



General Plan Information

What is the Alaska PERS/TRS Defined Contribution Retirement Plan?

The Alaska PERS/TRS Defined Contribution Retirement, or DCR Plan (Plan), is a defined contribution plan governed by Section 401(a) of the Internal Revenue Code. A portion of your wages and a matching employer contribution are made to this Plan before tax. These contributions plus any change in value (interest, gains and losses), and minus any Plan administrative fees or other charges, are payable to you or your beneficiary at a future date. The Plan is a participant-directed plan with investment options offered by the Plan. The providers of these investment options were selected by the Alaska Retirement Management (ARM) Board.

How much do I contribute?

Each pay period, 8% of your gross eligible compensation is contributed to your retirement account through payroll deductions before it is taxed.

How much does my employer contribute?

If you are a **PERS** participant, your employer will contribute an additional 5% of your gross eligible compensation to your retirement account. The total employee and employer contribution is 13% of your gross eligible salary.

If you are a **TRS** participant, your employer will contribute an additional 7% of your gross eligible compensation to your retirement account. The total employee and employer contribution is 15% of your gross eligible salary.

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 contributions to the Plan and any earnings they generate are always 100% vested.

Employer contributions to the Plan, plus any earnings they generate, are vested as follows:

Years of Service	Vested Percentage of Contributions
1 year	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

How are contributions invested?

The Plan is a participant-directed plan. This means that you choose from the investment options offered by the Plan. The providers of these investment options were selected by the ARM Board. Investment options are described in detail in the individual Investment Option Detail Sheets, which are available on the Website at www.akdrb.com.¹

Important Note: Initially, your contributions to the Plan are automatically invested in one of the Alaska Target Retirement Trust or Alaska Balanced Trust funds based on your year of birth as shown in the following table.

Year of Birth	Fund Default Option
1988 or after	Alaska Target Retirement 2055 Trust
1983–1987	Alaska Target Retirement 2050 Trust
1978–1982	Alaska Target Retirement 2045 Trust
1973–1977	Alaska Target Retirement 2040 Trust
1968–1972	Alaska Target Retirement 2035 Trust
1963–1967	Alaska Target Retirement 2030 Trust
1958–1962	Alaska Target Retirement 2025 Trust
1953–1957	Alaska Target Retirement 2020 Trust
1948–1952	Alaska Target Retirement 2015 Trust
1943–1947	Alaska Target Retirement 2010 Trust
1942 or before	Alaska Balanced Trust

This is the default option. You can move all or a portion of your existing balances among investment options and change how your contributions are invested by visiting the Website at www.akdrb.com or by calling KeyTalk[®] toll-free at **1-800-232-0859**.¹ Until you change how your future contributions are allocated, your money will continue to be invested as shown above.

What are my investment options?

You may choose from the following investment options:

- U.S. Real Estate Investment Trust Index Fund²
- U.S. Small-Cap Stock Trust Fund³
- Brandes International Equity Fund⁴
- World Equity Ex-US Index Fund⁴
- Allianz/RCM Socially Responsible Investment Fund⁵
- Russell 3000 Index Fund
- S&P 500[®] Index Fund⁶
- Alaska Target Retirement 2055 Trust^{7,8}
- Alaska Target Retirement 2050 Trust^{7,8}
- Alaska Target Retirement 2045 Trust^{7,8}
- Alaska Target Retirement 2040 Trust^{7,8}
- Alaska Target Retirement 2035 Trust^{7,8}
- Alaska Target Retirement 2030 Trust^{7,8}
- Alaska Target Retirement 2025 Trust^{7,8}
- Alaska Target Retirement 2020 Trust^{7,8}
- Alaska Target Retirement 2015 Trust^{7,8}
- Alaska Target Retirement 2010 Trust^{7,8}
- Alaska Long-Term Balanced Trust⁸
- Alaska Balanced Trust⁸
- SSgA Global Balanced Fund^{4,8}
- World Government Bond Ex-US Index Fund^{4,9}
- Long US Treasury Bond Index Fund¹⁰
- Government/Credit Bond Index Fund^{9,10}
- US Treasury Inflation Protected Securities Index Fund^{9,10}
- Intermediate Bond Fund⁹
- Alaska Money Market Fund
- State Street Treasury Money Market Fund—Inst.

Investment options are described in detail in the individual Investment Option Detail Sheets, which are available on the Division's Website or at www.akdrb.com.

An investment in a Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information, your registered representative can provide you with a mutual fund prospectus for the State Street Treasury Money Market Fund – Inst. and disclosure documents for the investment options exempt from SEC registration. Read them carefully before investing.

What if I need to make investment changes?

You may transfer among existing fund options and make changes to the allocation of your future contributions once a day. There is no extra charge for daily changes. 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. Changes may be made by telephone via KeyTalk, through a client service representative, via the Internet, or in writing.

How can I get help choosing my investment options?

Your Plan offers access to three different levels of investment advisory tools and services called Reality Investing® Advisory Services. You can have Advised Assets Group, LLC (AAG), a federally registered investment adviser and wholly owned subsidiary of Great-West Life & Annuity Insurance Company, 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 income replacement goals, desired retirement age and current savings. 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. An additional fee is charged for some of the Reality Investing services offered. See "What fees do I pay to participate in Reality Investing Advisory Services?" below for more information.

For more detailed information about Reality Investing Advisory Services, please visit the Website at www.akdrb.com. Log in to your account and click on the "Advisory Services" tab. You may also call KeyTalk at **1-800-232-0859**. Enter your Social Security number (SSN) and Personal Identification Number¹⁰ (PIN), and then say "representative."

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

While there is no cost to use Online Investment Guidance, there is a \$25 annual fee assessed quarterly at \$6.25 for Online Investment Advice.

If you choose to have AAG manage your account for you, the annual Managed Account fee will be based on your account balance and deducted from your account on a quarterly basis, as follows:

Participant Account Balance	Annual Participant Fee
Less than \$100,000	0.45%
Next \$150,000	0.35%
Next \$150,000	0.25%
Greater than \$400,000	0.15%

For example, if your account balance subject to the Managed Account is \$50,000, the annual fee will be 0.45% of the account balance. The amount collected quarterly would be 0.1125% based upon your account balance on the day of fee assessment as described above.

If your account balance subject to the Managed Account is \$500,000, the first \$100,000 will be subject to an annual fee of 0.45% (0.1125% quarterly); the next \$150,000 will be subject to an annual fee of 0.35% (0.0875% quarterly); the next \$150,000 will be subject to an annual fee of 0.25% (0.0625% quarterly); and any amounts over \$400,000 will be subject to an annual fee of 0.15% (0.0375% quarterly).

What are the Plan expenses?

There are no front-end loads for investments. Expenses are charged to your account in order to cover the cost of Plan administration.

There are two types of fees: a monthly fee based on a 0.11% annual rate on assets (0.0011 / 12 x month-end asset balance) and a fixed annual fee of \$35 for actively contributing participants, or \$25 for non-contributing members. This fee is charged to your account each July. The Plan may also charge fees associated with specific services elected by participants.

In addition, the funds have annual investment expenses that vary depending on the funds you choose. The returns are net of these costs. For more detailed information, please read the corresponding Investment Option Detail Sheet available at www.akdrb.com.

When can I make a withdrawal?¹¹

You are first eligible to receive payment of your account 60 days after you have been terminated from employment.

What are the Plan payment options?

After you have met the 60-day termination of employment requirement, you are eligible to apply your account balance to the payment option you choose. Payment options include:

- Do nothing and defer payment until you have obtained the age of Required Minimum Distribution
- Single life annuity
- Period certain annuity (five, 10 and 15 years)
- Single life with period certain annuity (10 or 15 years)
- Joint and survivor (50% or 100%; may be chosen only by members)
- Lump-sum payment (full or partial, two partial allowed per year)
- Direct rollover to a traditional IRA, Roth IRA, or other qualified or eligible plan

How will participation in the Plan affect my taxes?

The amount of taxes you pay and when you pay them are determined by whether you take payment directly or make a direct transfer to a traditional IRA or other qualified plan.

Your payment will be taxed in the year of distribution unless you roll it over. However, if you receive the payment before age 59½, you also may have to pay an additional 10% tax penalty. Direct rollovers to Roth IRAs are reported as taxable income but are not subject to the additional 10% tax penalty.

Under the State Taxation of Pension Income Act of 1995, monies received from plans such as the Plan are also taxed using the state of the recipient's residence, which is determined by your address. State mandatory withholding will be taken from your distribution depending on your state of residency.

How do I keep track of my account?

A comprehensive statement of your account will be mailed to you each quarter. If you prefer not to have your statements mailed, you can sign up to use the Online File Cabinet® for your account at www.akdrb.com.¹

How do I get more information?

Anchorage Office

You can contact the Anchorage office at **1-800-526-0560** or **1-907-276-1500**.

KeyTalk®

KeyTalk is a toll-free, voice-response telephone service that allows you to access your account seven days a week, 24 hours a day (except between 10:00 p.m. Saturday and 10:00 a.m. Sunday, Alaska time).¹ Call KeyTalk at **1-800-232-0859** to:

- Obtain your current account balance.
- Obtain daily fund values.
- Transfer funds from one investment option to another without submitting forms.¹ Written confirmation of all transfers will be sent.
- Change allocations of future deposits without submitting forms. Written confirmation of all changes will be sent.

To utilize KeyTalk, you will need a PIN.¹⁰ This will be assigned to you upon enrollment.

Internet Access

You can also use the Internet to conduct the same transactions possible through KeyTalk, and to update your beneficiaries. You can do this by visiting the Great-West Financial® (Great-West Financial) Website at www.akdrb.com.

Great-West Financial Toll-Free Client Services Line

If you need to speak to a client services representative, call KeyTalk at **1-800-232-0859** and say “representative.” These representatives are available to assist you Monday through Friday, from 5:00 a.m. to 5:30 p.m. Alaska time.^{1,12}

Text Telephone (TTY)

Hearing-impaired participants can call our toll-free TTY number at **1-800-766-4952** to communicate with client services representatives. The TTY line is available Monday through Friday, from 5:00 a.m. to 5:30 p.m. Alaska time.

Juneau Division of Retirement and Benefits

The Juneau Division of Retirement and Benefits office can be reached at 1-800-821-2251, or 465-4460 from Juneau. The DRB is responsible for the overall administration of this Plan.

Transactions Required Through Great-West Financial

The following transactions must be conducted through Great-West Financial:

- **Inactive and Retired Employees:** Changing your address or your name. (Active employees: Contact your employer to change your address or name.)
- **Account Withdrawals:** Great-West Financial processes all Plan payments. Great-West Financial should be contacted for information on how to complete disbursement forms and for the status of pending payments.

To contact Great-West Financial, call **1-800-232-0859** and say “representative.”

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 (12:00 p.m. Alaska 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.

² Real estate securities involve greater risks than other non-diversified investments, including, but not limited to: declining property values, varying economic conditions, changes in zoning laws, or losses from casualty. Real estate securities that invest in foreign real estate involve additional risk, including currency fluctuations and political developments.

³ Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

⁴ Foreign investments involve special risks, including currency fluctuations and political developments.

⁵ Specialty funds invest in a limited number of companies and are generally non-diversified. As a result, changes in market value of a single issuer could cause greater volatility than with a more diversified fund.

⁶ S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC, and is an unmanaged index considered indicative of the domestic Large-Cap equity market.

⁷ The principal value of the Retirement Trusts is not guaranteed at any time, including at or after the target date, which is the approximate date when investors turn age 65.

⁸ Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

⁹ A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news, and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.

¹⁰ U.S. Treasury securities are guaranteed as to the timely payment of principal and interest if held to maturity. Fund shares are neither issued nor guaranteed by the U.S. government

¹¹ The account owner is responsible for keeping the assigned PIN confidential. Please contact Great-West Financial immediately if you suspect any unauthorized use.

¹² Withdrawals are subject to ordinary income tax.

¹³ 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.

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. Great-West Financial® refers to products and services provided by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO, its subsidiaries and affiliates. Investment options offered through a combination of mutual funds and collective trust funds. 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. 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. More information can be found at www.adviserinfo.sec.gov. The trademarks, logos, service marks, and design elements used are owned by their respective owners and are used with permission. ©2014 Great-West Life & Annuity Insurance Company. All rights reserved. CB1092GPI (02/2014) PT187011