

LASERS Self-Directed Plan Features & Highlights

The LASERS Self-Directed Plan is a powerful tool to help you reach your retirement dreams.

As a supplement to other retirement benefits or savings that you may already have, this Plan allows you to self-direct your Deferred Retirement Option Plan (“DROP”) investments for retirement—tax deferred!

Not only will your DROP or Initial Benefit Option (IBO) funds transfer into the Self-Directed Plan without incurring any income tax liability, but you may also choose from a variety of fixed and variable investment options and learn more about investing for your financial future.

Getting Started

What is the LASERS Self-Directed Plan?

LASERS has established a 401(a) retirement plan to receive your DROP or IBO monies so that members may self-direct their investments to supplement existing retirement and pension benefits. Any earnings on the assets remain tax-deferred until the money is withdrawn.

Can I participate if I am currently in DROP or have a DROP/IBO account?

The members listed below will have the *option to remain in* the current LASERS DROP/ IBO account, old DROP/ IBO *or* choose the Self-Directed Plan, new DROP/ IBO. By entering the Self-Directed Plan, they will make an *irrevocable election*. They will be able to transfer 100% of their balance to the Self-Directed Plan upon completion of the DROP accumulation period.

1. All persons who entered DROP or selected the IBO prior to January 1, 2004.
2. Persons eligible for regular retirement prior to January 1, 2004, who continue to work and later choose to enter DROP if eligible, or later take the IBO.
3. Beneficiaries of a DROP/ IBO account initiated before January 1, 2004.
4. Members who were eligible to retire on or before December 31, 1995, who may enter DROP at any time.

Those members entering DROP or selecting IBO after January 1, 2004 will be automatically transferred to the Self-Directed Plan once funding takes place.

For more information, please call **(225) 926-8082 or toll free (800) 937-7604** to speak with your Great-West Retirement Services® representative. You may also schedule a visit at the Great-West Retirement Services office at 2237 South Acadian Thruway, Suite 702, Baton Rouge, LA 70808.

What are my investment option choices?

The Plan's default investment option is the LASERS Stable Value fund. It is designed to protect principal and offer some interest. In addition, a wide array of fixed and variable investment options is available through your Plan. Each option is explained in further detail in your Plan's fund data sheets, located in the back of this booklet. Investment option information is also available through the Plan's website at **www.LouisianaDCP.com** and by calling KeyTalk® toll free at **(800) 701-8255**. The website and KeyTalk are available to you 24 hours a day, seven days a week.¹

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.

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. Transfer requests made via the website or KeyTalk received on business days prior to close of the New York Stock Exchange (3:00 p.m. Central Time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

Managing Your Account

How do I keep track of my account?

Great-West Retirement Services will mail a quarterly account statement to you showing your account balance and activity. You can also check your account balance and transfer money among investment options on the website at www.LouisianaDCP.com or by calling KeyTalk at (800) 701-8255.¹

How do I make investment option changes?

Participants will be issued a four-digit Personal Identification Number² (PIN) once their DROP monies are transferred to the Self-Directed Plan or IBO. Use your PIN (which we suggest you customize) and Social Security number to access either the website or KeyTalk.¹ You can move all or a portion of your existing balances among investment options at any time without any Plan restrictions.

Rollovers

May I roll over my account from my former employer's plan?

No. Only your DROP/ IBO assets are eligible to be transferred into the LASERS Self-Directed Plan.

May I roll over my account if I leave employment with my current employer?

When you sever employment with your Louisiana public employer, you may roll over your account balance to another eligible 401(a), 401(k), 403(b) or governmental 457(b) plan that accepts such rollovers or to an IRA. Please contact your Great-West Retirement Services representative for more information.

Vesting

When am I vested in the Plan?

Vesting refers to the percentage of your account you are entitled to receive upon the occurrence of a distributable event. Your assets in the Plan and any earnings they may generate are always 100% vested.

² The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

Distributions

When can I receive a distribution from my account?

You may begin receiving your Self-Directed Plan benefits following your:

- Retirement (verified by LASERS)
- Severance of employment (as defined by the Internal Revenue Code)
- Death (upon which your beneficiary receives your benefits)

Distributions from the Self-Directed Plan are exempt from Louisiana state income tax. Ordinary federal income tax will apply to any benefit payment received during the calendar year.

Distributions received from the Self-Directed Plan prior to age 59½ may also be assessed a 10% early withdrawal federal tax penalty. Please contact your Great-West Retirement Services representative for forms and additional information.

NOTE: By Louisiana statute, all lump sum distributions are required to have spousal consent if the participant is married.

What are my distribution options?

- 1) Defer the start of payments from your account in the Plan until a future date, but not later than April 1 following the calendar year in which you attain age 70½, unless you are still working.
- 2) Receive:
 - Periodic payments
 - Fixed annuity payments
 - Partial lump sum with remainder paid as periodic payments or annuity payments;
 - A lump sum
- 3) Roll over your account balance to an eligible 401(a), 401(k), 403(b) or governmental 457(b) plan or to an IRA.

What happens to my account when I die?

Your designated beneficiaries, kept on file with LASERS, will receive the remaining value of your account, if any. Your beneficiary(ies) must contact the Great-West Retirement Services staff or representative to request a distribution.

Fees

Are there any recordkeeping or administrative fees to participate in the Plan?

No. The Plan does not charge an annual contract fee, sales commission, or any asset-based recordkeeping expenses or administrative fee.

Are there any fees for the investment options?

Each investment option is professionally managed and has an investment management fee that varies by investment option. All load fees are waived on the mutual fund investments within the Plan.

These fees are deducted by each investment option's management company before the daily price or performance is calculated. Fees pay for trading individual securities in the underlying investment options and other management expenses.

Funds may impose redemption fees on certain transfers, redemptions or exchanges.

Asset allocation funds may be subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest. For more information, please refer to the fund prospectus.

Are there any Plan distribution fees?

No. There are no Plan-imposed distribution fees when receiving your benefits. Before selecting a distribution option, contact your Great-West Retirement Services staff or representative at **(225) 926-8082 or toll free (800) 937-7604** to get more information.

Taxes

How does my participation in the Plan affect my taxes?

Your Self-Directed Plan assets remain tax-deferred until you withdraw money, usually during retirement.

Distributions from the Self-Directed Plan are taxable as ordinary income for federal income tax purposes during the years in which they are distributed or made available to you or to your beneficiary(ies). Distributions from the Self-

Directed Plan are exempt from Louisiana state income tax.

A 10% early withdrawal federal tax penalty may also apply to distributions taken from the Self-Directed Plan before age 59½. The additional 10% tax penalty does not apply to: (1) payments that are paid after you sever employment with your employer during or after the year you reach age 55; (2) payments that are paid because you sever employment due to disability; (3) payments that are paid as equal payments over your life expectancy; (4) payments that are paid directly to the government to satisfy a federal tax levy; (5) payments that are paid to an alternate payee under a qualified domestic relations order; or (6) payments for your deductible medical expenses that exceed 7.5% of your adjusted gross income.

Before making a distribution, contact your Great-West Retirement Services staff or representative for additional information.

Investment Assistance

How can I get help choosing my investment options?

Your Plan offers a suite of investment advice services called Reality Investing[®] Advisory Services (Advisory Services). As a participant, you may select the Managed Account service, where Advised Assets Group, LLC (AAG), a registered investment adviser and wholly owned subsidiary of Great-West Life & Annuity Insurance Company, manages your DROP retirement account for you. If you prefer to manage your retirement account on your own, you may select any investment option or options, and may use the Online Investment Guidance and Online Investment Advice services.

For more detailed information, please visit your Plan's website at www.LouisianaDCP.com (click on the "Reality Investing[®]" tab), or call KeyTalk at **(800) 701-8255** to speak to an AAG adviser representative.

What fees do I pay to participate in Advisory Services?

If you choose the Managed Account service through AAG, the annual Managed Account fee, assessed to your account quarterly, is based on your account balance, as follows:

Participant Account Balance	Annual Managed Account Fee
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Less than \$100,000	0.60%
Next \$150,000	0.50%
Next \$150,000	0.40%
Greater than \$400,000	0.30%

For example, if your account balance is \$50,000, the maximum annual fee will be 0.60% of the account balance. If your account balance is \$500,000, the first \$100,000 will be subject to a maximum annual fee of 0.60%; the next \$150,000 will be subject to a maximum annual fee of 0.50%; the next \$150,000 will be subject to a maximum annual fee of 0.40%; and any amounts over \$400,000 will be subject to a maximum annual fee of 0.30%.

If you choose Online Investment Advice, there is a \$25 annual fee assessed quarterly at \$6.25.

If you choose Online Investment Guidance, there is no cost.

There is no guarantee that participation in Reality Investing Advisory Services will result in a profit or that your account will outperform a self-managed portfolio.

How do I get more information?

Visit the website at www.LouisianaDCP.com or call KeyTalk toll free at **(800) 701-8255** for more information. The website provides information regarding your Plan, financial education information, and financial calculators and other tools to help you manage your account.

For more information, please call your Great-West Retirement Services representative:

(225) 926-8082
(800) 937-7604

You may also schedule a visit at the Great-West Retirement Services office at 2237 South Acadian Thruway, Suite 702, Baton Rouge, LA 70808. Hours of operation are 8:30 a.m. to 4:30 p.m.

Securities, when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Great-West Retirement Services[®] refers to products and services provided by Great-West Life & Annuity Insurance Company and its subsidiaries and affiliates.

Managed account, guidance and advice services are offered by Advised Assets Group, LLC (AAG), a federally registered investment adviser and wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

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.

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.

Great-West Retirement Services[®], KeyTalk[®] and Reality Investing[®] are registered trademarks of Great-West Life & Annuity Insurance Company.

GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution, and administrative services.

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