

MORE ROLLOVER OPTIONS ALLOWED INTO TEXA\$AVER 401(K) AND 457 PLANS

You can now roll over your:

- Texa\$aver 401(k) Plan into your Texa\$aver 457 Plan and
- your Texa\$aver 457 Plan into your Texa\$aver 401(k) Plan.

PRIOR EMPLOYER PLANS

You can also now roll prior employer 401(k), 401(a), 403(b), or prior eligible governmental 457 plans into either the Texa\$aver 401(k) or 457 Plan.

WHAT DOES THIS MEAN FOR YOU?

When you consolidate all of your plan accounts, you only have to pay fees on one account. This means you may pay less in fees and would have fewer accounts to manage.

HIGHLIGHTS OF THE CHANGE

Texa\$aver 401(k) Plan:

- You can roll your Texa\$aver 457 Plan into your Texa\$aver 401(k) Plan. However, you must have a qualifying reason. Retirement and separation of service are qualifying reasons.
- You can now roll money from a 401(k), 401(a), or 403(b) plan into the 457 Plan (the 10% early withdrawal penalty still applies to the 401(k), 401(a) and 403(b) monies).
- Any money you roll into the 457 that was subject to the 10% early withdrawal penalty continues to be subject to a 10% early withdrawal penalty if taken from the account

before you are 59½. Rollovers from other eligible governmental 457 Plans will not be subject to an early withdrawal penalty if directly rolled into the Texa\$aver 457 plan.

Texa\$aver 457 Plan:

- You can roll your Texa\$aver 401(k) Plan to your Texa\$aver 457 Plan. However, you must have a qualifying reason. Separation of service or turning age 59½ are qualifying reasons.
- Now you can roll money from a 401(k), 401(a), or 403(b) plan into the 457 Plan (the 10% early withdrawal penalty still applies to money in the 401(k), 401(a) or 403(b)).
- Any money you roll into the 457 that was subject to the 10% early withdrawal penalty is still subject to a 10% early withdrawal penalty if you remove it from the account before you are 59½. If you roll other eligible governmental 457 Plans directly into the Texa\$aver 457 plan, they will not be subject to an early withdrawal penalty.

Example:

Bob has a Texa\$aver 457 and Texa\$aver 401(k) Plan. He has \$10,000 in each account. Currently, he pays $\$3.99 \times 2 = \7.98 in administrative fees. Bob is leaving his job and has decided to roll over his 457 Plan into his 401(k) Plan. By doing so, Bob will only pay \$6.32 per month. That's a savings of \$1.66 per month. Bob will also enjoy the convenience of managing only one account.*



IT'S EASY TO ROLL OVER YOUR MONEY.

First, decide whether it is a direct or indirect rollover. The following explains each rollover type:

Direct Rollover

A direct rollover is when a distribution from your former employer is made to your Texa\$aver 401(k) or 457 Plan. This lets you avoid a 20% withholding by the IRS. Follow these steps:

1. Complete the appropriate Incoming Transfer/Rollover Request form, sign it, and mail it to Great-West Retirement Services® (Great-West). Include a copy of your statement from your former employer's retirement plan.
2. Once you receive the Great-West approval letter, complete your previous employer's required form using the payment instructions indicated on the Great-West approval letter.

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* However, the 457 Plan is subject to a 10% early withdrawal penalty if he takes it from the account before he is 59½.

CONTRIBUTION LIMITS REMAIN THE SAME FOR 2011.

The 401(k) and 457 plan contribution maximums are \$16,500 for each plan. If you are participating in both plans, you can contribute a maximum of \$33,000.

- Age 50 and Over additional contributions: maximums for each plan (401(k) and 457) are \$22,000;*
- Special 457 Catch-Up contributions: the maximum contribution is \$33,000 (subject to the total dollars available from prior unutilized contributions);*
- Higher education institution and 403(b) plans: find out more in the 403(b)/Texa\$aver 457 comparison chart. If you contribute to the 401(k) plan and a 403(b) plan in 2011, you must ensure that your combined contribution to both plans does not exceed \$16,500 in 2011; and
- The Age 50+ and Special 457 Catch-up options cannot be used in the same year.

* Normal retirement age is 65 unless otherwise specified by your employer or unless you are categorized as a protective employee. Please contact your employer's human resources representative if you have any questions regarding normal retirement age.

MORE ROLLOVER OPTIONS

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Indirect Rollover

An indirect rollover is when you get a check from your previous employer 401(k), 401(a), 403(b) or 457 Plan. The previous employer usually withholds 20% of this check for federal income tax. Follow these steps:

1. Complete the appropriate Incoming Transfer/Rollover Request form.
2. Sign the form and mail it to Great-West. Include a copy of your statement from your previous employer's retirement plan and the check for the amount you are transferring.
3. To avoid any potential IRS penalties, mail the rollover distribution check to Great-West within 60 days of receipt. To rollover the entire distribution amount, you are required to include the amount of the 20% withheld for tax purposes.

Use these forms to get started:

- Incoming Rollover Request *401(k) Plan*
- Incoming Transfer/Rollover Request *Governmental 457(b) Plan*

These forms are available on the ERS and Texa\$aver websites.

Call **(800) 634-5091** on weekdays from 8 a.m. to 7 p.m. CST for help.*

For a complete list of FAQs and Program fees, please visit www.texasaver.com.

*You should also consider discussing your rollover options with your tax advisor and/or accountant.

2011 STOCK MARKET HOLIDAYS



All Major US Stock Exchanges	Date
Memorial Day	May 30, 2011
Independence Day	July 4, 2011
Labor Day	September 5, 2011
Thanksgiving Day*	November 24, 2011
Christmas Day	December 26, 2011 (observed)

* The NYSE and NASDAQ will close trading early (12:00pm CT) on Friday, November 25, 2011 (the day after Thanksgiving)

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

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