. 136
July 26 » 10 a.m. & 1 p.m.

Mauldin Public Library

800 West Butler Rd.
Main Conference Room
Sept. 14 » 10:30 a.m. & 1 p.m.

Greenwood

Piedmont Technical College
620 N. Emerald Rd.
James C. Self Conference Center
Oct. 5 » 10 a.m. & 1:30 p.m.

North Charleston

Trident Technical College
7000 Rivers Ave.
Bldg. 910
July 27 - Rm. 220 (Santee Cooper)
Sept. 15 - Rm. 123 (Conference Rm.)
10 a.m.

Orangeburg

3250 St. Matthews Rd.
Bldg. S • Rm. 216-A
Aug. 1 » 1 p.m.
Sept. 7 » 11 a.m.

Rock Hill

York Technical College
452 S. Anderson Rd.
Library Conference Room L110
Aug. 9 » 10 a.m. & 1 p.m.



GETTING READY TO RETIRE

SPRUCE UP YOUR FINANCES

A plan to help you save more

In a recent AARP survey, nearly 20 percent of Americans age 45 or older said they had prematurely withdrawn funds from their workplace retirement savings accounts and IRAs in 2009.³ Read on to find out what you can do to help keep your nest egg growing.

1. GET RID OF CREDIT-CARD DEBT

The sooner you eliminate outstanding balances, the less interest you'll have to pay to your lenders. You might consider using a home equity line of credit or another low-interest rate loan to pay off these high-interest rate debts.

2. SAVE FOR EMERGENCIES

A good rule of thumb is to accumulate three to six months' worth of day-to-day expenses in an easily accessible account, such as a money market account. If you're worried about losing your job, consider making eight months' worth your goal.

3. BOOST RETIREMENT CONTRIBUTIONS

Increasing contributions to your retirement account by one percentage point each year can have a dramatic impact on its growth. Let's say you earn \$50,000 a year and you start contributing one percent of that salary to your 401(k) now. If you increase your contributions by one percentage point each year thereafter for 20 years, your account could grow to \$255,173.⁴

In today's challenging economy, it pays to manage your money wisely.

³ aarp.org, February 2010.

⁴ FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any investment options. It assumes a \$50,000 beginning salary with 3% annual raises, a 7% annual rate of return, reinvestment of earnings, with no withdrawals. Rates of return may vary. The illustration does not reflect any charges, expenses or fees that may be associated with the Program. The tax-deferred accumulation shown above would be reduced if these fees had been deducted.



2010 REQUIRED MINIMUM DISTRIBUTIONS

You are normally required by law to begin annual withdrawals, called Required Minimum Distributions (RMDs), from your 457 or 401(k) plan account by April 1 following the year in which you reach age 70½, or in the year you retire, whichever is later. For 2009, this requirement was suspended. RMDs will again be required in 2010.

Contact KeyTalk at (877) 457-6263¹ to start your periodic payments now.

IMPORTANCE OF CONTINUING TO SAVE

THINK TWICE

Before making any big decision in life, it's important to think twice about the matter before coming to a conclusion. One of the biggest decisions you may have to make in life regards your retirement future. It's safe to say that thinking twice may be a good idea when it comes to making adjustments to your retirement planning choices.

Your voluntary retirement plan offers a great way to provide for your future. As a participant, you have the chance to save on a tax-deferred basis, which helps

DID YOU KNOW that you can access e-learning seminars such as *Generation Y - The Importance of Saving and Investment Fundamentals - The Advantages and Risks of Investing* from the Program website at www.southcarolinadcp.com?¹

lower your taxable income for the year. In addition, this creates the potential for your savings to increase considerably through compounding over time. Saving for retirement is a long-term strategy, so think about staying the course by continuing your contributions in order to maximize these benefits. Stopping your contributions for only one or two years could really cost you.

John

- » Enrolls in the Program at age 30
- » Contributes \$100 per month
- » Decides to purchase a motorcycle and stops contributing when he turns 40; makes no contributions for five years
- » Resumes contributing \$100 per month when he turns 45, and continues his \$100 monthly contributions until age 65
- » Account value at age 65: **\$193,188**



Sophia

- » Enrolls in the Program at age 30
- » Contributes \$100 per month
- » Continues contributing \$100 per month until age 65
- » Account value at age 65: **\$230,918**

FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical illustration does not represent the performance of any investment options. It assumes an 8% rate of return and reinvestment of earnings, with no withdrawals. Rates of return may vary. The illustration does not reflect any charges, expenses or fees that may be associated with the Program. The tax-deferred accumulation shown would be reduced if these fees had been deducted.

No matter what life throws your way, the one thing you can control is your contribution to your future. Your retirement is what you put into it, and the rewards you may reap can only be maximized through consistent savings practices. You may hit a few rough patches along your retirement savings journey, but the important thing to remember is the purpose of having a retirement savings outlet. If you remember that, your future self will thank you at the end of the day.

ANNUAL RATES OF RETURN FOR THE THIRD QUARTER 2010

SOUTH CAROLINA STABLE VALUE FUND	3.80%
84-MONTH CERTIFICATE FUND	3.40%



FUNDAMENTALS OF INVESTING

THREE MISTAKES YOU CAN AVOID

It's easy to go on autopilot once you've set up a workplace retirement savings account. Below are three common oversights that can limit your potential to save more, followed by ways you can be proactive.

CONTRIBUTING TOO LITTLE.

If possible, contribute as close to the maximum allowed, especially if you're among the millions of Americans whose savings declined during the recession. In 2010 you may contribute as much as \$16,500 to your 401(k) and 457 account. If you're age 50 or older, you can also make "catch-up" contributions of as much as \$5,500⁵ (see the Program Highlights for details).

INVESTING TOO HEAVILY IN ONE ASSET CLASS.

Recent history has shown that the stock market can rise and fall significantly over a short period of time. That reality — as well as the ups and downs it can create in your retirement savings — may tempt you to minimize the portion of your portfolio you invest in stock funds and load up on bonds and cash investments such as money market funds. *An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.*

However, stocks could provide the strongest potential for the long-term growth you'll likely need to fund your retirement. You can capture some of that growth potential without exposing all your savings to the declines stocks occasionally experience. The key is to determine the appropriate asset allocation — the mix of stock, bond and cash investments — that is right for you and to stick to it.

How much you should devote to each asset class depends mainly on the amount of time before you plan to retire, but also on the amount of risk you're comfortable with and your overall investment objectives. In general, the longer your time horizon to retirement, the greater the percentage of stocks you may want to hold.

The Program may help you navigate the road to retirement with its Reality Investing[®] Advisory Services (Advisory Services) program. This advisory service is offered by Advised Assets Group, LLC, a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. The Program allows you to choose the level of support that is right for you: Online Investment Guidance, Online Investment Advice or a Managed Account service. Online Investment Guidance is free. There is a fee for Online Investment Advice or the Managed Account service. See the Program Highlights for details.

TIMING THE MARKET.

A single headline can drive a person to shift money from one asset class to another. In 2008 and early 2009 many investors, afraid of their continuing losses, sold their stock funds and put their money in bond and money market funds. But unless they moved back into stocks, they missed the rally that ensued; between December 31, 2008, and December 31, 2009, stocks gained 26.5 percent.⁶ Bond returns fell 2.4 percent and cash investments were up just 0.1 percent.^{6,7}



⁵ www.irs.gov

⁶ Stocks measured by the S&P 500[®], bonds by the Ibbotson Intermediate-Term Government Bond Index, cash investments by 30-day Treasury bills. Source: Ibbotson Associates SBBI 2010 Classic Yearbook.

⁷ Past performance is not a guarantee or prediction of future results.

GREAT-WEST EDUCATION COUNSELORS ARE HERE FOR YOU!

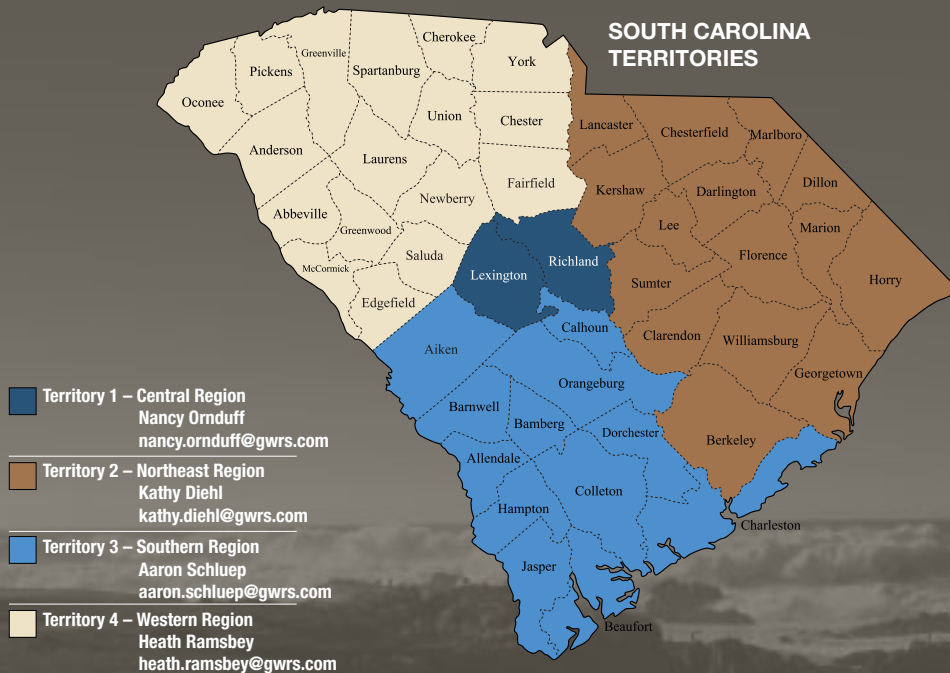
Local (Great-West) education counselors are available for one-on-one appointments and group meetings to assist you with your South Carolina Deferred Compensation Program (SCDCP) account. Are you nearing retirement or leaving employment and not sure what to do with your SCDCP account? Call a Great-West education counselor at (877) 457-6263¹ to learn about your options. Concerned about investing in a volatile market environment? Call a Great-West education counselor at (877) 457-6263 for information about risk management tools and long-term investing.² As the provider of recordkeeping, communication and education services for the Program, Great-West has representatives here at the local office to assist you.

CONTACT THE GREAT-WEST LOCAL OFFICE AT:

200 Arbor Lake Dr., Suite 125
Columbia, SC 29223
Phone: (877) 457-6263
Office Hours: 8:00 a.m. to 4:30 p.m.
Monday through Friday

Interested in attending a group meeting?

Visit the Program website at www.southcarolinadcp.com¹ to find a group meeting in your area.



**The South Carolina
Deferred Compensation Program**

Securities (except the self-directed brokerage option), when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

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