

SAN FRANCISCO DEFERRED COMPENSATION PLAN *Features and Highlights*

The City and County of San Francisco Deferred Compensation Plan (SFDCP) is a powerful tool to help you discover your retirement potential. As a supplement to other retirement benefits or savings that you may have, this voluntary Plan allows you to save and invest extra money for retirement ... tax deferred!

Not only will you defer taxes immediately, you may build extra savings consistently and automatically, select from a variety of investment options, and learn more about saving and investing for your financial future.

Read these highlights to learn more about your Plan and how simple it is to enroll.

If there are any discrepancies between this document and the Plan Document, the Plan Document will govern.

GETTING STARTED

What is a 457 deferred compensation plan?

A governmental 457(b) deferred compensation plan (457 plan¹) is a retirement savings plan that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax dollars through a voluntary salary contribution. Contributions and any earnings on contributions are tax-deferred until money is withdrawn.² Distributions are usually taken during retirement, when many participants are typically receiving less income and may be in a lower income tax bracket than while working. Distributions are subject to ordinary income tax.

Why should I participate in the Plan?

You may want to participate if you are interested in saving and investing additional money for retirement and/or



reducing the amount of current state and federal income tax you pay each year. Your SFDCP can be an excellent tool to help make your future more secure.

You may also qualify for a federal income tax credit by participating in this Plan. For more information about this tax credit, please contact your Great-West Retirement Services[®] (Great-West) representative.³

Is there any reason why I should not participate in the Plan?

Participating may not be advantageous if you are experiencing financial difficulties, have excessive debt, do not have an adequate emergency fund (typically in an easy-to-access account), or expect to be in a higher tax bracket during your retirement.

Who is eligible to enroll?

All current full-time and part-time employees of the City and County of San Francisco are immediately eligible to participate in the Plan.

GETTING STARTED *(continued)*

How do I enroll?

Complete the appropriate enrollment forms, indicating the amount you wish to contribute, your investment option selection(s), and your beneficiary designation(s). Forms are available on the website at www.sfdcp.org or from your Great-West representative.⁴ Please return the form(s) to your Great-West representative.

What are the contribution limits?

In 2013, the maximum contribution amount is 61% of your compensation, less any mandatory before-tax contributions to a governmental pension plan, or \$17,500, whichever is less.

Participants in the SFDCP have two different opportunities to catch up and contribute more during the final years of their career. "Special Catch-Up" allows participants in the three calendar years prior to normal retirement age to contribute more to the 457 Plan (up to double the annual contribution limit—\$35,000 in 2013).

The additional amount that you may be able to contribute under the Special Catch-Up option will depend upon the amounts that you were able to contribute in previous years but did not.

Also, participants turning age 50 or older in 2013 may contribute an additional \$5,500. You may not use the Special Catch-Up provision and the Age 50+ Catch-Up provision in the same year.

What are my investment options?

A wide array of investment options is available through your Plan. In addition to the core funds, you can choose from Target Date Funds that were specifically developed for the SFDCP. With the Target Date Funds, you get a well-diversified mix of stocks and bonds that becomes more conservative as your target retirement year approaches.⁵ You simply choose the fund with the date closest to your projected retirement year. The date in a Target Date Fund name represents an approximate date when an investor expects to retire. The principal value of the funds is not guaranteed at any time, including the target date.

Each investment option is explained in further detail in your Plan's fund data sheets and the Target Date Funds Portfolio Summary. Investment information is also available through the website at www.sfdcp.org and KeyTalk®, toll free, at **(888) SFDCP4U** (888-733-2748). The website and KeyTalk are available to you 24 hours a day, seven days a week.⁴

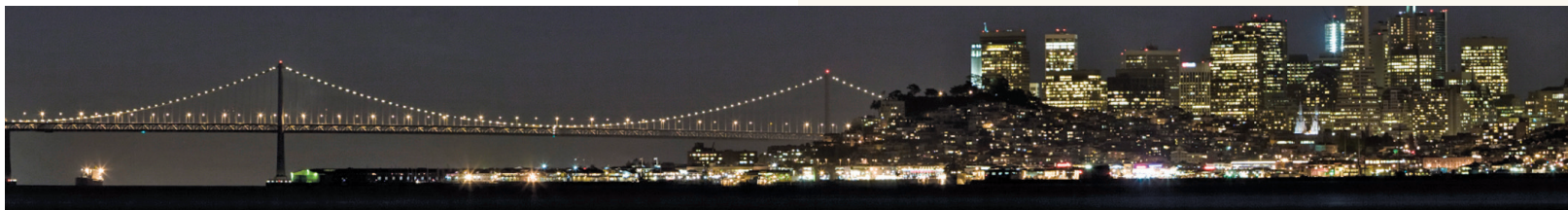
In addition to the core investment options, a Self-Directed Brokerage Account (SDBA) is available through TD Ameritrade, Inc. The SDBA allows you to select from numerous mutual funds. There may be additional transaction fees charged by TD Ameritrade. These securities are not offered through GWFS Equities, Inc. The SDBA is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA. There is a minimum transfer requirement of \$1,000 from your SFDCP core account to your SDBA. You must maintain the greater of \$2,500 or 50% of your account balance in the SFDCP core investment options.

MANAGING YOUR ACCOUNT

How do I keep track of my account?

Great-West will mail you a quarterly account statement showing your account balance and activity. You can also check your account balance and move money among investment options on the website at www.sfdcp.org or by calling KeyTalk at **(888) SFDCP4U**.⁴ You will also receive quarterly statements on your SDBA from your SDBA provider that will detail the investment holdings and activity within your SDBA, including any fees and charges imposed in connection with the SDBA. The SDBA provider will send you a monthly statement if you have account activity in any given month.

INVESTMENT OPTION INFORMATION IS ALSO AVAILABLE THROUGH THE WEBSITE AT WWW.SFDCP.ORG AND KEYTALK, TOLL FREE, AT **(888) SFDCP4U (888-733-2748).⁴**



How do I make investment option changes?

Use your Personal Identification Number (PIN) and Username to access the website, or you can use your Social Security number and PIN to access KeyTalk.⁶ You can move all or a portion of your existing balances among investment options (subject to frequent trading rules) and change how your payroll contributions are invested.⁴

How do I make contribution changes?

Fill out a Salary Deferral form available on the website at www.sfdcp.org or from your Great-West representative.⁴

ROLLOVERS

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

Yes, but only approved balances from an eligible 401(k), 403(b), 401(a) or governmental 457(b) plan or an IRA may be rolled over to the Plan.

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

If you terminate employment with your current employer, you may roll over your account balance to another eligible 401(k), 403(b), 401(a) or governmental 457(b) plan if your new employer's plan accepts such rollovers. You may also roll over your account balance to an IRA.

Please keep in mind that if you roll over your 457 Plan balance to a 401(k), 403(b) or 401(a) plan or an IRA, distributions taken before age 59½ may also be subject to the 10% early withdrawal federal tax penalty. Please contact your Great-West representative for more information.³

VESTING

When am I vested in the Plan?

Vesting refers to the percentage of your account you are entitled to receive from the Plan upon the occurrence of a distributable event. Your contributions to the Plan and any earnings they generate are always 100% vested (including rollovers from previous employers).

DISTRIBUTIONS

When can I receive a distribution from my account?

Qualifying distribution events are as follows:

- Retirement
- Permanent disability, assuming you sever from employment
- Unforeseeable emergency (as defined by the Internal Revenue Code)
- Severance of employment (as defined by the Internal Revenue Code provisions)
- Attainment of age 70½
- Death (upon which your beneficiary receives your benefits)
- In-service transfer to purchase service credit

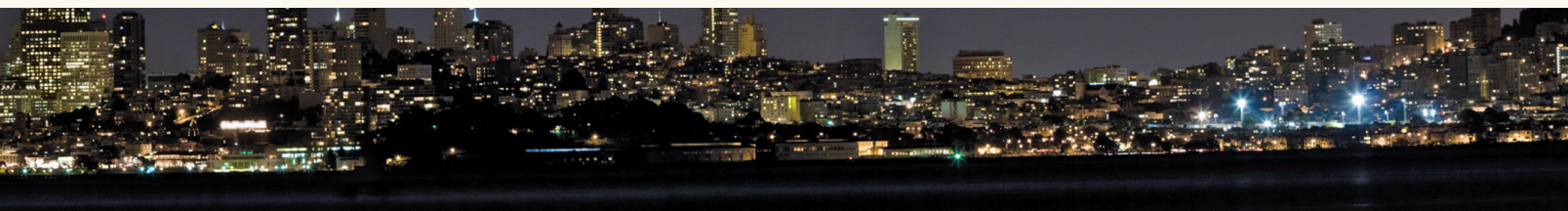
Each distribution is subject to ordinary income tax except for an in-service transfer to purchase service credit.

What are my distribution options?

1. Leave the value of your account in the Plan until a future date.
2. Receive payment in the following form:
 - Periodic payments;
 - Fixed annuity payments;
 - Partial lump sum with remainder paid as periodic payments or annuity payments; or
 - A lump sum.
3. Roll over your account balance to an eligible 401(k), 403(b), 401(a) or governmental 457(b) plan or to an IRA.

What happens to my account when I die?

Your designated beneficiary(ies) will receive the remaining value of your account, if any. Your beneficiary(ies) must contact a Great-West representative to request a distribution.



FEES

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

The revenue requirement to administer the Plan is 0.08% per annum. Revenue sharing payments from your Plan's investment options are used to offset this Plan administrative fee.

Are there any fees for the investment options?

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

Funds may impose redemption fees on certain transfers, redemptions or exchanges. Target Date 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 Target Date Funds Portfolio Summary and the fund prospectuses for the underlying funds.

You can review and compare expenses for your Plan's individual investment options or a portfolio of options using the Portfolio Expense Calculator available at www.sfdcp.org.⁴ This calculator is intended only to compare the internal expenses of your Plan's investment options and does not account for fees deducted from your account due to sales charges, redemption or exchange fees, or actual expenses incurred. Visit the website for more detailed information.

There may be additional transaction fees to participate in the SDBA option.

Are there any distribution fees?

There are no fees for distributions.

TAXES

How does my participation in the Plan affect my taxes?

Because your contributions are taken out of your paycheck before taxes are calculated, you may pay less in current income tax. You do not report any current earnings or losses on your account on your current income tax return. Your account is tax-deferred until you withdraw money, usually during retirement.

Distributions from the Plan are taxable as ordinary income during the years in which they are distributed or made available to you or to your beneficiary(ies).

INVESTMENT ASSISTANCE

Can I get help with my investment decisions?

Employees of Great-West cannot give investment advice. There are financial calculators and tools on the website that can help you determine which investment options might be best for you.

How do I get more information?

Visit the website at www.sfdcp.org or call KeyTalk, toll free, at **(888) SFDCP4U (888-733-2748)** for more information.⁴ The website provides information regarding your Plan and financial education, as well as financial calculators and other tools to help you manage your account.

You may also call or visit your local Great-West office at:

**One Front Street, Suite 900
San Francisco, CA 94111
Phone: (877) 457-9321**

¹ All references to the 457 Plan are to a governmental 457(b) plan.

² Any contribution in the Plan does not ensure a profit and does not protect against loss in declining markets.

³ 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.

⁴ 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 (1:00 p.m. Pacific 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.

⁵ Diversification of an investment portfolio does not ensure a profit and does not protect against loss in declining markets.

⁶ The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

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