

APPLICATION FOR PARTICIPATION:

AN APPLICATION TO BRING THE Bluffton Township Fire District COUNTY OF Beaufort, STATE OF SOUTH CAROLINA, INTO THE SOUTH CAROLINA DEFERRED COMPENSATION PROGRAM, AS AN EMPLOYER, UNDER THE PROVISIONS OF S.C. CODE ANNOTATED SECTIONS 8-23-10 *et seq.* (the "Code").

WHEREAS, UNDER THE "Code" any person whether appointed or elected providing services as an employee for the State or any political subdivision thereof for which compensation is paid on a regular basis, is eligible to participate in the South Carolina Deferred Compensation Program, which includes the Salary Deferral [401(k)] and Savings Profit Sharing Plan and the Public Employee 457 Deferred Compensation Plan and Trust.

WHEREAS, Bluffton Township Fire District Commission of the Bluffton Township Fire District County of Beaufort (Governing Body) (Political Subdivision)

WHEREAS, Bluffton Township Fire District, State of South Carolina, desires to make participation in the Plan available to all of its employees eligible to participate therein and desires that the Commission administer for it the investment, distribution and other handling of deferrals made by its participating employees, and

WHEREAS, Bluffton Township Fire District will / [ ] will not allow Roth contributions into the Salary Deferral [401(k)] and Savings Profit Sharing Plan, and

WHEREAS, Bluffton Township Fire District will / [ ] will not allow Roth contributions into the Public Employee 457 Deferred Compensation Plan and Trust, and

WHEREAS, the following persons and their respective successors in office have been authorized, empowered, and ordered to make the agreed-upon deferrals from the compensation of employees and to transmit such deferrals plus all information required with respect thereto to the Commission or its designee.

John Thompson, Lynn Wittse

---

NOW, THEREFORE, be it Resolved, for itself and all persons dealing in its behalf with the Commission or its designee, that Bluffton Township Fire District desires to participate in the South Carolina Deferred Compensation Program, [ ] will / [ ] will not allow Roth contributions into the Salary Deferral [401(k)] and Savings Profit Sharing Plan, [ ] will / [ ] will not allow Roth contributions into the Public Employee 457 Deferred Compensation Plan and Trust and will comply with the "Code" and rules, regulations and requirements promulgated by the Commission thereunder as in effect from time to time, until a delivery to the Commission or its designee a certified copy of a resolution to the contrary.

IN WITNESS WHEREOF, by authority granted by the Bluffton Township Fire District, the undersigned has duly completed and executed the within Application in the name of and on behalf of the Bluffton Township Fire District County of Beaufort, State of South Carolina, this 9th day of January, 2013.

J. E. Reynolds  
Name and Title

Chairman  
Entity and County  
State of South Carolina

RESOLUTION:

At a meeting of the County Council of the \_\_\_\_\_, County of Beaufort, State of South Carolina, held at February 25, 2013 on the 25<sup>th</sup> day of February, 20 13, the following RESOLUTION was of offered:

RESOLVED, That the County Council of the \_\_\_\_\_, County of Beaufort \_\_\_\_\_ State of South Carolina, approved the inclusion of the employees of the Bluffton Township Fire in the South Carolina Deferred Compensation Program under provisions of S.C. Code Annotated Sections 8-23-10 et.seq. (the "Code"), as amended from time to time, known as the Salary Deferral [401(k)] and Savings Profit Sharing Plan and Public Employee 457 Deferred Compensation Plan and Trust, [ ] will / [ ] will not allow its employees to make Roth Contributions to the Salary Deferral [401(k)] and Savings Profit Sharing Plan, [ ] will / [ ] will not allow its employees to make Roth Contributions to the Public Employee 457 Deferred Compensation Plan and Trust, and agrees to comply with the requirements of said Code and Rules and Regulations of the Deferred Compensation Commission, as may be amended from time to time. This action is to become effective on the 25<sup>th</sup> day of February, 20 13.

The above RESOLUTION was passed by the County Council of the Beaufort County.

STATE OF SOUTH CAROLINA

COUNTY OF Beaufort

I, Suzanne Rainey, Clerk to Council of the County  
(Name) (Title)

County of Beaufort State of South Carolina, do hereby certify that I have compared the foregoing with the original RESOLUTION passed by the County Council of the County of Beaufort State of South Carolina, at a meeting held on the 25<sup>th</sup> day of February, 20 13, on file in this office and duly recorded in the minute book, and that the same is a true copy thereof and whole of said original. I further certify that the full County Council of the Beaufort County consists of eleven duly elected members, and that, as above stated, eleven of said duly elected members voted in favor of the above RESOLUTION. IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the County Council on the day of 25<sup>th</sup> of February, 20 13.

Suzanne R. Rainey, Clerk to Council  
Name and Title  
Beaufort County  
Entity and County  
State of South Carolina



**Retire from work, not life.**



**The South Carolina  
Deferred Compensation Program**

## **PROGRAM FEATURES AND HIGHLIGHTS**

The South Carolina Deferred Compensation Program (Program) is a powerful tool to help you reach your retirement dreams. As a supplement to other retirement benefits or savings that you may have, this voluntary Program allows you to save and invest extra money for retirement through before-tax and after-tax contributions in a 401(k) and/or 457<sup>®</sup> plan!

Not only do you have a choice of before-tax or after-tax contributions, but through the Program 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 Program 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**

#### **Why should I participate in the Program?**

You may want to participate in the Program 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 South Carolina Deferred Compensation Program can be an excellent tool to help make your future more secure.

You may also qualify for the IRS "Saver's Credit," formally known as the Retirement Savings Contributions Credit. If you contribute to the Program, you may be eligible for this credit based on the amount of your contributions and your current tax rate. A tax credit of up to 50 percent of the first \$2,000 you contribute during the year is available—a maximum credit of \$1,000. To be eligible for the credit in 2012, your adjusted gross income cannot exceed \$57,500 (for joint filers); \$43,125 for head of household filers; and \$28,750 for single filers.

For more information about this tax credit, please contact your Great-West Retirement Services (Great-West) education counselor.<sup>1</sup>

#### **Is there any reason why I should not participate in the Program?**

Participating may not be advantageous if you are experiencing financial difficulties, have excessive debt or do not have an adequate emergency fund (typically in an easy-to-access account).

#### **Who is eligible to enroll?**

All current full and part-time employees of agencies, departments, and institutions of higher education of the state of South Carolina are immediately eligible to participate in the Program. All employees of municipalities, counties or other political subdivisions of the state of South Carolina which have entered into participation agreements with the South Carolina Deferred Compensation Commission are also immediately eligible to participate. Independent contractors of the state or its political subdivisions are not eligible to participate in the Program.

#### **How do I enroll?**

Complete the enrollment form available online at [www.southcarolinadep.com](http://www.southcarolinadep.com) or from your local Great-West education counselor. Indicate the amount you wish to contribute, your investment option selection(s), and your beneficiary designation(s), and return the completed form to Great-West. If you are already enrolled in the 401(k) or the 457 and wish to make Roth contributions, call Key Talk at (877) 457-6263 or visit the website.<sup>2</sup>

#### **What is a 401(k) plan?**

A 401(k) plan is a retirement savings plan designed to allow eligible employees to supplement any existing

<sup>1</sup> All references to the 457 plan are to a governmental 457(b) plan.

<sup>2</sup> Representatives of C3EPs 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.

<sup>3</sup> Access to Key Talk 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 Key Talk received on business days prior to close of the New York Stock Exchange (4:00 p.m. Eastern 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.

# South Carolina Deferred Compensation Program



retirement and pension benefits by saving and investing before-tax or after-tax dollars through voluntary contributions. Roth contributions are made with after-tax dollars as opposed to the before-tax dollars you contribute to a traditional 401(k). In other words, with the Roth option, you've already paid taxes on the money you contribute. The 401(k) plan gives you the flexibility to designate all or part of your 401(k) elective deferrals as before-tax contributions or as Roth contributions.

Upon reaching age 59½, distributions are not subject to a federal early withdrawal tax penalty even if you are still working for a participating employer.

## What is a 457(b) deferred compensation plan?

A governmental 457(b) deferred compensation plan (457 plan<sup>4</sup>) is a retirement savings plan available to state and local governments that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax or after-tax Roth dollars through a voluntary salary deferral. Similar to the 401(k), contributions and any earnings on before-tax contributions are tax-deferred until money is withdrawn. After-tax contributions are made to a Roth account, which means you may be eligible to withdraw these contributions and earnings tax- and penalty-free.

Unlike a 401(k) plan, the early withdrawal penalty does not apply to eligible 457 plan withdrawals of contributions and earnings. This means that when you separate from service from a participating employer in

the Program, you do not have to wait until you are 59½ to take a penalty-free distribution.<sup>5</sup>

## CONTRIBUTIONS

### What are the contribution limits for the 401(k) plan?

In 2012, the maximum contribution amount to a 401(k) plan is 100 percent of your includible compensation<sup>6</sup> or \$17,000, whichever is less. Participants turning age 50 or older in 2012 may contribute an additional \$5,500 as a catch-up contribution.

### What are the contribution limits for the 457 plan?

In 2012, the maximum contribution amount to a 457 plan is 100 percent of your includible compensation<sup>6</sup> or \$17,000, whichever is less.

Participants in the 457 plan have two different opportunities to catch up and contribute more if they meet certain requirements. "Special Catch-Up" allows participants in the three calendar years prior to normal retirement age<sup>7</sup> to contribute more to the 457 plan (up to twice the annual contribution limit – \$34,000 in 2012). 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. You cannot use the Special Catch-Up option in the calendar year you reach your normal retirement age as provided under the 457 plan.

Also, participants turning age 50 or older in 2012 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 the contribution limits if I participate in the 401(k) plan and the 457 plan?

If you participate in both the 401(k) and 457 plans, you can contribute up to \$17,000 in each plan, for a possible total of \$34,000, plus catch-up (if applicable).

<sup>4</sup> If you separate from service or retire from a participating employer and are then rehired by a participating employer, you will not qualify for a distribution for reason of "separation from service" while you are employed.

<sup>5</sup> Distribution of earnings from your Roth 457 account may be subject to ordinary income tax if made before you reach 59½ or before you meet the five-year period of participation requirement in the Roth account.

<sup>6</sup> Includible compensation includes salary and wages, overtime, bonuses, and accrued sick, vacation or other leave paid within 2.5 months following termination.

<sup>7</sup> Normal retirement age for the 457 plan is 65. Other provisions may apply. Please check the plan document for details.

# Program Features and Highlights



## What are the contribution limits if I participate in the 401(k) plan and the State Optional Retirement Program (State ORP), a 401(a) plan?

In 2012, if you participate in both the State ORP and the 401(k) plan, the total contributions made to both plans, when added together, cannot exceed 100 percent of compensation or \$49,000 (plus catch-up), whichever is less.

## INVESTMENT OPTIONS

### What are my investment options?

A wide array of core investment options is available through your Program. Each option is explained in further detail in your Program's fund overviews located on the website at [www.southcarolinadep.com](http://www.southcarolinadep.com) or through your local office. Investment option information is also available through KeyTalk, toll free, at (877) 457-6263. The website and KeyTalk are available 24 hours a day, seven days a week.<sup>3</sup> The Program offers access to investment advisory tools called Reality Investing<sup>®</sup> Advisory Services (Advisory Services). See the Investment Assistance section on page 6 for more details.

In addition to the core investment options, a self-directed brokerage (SDB) account is available. The SDB account allows you to select from numerous investment options outside of the core investments offered by the Program. These securities are not offered through GWFS Equities, Inc., and they are not under the oversight of the South Carolina Deferred Compensation Commission. The SDB account is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDB account. There are additional fees for participants who wish to utilize the SDB account.

*Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information, you may obtain mutual fund prospectuses and disclosure documents from your registered representative. Read them carefully before investing. For prospectuses related to investments in your SDB account, contact Charles Schwab at (888) 393-7272.*

## DISTRIBUTIONS

### When can I receive a distribution from my 401(k) accounts?

Qualifying before-tax account distribution events are as follows:

- Severance of employment from a participating employer in the Program<sup>4</sup>
- Permanent disability
- Financial hardship as defined by the Program's provisions

- Attainment of age 59½
- Death (upon which your beneficiary receives your benefits)

Each before-tax distribution from the 401(k) plan is subject to ordinary income tax.

Tax-free distributions from your Roth account may be made after the five-year period beginning with your first Roth contribution and your:

- Permanent disability
- Attainment of age 59½
- Death (upon which your beneficiary receives your benefits)

See the Taxes section for a general explanation of the effect a distribution of your account will have on your taxes.

### When can I receive a distribution from my 457 accounts?

Qualifying before-tax account distribution events are as follows:

- Severance of employment from a participating employer in the Program<sup>4</sup>
- Unforeseeable emergency as defined by the Program's provisions
- Attainment of age 70½
- Death (upon which your beneficiary receives your benefits)

Each before-tax distribution from the 457 plan is subject to ordinary income tax.

Tax-free distributions from your Roth account may be made after the five-year period beginning with your first Roth contribution and one of the following:

- Attainment of age 59½ and separation from service
- Permanent disability
- Death (upon which your beneficiary receives your benefits)

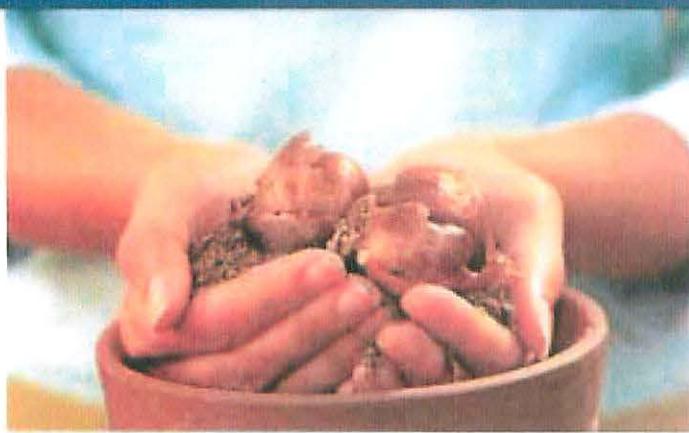
See the Taxes section for a general explanation of the effect a distribution of your account will have on your taxes.

### What are my distribution options?

1. Leave the value of your account in the Program until a future date.
2. Receive a full or partial lump-sum distribution.

<sup>3</sup> Tax penalties may apply. See Taxes section on page 5.

# South Carolina Deferred Compensation Program



3. Receive installment payments in the following forms:
  - A fixed period of time
  - A fixed dollar amount until the account is exhausted
  - Throughout the member's or co-payee's\* life expectancy

## When am I required to take a distribution from my 401(k) and 457 accounts?

You are required to begin to receive a minimum distribution no later than April 1 of the calendar year following the later of the calendar year in which you reach age 70½ or the calendar year in which you retire. If you continue to work for a participating employer of the Program after age 70½, the minimum distribution must begin the calendar year in which you separate from service from that participating employer. A Great-West education counselor will work with you to determine the minimum amount you must receive.

## What happens to my accounts when I die?

Your designated beneficiary will receive the remaining value of your account, if any. If you do not have a beneficiary on file, the remaining value of your account will be paid to your estate. Your beneficiary or the executor of your estate must contact Great-West to request a distribution.

## MANAGING YOUR ACCOUNTS

### How do I keep track of my accounts?

Great-West will mail you a quarterly account statement showing your account balances and activity. You can also check your account balances and move money among investment options on the website at [www.southcarolinadcp.com](http://www.southcarolinadcp.com) or by calling KeyTalk at (877) 457-6263.<sup>10</sup> You will also receive quarterly statements on your SDB account from your SDB provider.

Charles Schwab. Charles Schwab will send you a monthly statement if you have account activity in any given month.

### How do I make investment option changes?

Use your Personal Identification Number<sup>11</sup> (PIN) and Username to access the website at [www.southcarolinadcp.com](http://www.southcarolinadcp.com), or you can use your Social Security number and PIN to access KeyTalk.<sup>12</sup> You can move all or a portion of your existing balances among investment options and change how your payroll contributions are invested.

### How do I make contribution changes?

You can increase, decrease or stop your contributions at any time via the website or KeyTalk. You will need your Username and PIN. For the 401(k), it will take approximately two pay periods for the changes to take effect. For the 457, changes will be effective the following month.

## ROLLOVERS

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

#### *401(k) rollovers:*

The 401(k) plan will accept participant rollover contributions of eligible rollover distributions from a 401(a), 401(k), 403(a), 403(b) or eligible governmental 457(b) plan or a non-Roth Individual Retirement Account (IRA).

Rollovers from a designated Roth 401(k) or Roth 403(b) account to your Program's designated Roth 401(k) account are allowed. However, your Roth IRA may not be rolled into your designated Roth account under the Program.

Teacher and Employee Retention Incentive (TERI) program participants can roll their TERI account funds into the 401(k) plan at termination of the TERI period. If you do not already have a 401(k) account, you must enroll by contacting a Great-West education counselor or visiting [www.southcarolinadcp.com](http://www.southcarolinadcp.com)<sup>13</sup> for the appropriate enrollment forms. The money rolled into your Program account from your TERI account will not affect the maximum contribution limits for that year.

#### *457 rollovers:*

The 457 plan will only accept participant rollover contributions of eligible rollover distributions from other 457 and Roth 457 accounts.

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

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

<sup>9</sup> Co-payee is a designated beneficiary other than the participant whose life expectancy could be used for periodic payment calculation.  
<sup>10</sup> The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Retirement Services immediately if you suspect any unauthorized use.

# Program Features and Highlights



Your Roth 401(k) can be rolled over into a Roth IRA or 401(k) plan or 403(b) plan if the plan has a designated Roth account and accepts rollovers.

Please keep in mind that if you roll over your before-tax 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 percent early withdrawal federal tax penalty. Please contact your Great-West education counselor for more information.

## VESTING

### When am I vested in the 401(k) and 457 plans?

Vesting refers to the percentage of your account you are entitled to receive from the Program upon the occurrence of a distributable event. Your contributions to the Program and any earnings generated are always 100 percent vested (including rollovers from previous employers and employer matches).

## SERVICE CREDITS

### Can I purchase service credits?

South Carolina Retirement Systems (Retirement Systems) will accept a lump-sum payment from the South Carolina Deferred Compensation Program to pay for retirement service credit. Include a copy of the invoice for service purchase from the Retirement Systems with your completed Purchase of Service Credit form.

## FEES

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

There is an annual administrative fee of 0.11 percent of your account balance to participate in the Program. This fee is calculated and deducted from your account quarterly.

### 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 individual securities in the underlying investment options and other management expenses.<sup>11</sup>

There are additional quarterly fees and/or transaction fees to participate in the SDB account option, as well as the Managed Account service with Advisory Services.

### Are there any distribution fees?

There are no fees for distributions.

## TAXES

### How does my participation in the Program affect my taxes?

#### *Before-tax 401(k) contributions:*

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

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

Qualifying distributions from your 401(k) before-tax account, as described on pages 3-4, may be subject to a 10 percent federal early withdrawal tax penalty if the distribution is taken before age 59½. The 10 percent federal early withdrawal tax penalty does not apply if you are taking a qualifying distribution and one or more of the following applies:

- You directly roll the distribution to another tax-deferred account
- You separate from service in the year in which you reach age 55 or after
- You separate from service and elect payments to be made throughout your life expectancy (and your co-payee's\*).
- You die
- You become disabled

#### *Roth 401(k) contributions:*

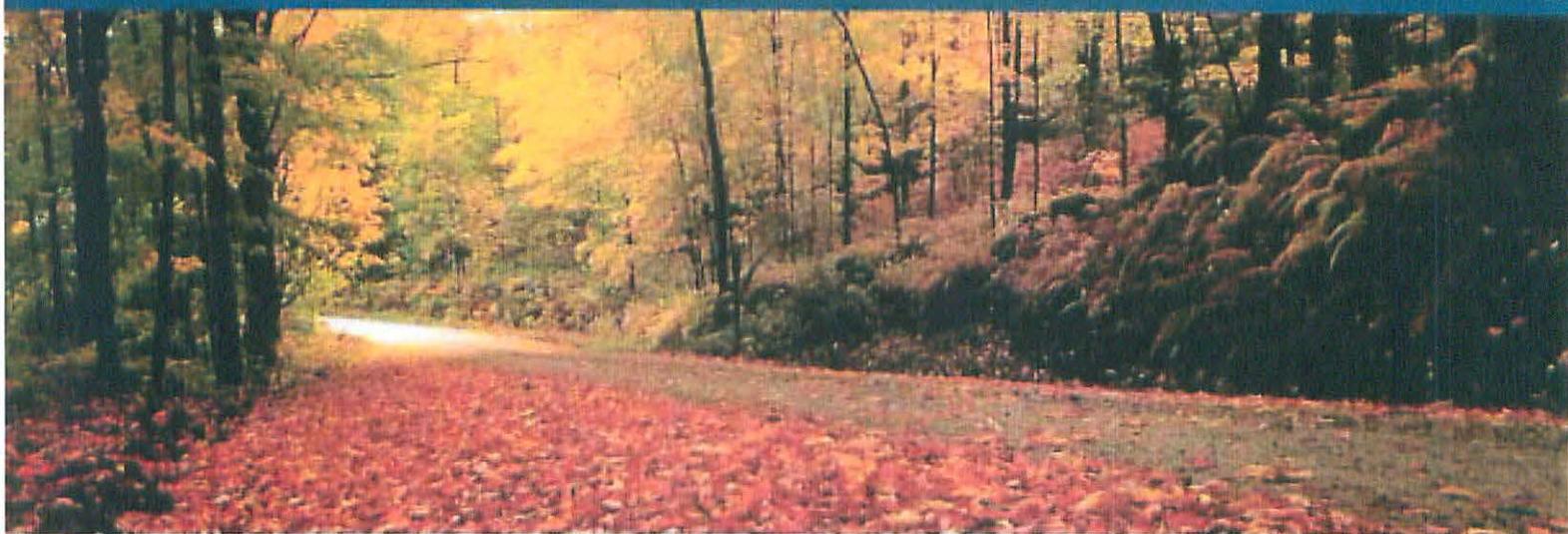
Contributions are taken out of your paycheck after the money is taxed. You do not report current earnings or losses on your accounts on your current income tax return. Earnings from your Roth account may be withdrawn tax and penalty-free if your Roth contribution account has been established for at least five tax years and one of the following applies:

- You are at least age 59½
- You die
- You become disabled

Any other distribution of earnings from your Roth account is subject to ordinary taxes and a 10 percent federal early

<sup>11</sup> 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. For more information, please refer to the fund's prospectus and/or disclosure documents.

# South Carolina Deferred Compensation Program



withdrawal tax penalty unless the distribution is directly rolled over to another Roth account.

#### *Before-tax 457 plan contributions:*

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

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

#### *Roth 457 contributions:*

Contributions are taken out of your paycheck after the money is taxed. You do not report current earnings or losses on your accounts on your current income tax return. Earnings from your Roth account may be withdrawn tax and penalty-free if your Roth contribution account has been established for at least five tax years and one of the following applies:

- You are at least age 59½ and you have separated from service
- You die
- You become disabled

Any other distribution of earnings from your Roth account is subject to ordinary taxes unless the distribution is directly rolled over to another Roth account.

## LOANS

### May I take a loan from my account?

Yes, you are allowed a maximum of two loans across both plans at any time.

You may borrow up to 50 percent of your account balance or \$10,000, whichever is greater. The maximum loan amount is \$50,000. In addition, this \$50,000 limit will be reduced by any outstanding loan balance you already have through the Program. Keep in mind that amounts borrowed cannot exceed your account balance. To receive a loan quote, log on to the website at [www.southcarolinadcp.com](http://www.southcarolinadcp.com) or call KeyTalk at (877) 457-6263.<sup>1</sup>

The minimum loan amount is \$2,500 and you have up to five years to repay your loan – up to 20 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 fee of \$25 which is charged to your account at \$6.25 per quarter.

The interest rate is the Prime Lending Rate declared in *The Wall Street Journal* on the last business day of the month in which the loan is processed plus two percent. This amount is fixed for the life of the loan. All interest payments are paid directly to the participant's account and invested in the current allocation at the time of repayment.

To initiate a loan, log on to the website at [www.southcarolinadcp.com](http://www.southcarolinadcp.com), or contact KeyTalk at (877) 457-6263.<sup>1</sup> If you are a terminated employee or your loan is for a principal residence, you must complete a paper application, which can be requested through KeyTalk or your local Great-West education counselor.

## INVESTMENT ASSISTANCE

### How can I get help choosing my investment options?

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 if you would like to construct your Program accounts yourself.

# Program Features and Highlights



Your Program offers access to three different levels of investment advisory tools and services called Reality Investing<sup>®</sup> Advisory Services. You can have Advised Assets Group, LLC (AAG), an investment advisory services firm, manage your retirement account for you. Or if you prefer to manage your retirement account on your own, you can use online investment guidance and advice tools. These services provide a retirement strategy based on your investment goals, time horizon and tolerance for risk.

For more detailed information, please visit your Program's website at [www.southcarolinadcp.com](http://www.southcarolinadcp.com) or call KeyTalk at (877) 457-6263 to speak to an AAG adviser representative.<sup>1</sup>

## What fees do I pay to participate in Reality Investing Advisory Services?

There is no cost to use the Online Investment Guidance or Online Investment Advice tools.

If you choose to have AAG manage your account for you, an annual Managed Account fee will be assessed in quarterly installments and based on your account balance, as follows:

Participant Account Balance	Annual Managed Account Fee
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 percent 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 percent; the next \$150,000 will be subject to a maximum annual fee of 0.50 percent; the next \$150,000 will be subject to a maximum annual fee of 0.40 percent; and any amounts over \$400,000 will be subject to a maximum annual fee of 0.30 percent.

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.southcarolinadcp.com](http://www.southcarolinadcp.com) or call KeyTalk, toll free, at (877) 457-6263 for more information.<sup>1</sup> The website provides information regarding your Program and financial education, as well as financial calculators and other tools to help you manage your accounts.

Call or visit your local Great-West office at:

200 Arbor Lake Dr., Suite 115  
Columbia, SC 29223  
Monday through Friday  
8:00 a.m. to 4:30 p.m.  
(877) 457-6263<sup>1</sup>

---

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

Securities available through Schwab Personal Choice Retirement Account<sup>®</sup> (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 393-7272. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated. Great-West Retirement Services<sup>®</sup> 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. 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. KeyTalk<sup>®</sup>, Great-West Retirement Services<sup>®</sup> and Reality Investing<sup>®</sup> are registered trademarks of Great-West Life & Annuity Insurance Company. ©2011 Great-West Life & Annuity Insurance Company. All rights reserved. Not intended for Plans whose situs is in New York. Form# CB1121IPH (11/11) PT# 137454



## PLAN COMPARISON REFERENCE GUIDE

	401(k)	457
<b>Minimum Contribution</b>		\$10
<b>Maximum Contribution<sup>12</sup></b>	1. \$17,000 between the 401(k) (including before-tax and Roth contributions) and any 403(b) plan in 2012. 2. 100% of includible compensation or \$49,000, whichever is less, between the 401(k) (including before-tax and Roth contributions) and ORP. This limit applies to employer and employee contributions.	\$17,000 (including before-tax, Roth and any employer contributions) for 2012.
<b>Catch-Up for Participants Age 50 or Older<sup>13</sup></b>	An additional \$5,500 for participants turning age 50 or older in 2012. Catch-up contribution is in addition to the maximum contribution described above. If you are participating in the 401(k) and a 403(b) plan, you are limited to \$5,500 between both plans.	An additional \$5,500 <sup>14</sup> for participants turning age 50 or older in 2012 even if you contributed \$5,500 to the 401(k) or a 403(b) plan.
<b>Special 457(b) Catch-Up Provision<sup>15</sup></b>	No.	In the three calendar years prior to normal retirement age, you may be able to contribute up to twice the annual contribution limit—\$34,000 in 2012. The additional amount will depend upon the amounts that you were able to contribute in previous years but did not. <sup>16</sup>
<b>Distributions While Employed</b>	In-service withdrawals of rollover money, including TERI money, attainment of age 59½, financial hardship, death (upon which your beneficiary receives your benefits), loans.	In-service withdrawals of rollover money, unforeseen emergency withdrawals, attainment of age 70½, death (upon which your beneficiary receives your benefits), loans.
	Roth: In-service withdrawals five years after the Roth contribution account is established and one of the following applies: you are at least age 59½, you die, or you become disabled.	Roth: In-service withdrawals of rollover money or the attainment of age 70½.
<b>Distributions After Separation from Service</b>	Severance of employment from a participating employer, permanent disability, death (upon which your beneficiary receives your benefits), loans. NOTE: If you separate from service or retire from a participating employer and are then rehired by a participating employer, you will not qualify for a distribution for reason of "separation from service" while you are employed. See Distributions While Employed.	Severance of employment from a participating employer, death (upon which your beneficiary receives your benefits), loans. NOTE: If you separate from service or retire from a participating employer and are then rehired by a participating employer, you will not qualify for a distribution for reason of "separation from service" while you are employed. See Distributions While Employed.
<b>Penalty on Early Withdrawals Before Age 59½ (Severance of Employment)</b>	A 10% federal early withdrawal tax penalty applies if the distribution is taken before age 59½ unless you directly roll the distribution to another tax-deferred account, you separate from service in the year in which you reach 55 or older, you separate from service and elect payments to be made throughout your life expectancy (and your co-payee's), you die, or you become disabled. <sup>17</sup>	No.
	Roth: A 10% federal early withdrawal tax penalty on the earnings on Roth contributions applies unless the distribution occurs after the account has been established for at least five tax years and one of the following applies: you are at least age 59½, you die, or you become disabled. <sup>18</sup>	Roth: The earnings on Roth contributions are subject to ordinary income tax unless the distribution occurs after the account has been established for at least five tax years and one of the following applies: you are at least age 59½, and you have separated from service, you die, or you become disabled. <sup>19</sup>
<b>Rollovers In</b>	Yes, from a 401(a), 401(k), 403(a), 403(b) or eligible governmental 457(b) plan or a non-Roth IRA, or a rollover from TERI.	Yes, but only from other 457 plans.
	Roth: Yes, from a designated Roth 401(k) or Roth 403(b) account to the Program's Roth 401(k).	Roth: Yes, but only from a designated Roth 457 account to the Program's Roth 457.
<b>Rollovers Out</b>	Yes, to another 401(a), 401(k), 403(b) or eligible governmental 457(b) plan if your new employer's plan accepts such rollovers, or to an IRA.	Yes, but if you roll over your 457 plan balance to a 401(k), 403(b) or 457(a) plan or an IRA, distributions taken before age 59½ may also be subject to the 10% early withdrawal federal tax penalty.
	Roth: Yes, to a Roth IRA or to a Roth 401(k) or Roth 403(b) plan if the plan accepts rollovers.	Roth: Yes, to a Roth 457 if the plan accepts rollovers.
<b>Required Minimum Distributions</b>	A minimum distribution is required to begin no later than April 1 of the calendar year following the later of the calendar year in which you reach age 70½ or the calendar year in which you retire. If you continue to work for a participating employer after age 70½, the minimum distribution must begin the calendar year in which you separate from service from that participating employer.	

<sup>12</sup> The Program does not offer a 403(b) plan. Information is provided as guidance only. We encourage you to consult your tax adviser.

<sup>13</sup> You may not use the Special 457(b) Catch-Up provision and the Age 50+ Catch-Up provision in the same year.

<sup>14</sup> Public safety officers and military reservists called for duty for more than 179 days between September 11, 2001, and December 31, 2007, may avoid the 10 percent penalty.