

Plan Highlights



- **Unlike a 401(k) or a 403(b) plan, there is no 10 percent early withdrawal penalty upon severance from employment for the 457 Plan.** At severance from employment, you can withdraw your contributions and any earnings from your 457 Plan account without incurring an early withdrawal penalty. Ordinary income taxes will apply on withdrawals taken from all plans. The 457, 403(b), and 401(k) Plans all require the participant to begin taking minimum distributions by April 1 following the later of the date of retirement or attainment of age 70½.
- **Easy, automated, tax-deferred contributions via payroll deduction to the 457 Plan.** Predetermined dollars or a percentage amount are taken directly from your payroll.
- **Easy deferral changes.** If you wish to increase or decrease your monthly contribution, you may do so at any time via the Web site at www.colorado457.com or by calling KeyTalk® at 1-800-838-0457.¹ Please note that the change will be effective with the payroll in the month following the change.
- **Investment choice.** The 457 Plan offers a diverse array of professionally managed investment options from which to choose. Investment option details can be reviewed on the Web site at www.colorado457.com or with a registered representative. You can make an appointment by calling KeyTalk at 1-800-838-0457.
- **Self-directed brokerage (SDB) option.** If you choose to participate in the TD Ameritrade SDB option, the annual fee is \$60 and will be deducted from your account quarterly (\$15 per quarter). Additional transaction fees also apply. The SDB account requires a \$1,000 minimum opening balance. For additional information, visit the Web site at www.colorado457.com and click on the Fund Options link.
- **Convenient account management.** Detailed Plan and account information and the flexibility to make changes to your account as often as needed are available online. Visit the Web site at www.colorado457.com to sign up for Online File Cabinet® and eliminate paper waste through electronic quarterly statements.
- **Contribution limits.** The maximum annual contribution limit for 2011 is \$16,500 if you are under age 50 and \$22,000 if you are age 50 or older.
- **Save even more by coordinating your voluntary retirement accounts.** If you are contributing to the 457 Plan and either a 401(k) or 403(b) plan, you may contribute the maximum to the 457 Plan and the maximum to the 401(k) or 403(b) plan.

Under Age 50

$$457 + (401(k) \text{ or } 403(b)) = \$16,500 + \$16,500 = \$33,000$$

Age 50 and Older

$$457 + (401(k) \text{ or } 403(b)) = \$22,000 + \$22,000 = \$44,000$$

- **Consolidate other retirement plans into your 457 Plan.** You can roll over outside retirement plans, such as a 401(k), 401(a), 403(b), governmental 457(b), and IRAs, into your Colorado PERA 457 Plan.
- **Borrow from yourself.** Subject to Internal Revenue Code provisions, you may borrow the lesser of \$50,000 or 50 percent of your total account balance. The minimum loan amount is \$1,000 and you have up to five years to repay your loan—up to 15 years if the money is used to purchase your primary residence. There is also a \$50 origination fee for each loan, plus an ongoing annual maintenance fee of \$25 that is deducted from your account balance at \$6.25 per quarter. You must have an account balance of \$2,000 or more in order to be eligible for a loan.
- **Investment advice.** Visit www.colorado457.com for more information regarding the investment advice services available to you. You can choose the level of service that works best for you, and the fees vary depending on the level of service that you select. Participation in the advice service is optional. There is no guarantee that participation in the investment advice service will result in a profit or that your account will outperform a self-managed portfolio.

Read on for important information ►

Contact your Colorado PERA education counselor at 1-800-838-0457, or visit the Web site at www.colorado457.com for more information.

Plan Comparison

	PERA 457	PERA 401(k)	403(b)
Minimum Contribution	\$25 per month	No minimum	See your 403(b) Plan administrator
Maximum Contribution	\$16,500 in 2011	\$16,500 in 2011	\$16,500 in 2011
Catch-Up for Participants Age 50 or Older	Participants age 50 or older may make additional contributions of \$5,500 in 2011 ²	Participants age 50 or older may make additional contributions of \$5,500 in 2011 ²	Participants age 50 or older may make additional contributions of \$5,500 in 2011 ²
Additional Catch-Up Provision	For the three consecutive years prior to your normal retirement age, you may be able to contribute up to twice the available limit if you under-contributed in prior years ³	Not available	With 15 years of service or more, you may contribute up to \$3,000 for five years, or \$15,000 for a lifetime maximum, if you under-contributed in prior years
Penalty on Early Withdrawals Before Age 59½ (severance from employment)	No	Yes, unless directly rolled over to another tax-deferred account or if you separate service at age 55 or older	Yes, unless directly rolled over to another tax-deferred account or if you separate service at age 55 or older
Loans	Available through the Web site at www.colorado457.com with PIN or by calling KeyTalk at 1-800-838-0457	Available; see PERA 401(k) Plan administrator	Available; see your 403(b) Plan administrator
Qualifying Distribution Events	Retirement, severance from employment, disability, attainment of age 70½ while employed, or unforeseeable emergency	Retirement, severance from employment, disability, attainment of age 59½, or financial hardship (may be subject to a 10 percent early withdrawal penalty)	Retirement, severance from employment, disability, attainment of age 59½, or financial hardship (may be subject to a 10 percent early withdrawal penalty)
Purchase PERA Service Credit	Yes	Yes	Yes
Rollover Provisions	Accepts rollovers from a 401(a), 401(k), 403(b), governmental 457(b), and IRA ⁴	Accepts rollovers from a 401(a), 401(k), 403(b), governmental 457(b), and IRA ⁴	Accepts rollovers from a 401(a), 401(k), 403(b), governmental 457(b), and IRA ⁴
Plan Fees	Investment management fees apply to each fund. Please see investment returns for fund operating expenses. Currently there is no annual administrative fee (subject to change)	Investment management fees apply to each fund. Administrative fees range from \$2 to \$3.25 a month depending on account balance	See your 403(b) Plan administrator
Commissions, Loads or Payout Fees	None	None	See your 403(b) Plan administrator

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

2 This additional contribution is not a combined limit between 457 and/or 403(b) plans. The Age 50+ Catch-Up contribution provision may not be used in the same year as the traditional standard 457 catch-up contribution provision.

3 Certain restrictions apply. Please contact an account executive at 1-800-838-0457 for more information.

4 Any monies rolled over from a 457 plan to any other plan may be subject to the 10 percent federal tax penalty for withdrawals made prior to age 59½.

Core 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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Investment options are offered through mutual funds and a group fixed and variable deferred annuity issued by Great-West Life & Annuity Insurance Company.

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