

LASERS

LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

SELF-DIRECTED PLAN

LASERS established a Self-Directed Plan (SDP) which is a 401(a) retirement plan. Once the Deferred Retirement Option Plan (DROP) accumulation period ends, or an Initial Benefit Option (IBO) applicant terminates service, 100 percent of the participant's balance is transferred to the SDP administered by the third-party provider, Great-West Retirement Services.

Participation in the SDP may result in the risk of loss of principal or earnings based on market performance and each participant agrees that neither the State of Louisiana nor LASERS is obligated for any loss in account funds.

If you become eligible for retirement on or after January 1, 2004, and enter DROP or select the IBO, you will be required to join the SDP. If you are a DROP participant, you must complete the DROP accumulation period before funds can be transferred to the SDP.

If you became eligible for retirement prior to January 1, 2004, and you participate in DROP or select an IBO, you may either leave the accumulated funds in LASERS or make an irrevocable election to transfer them to SDP. If you are a DROP participant, you must complete the DROP accumulation period before funds can be transferred to the SDP. Upon completion of the DROP accumulation period or retirement with an IBO, 100 percent of your balance will be transferred. You may elect SDP if:

- you entered DROP prior to January 1, 2004;
- you were eligible for regular retirement prior to January 1, 2004, continued to work, and later chose to enter DROP; or
- you are the spousal beneficiary of a DROP participant.

A wide array of fixed and variable investment options is available through the SDP. Each option is explained in the Great-West Retirement Services booklet and fund data sheets.

Visit the Great-West Retirement Services website, www.LouisianaDCP.com or call KeyTalk, toll free, at (800) 701-8255. The website and KeyTalk are available to you 24 hours a day, 7 days a week.

You may also call or visit:

Great-West Retirement Services
2237 S. Acadian Thruway, Suite 702
Baton Rouge, LA 70808
225.926.8086 or toll free 800.937.7604

Distribution options for the SDP are:

- Defer the start of payments from your account until April 1 following the calendar year in which you attain age 70 ½;
- Receive:
 - periodic payments;
 - fixed annuity payments;
 - partial lump sum with remainder paid as periodic payments or annuity payments;
 - a lump sum.
- Roll over your account balance to an eligible governmental 457(b), 401(k), 403(b) or 401(a) plan or to an IRA.

You can begin receiving your SDP benefits by contacting Great-West Retirement Services upon retirement or termination of employment. In the event of your death, your designated beneficiary should contact Great-West to receive the balance in your account.

Distributions from the SDP are exempt from Louisiana state income tax. Ordinary federal income tax will apply to any benefit received during the calendar year. Some penalties may apply for early withdrawal. Contact your Great-West Retirement Services representative for additional information.

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This public document was published at a total cost of \$70. Five hundred copies of this public document were published in this tenth printing at a cost of \$70. The total cost of all printings of this document, including reprints is \$6,000. This document was published by the Louisiana State Employees' Retirement System, P. O. Box 44213, Baton Rouge, LA 70804-4213, to disseminate plan benefit information to its members and to Louisiana policy-makers under authority of La. R.S. 11:511 et seq. This material was printed in accordance with the standards for printing by state agencies established pursuant to La. R.S. 43:31.