

Be Smart with Your Money — Protecting Your Retirement Savings

LASERS

Louisiana State Employees'
Retirement System

LASERS Self-Directed Plan – 95231-01

Often, employees and retirees are approached by brokers or financial planners offering to manage their investments post-retirement. Your nest egg represents many years of saving. You want to continue to protect your retirement assets throughout your lifetime and also consider your beneficiaries. You have many options, so if you're approached about moving your Plan account to a broker's company, be sure to make a comparison to your current Plan.

1) LOUISIANA STATE INCOME TAX

You do not pay Louisiana state income taxes as long as your funds are distributed to you from the Self-Directed Plan. If you roll your account to another plan (IRA, 401(k), etc.), you will pay state income tax on withdrawals from these retirement accounts. THIS IS IMPORTANT.

2) ROLLOVER

Do your research. If you roll all of your funds out of the Self-Directed Plan, it is an irrevocable decision. At that point, you will have permanently lost your Louisiana state income tax exemption.

3) FEES

Your Self-Directed Plan has very competitive fees compared to most products offered by brokers. This means more money in your pocket. Currently, the fees are covered by the operating expenses of the investments.^{1,2}

4) PENALTIES

With the Self-Directed Plan, if you are age 55 or older when you retire, you will not be subject to the 10% early withdrawal penalty. *If you are younger than age 55 when you retire, you must wait until age 59½ to take a distribution to avoid the 10% penalty.*

5) WITHDRAWALS

Great-West Retirement Services® (Great-West) is required by law to withhold 20% from your requested withdrawal amount to help cover your income tax liability. If you are in a lower bracket, you could be due a refund when you file your taxes. If you are in a higher tax bracket, you could possibly owe more at tax time.

6) WITHDRAWAL OPTIONS

You may have many options available for withdrawing your money from the Self-Directed Plan. You can customize your strategy to fit your needs, and you have the ability to change your options at any time.

- Monthly supplement to pension
- Random amounts as requested
- Total withdrawal

Questions?

Call your Great-West Retirement Services representative at (225) 926-8082 or visit www.louisianadcp.com.

¹ Each fund has its own fund operating expenses that vary depending on the investment options you select.

² Funds may impose redemption fees, and/or transfer restrictions, on certain transfers, redemptions or exchanges if assets are held for less than the period stated in the fund's prospectus or other disclosure documents.

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Below is a hypothetical example of a participant who wants to take a \$50,000 withdrawal from his Self-Directed Plan. The illustration shows the mandatory 20% federal tax withholding and an additional 3% in taxes that were due to satisfy the participant's income tax bill.

Self-Directed Plan Withdrawal	
Account Balance	\$50,000
Mandatory 20% Federal Income Tax	-\$10,000
Potential 3% Additional Tax Owed	-\$1,500
What's Left?	\$38,500

(If you rollover your money out of the Self-Directed Plan to an IRA or another tax-deferred account, you will also owe state taxes when you get ready to withdraw the funds from your new account.)

OTHER THINGS TO REMEMBER:

1. Your assets are held in trust for the exclusive benefit of Plan participants, and all investment options offered by the Plan are monitored quarterly by the Plan's Advisory Committee with assistance from an independent investment consulting firm. They are responsible for ensuring that the Plan makes available a variety of appropriate and cost-effective investment choices.
2. Your money is at Great-West when you terminate DROP or retire with Initial Benefit Option (IBO). By default, your funds will be invested in the LASERS Stable Value Fund, or at your option, you may choose other variable investment options offered by the Plan.
3. You will receive a PIN letter when your funds move from DROP to the Self-Directed Plan.³ You will have access to your account 24 hours a day at (800) 701-8255 or by logging in to www.louisianadcp.com.⁴ You will also receive a statement in the mail on a quarterly basis.
4. Distributions can be requested from Great-West by phone by calling (225) 926-8082 or by mail, or through our office at 2237 South Acadian Thruway, Suite 702, Baton Rouge, LA 70808.
5. A Form 1099 will be issued in January of the year following any distributions made from the Self-Directed Plan.
6. If you are 70½ and have separated from service, the **Minimum Required Distribution** is **NOT** suspended in 2009 for the Self-Directed Plan.

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds and/or disclosure documents from your registered representative. Read them carefully before investing.

³ The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

⁴ Access to the automated voice response system and Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

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.

Securities, 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 offered through a combination of mutual funds, collective trust funds, and a group fixed and variable deferred annuity issued by Great-West Life & Annuity Insurance Company.

Your Plan may utilize one or more of the following annuity policy form numbers: GDC 177, GTSA 179, GTSA 279, GDCA 180, GDCA 184, GTSMF 1-84, GDCMF 1-84, GTSA 184, GATSA 184, GATSMF 184, QGAC 985, QGAC-CDSC 685, QGP 685, QGAC 1289, QGAC 1089, QGAC 490 FFSII, GDCMF 190, GDC 990 FFSII, GTDAMF 92 ER, GTDAMF 92 VOL, GTDAGF 92 VOL, GTDAGF 92 ER, QGAC 1-94, STAC 1-95, GFF 1-97, GPF 1-00, GFAC 1-02, GFVAC 1-02, GFAC 1-05, GFVAC 1-05, GFAC 08 FF1, GFVAC 08 FF1.

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