ENROLL

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SAVINGS GROWTH PLAN

Looking forward to new horizons.

Put your money to work now!

The Oregon Savings Growth Plan is a savings plan available to all Oregon state and participating local government public employees. Commonly known as OSGP, it is a valuable benefit that can help you prepare for your future and your retirement. It offers a variety of features and services with a diverse and easy-to-understand investment lineup. You can easily learn to monitor your account with the many tools and resources available to you through the Plan.

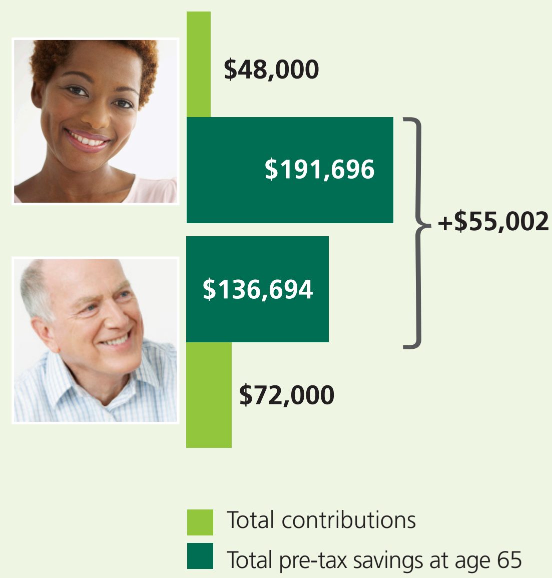
The Sooner You Start, the Better

Still not convinced that putting off saving for retirement will cost you down the road? The following chart shows that waiting may cost you more than you may think (depending on your investment choices and market conditions).

With more time to grow, Susan contributes less... but ends up with more.

Susan started saving $100 a month at age 25. After 40 years she saved $191,696.

Larry started saving $300 a month at age 45. After 20 years he saved $136,694.



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osgp.voya.com | 800-365-8494

Getting Started

OSGP makes it easy to get started.

Determine how much you can save

You can contribute up to 100 percent of your monthly gross compensation minus any deductions or as little as $25 per month, provided the amount does not exceed the annul IRS contribution limit. Contributions are automatically deducted from each paycheck.

Decide to save pre-tax or after-tax

After you determine how much to save, you decide whether you want to save on a pre- or after-tax basis or both. With pre-tax contributions, you pay no taxes on contributions, but pay taxes on withdrawals. With after-tax contributions, you pay taxes on contributions, but may be eligible for tax-free withdrawals as long as qualifications are met.* You may even want to consider saving both pre- and after-tax dollars. Review the ***Roth 457 brochure*** included.

Compare the difference

	Pre-tax contributions	Roth after-tax contributions
Gross income	$ 50,000	$ 50,000
Pre-tax contribution	-$5,000	N/A
Taxable Income	$ 45,000	$ 50,000
25%[1] income tax rate	-$ 11,250	-12,500
After-tax income	$ 33,750	$37,500
Roth after-tax contribution	N/A	-$ 5,000
Take-Home Pay	**$ 33,750**	**$ 32,500**

[1] *Assumes 2016 tax rate.*

Choose your investment options

Saving for retirement involves choosing the right investments to match your goals. That's why the Plan offers a variety of professionally-managed investment options. More information about the Plan's investment options is included in the ***Investment Options Booklet*** included in this guide and online at **osgp.voya.com**. OSGP offers a variety of investment options for you to choose from:

LifePath Portfolios

Simply select the one fund with target date closest to the date you expect to retire and begin withdrawing money.

Core Investment Options

OSGP's investment options cover major investment categories and levels of risk. Choose your investment option(s) based on your personal situation, including the time you have until retirement and your risk tolerance.

Self-Directed Brokerage Account Option

Through the PCRA you can access 4,700 mutual funds, including 2,700 mutual funds available with no loads and no transaction fees.

* *Roth contributions must be held at least five years before date of distribution and you must be age 59½ (assuming separation from service, death, or disability).*

As a state or local government employee, you may be eligible to participate in the Oregon Savings Growth Plan (OSGP), a voluntary retirement plan.* Your participation in OSGP gives you unique advantages, including a variety of investment options and tax benefits you cannot get outside of your workplace, as well as flexible and professional account management features available online or by phone.

The information enclosed in this guide provides everything you need to know about the Plan. If you have questions, please call **800-365-8494** to speak with a representative. More information is available online at **osgp.voya.com**.

* Local government employees should check with your HR office or call 800-365-8494 to confirm your eligibility.

Get with the Plan!

Here are just four reasons to start saving with the Plan:

1. **Americans are living longer — you may have to stretch your dollars over a longer retirement**
2. **Inflation will take its toll on your savings so be sure to invest your money wisely**
3. **Social Security and your pension income will probably not be enough to support you when you are no longer working**
4. **Health insurance costs are on the rise**

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Plan Features

The Plan offers these additional features to help you save for retirement.

Rollovers into the Plan

You can roll money from a prior employer's retirement plan or IRA into your Oregon Savings Growth Plan account. More money could mean more earnings. Plus, you'll have fewer accounts to track. Complete the ***Transfer/Rollover In form*** included in this guide.

Loans

The Plan allows you to borrow a portion of your account balance in the form of a loan, as long as your employer participates in the loan program and you have an account balance of at least $2,050 and are still employed. A one-time, non-refundable $50 loan application fee will be applied to each loan. 50% of your vested account balance may be borrowed with a minimum of $1,000.00 up to a maximum of $50,000.00.

Additional Catch-up Provisions

If you are age 50 or older, you are eligible to contribute an additional amount to your account. Or, if you are within three calendar years of the year in which you are eligible to retire, you may be eligible to contribute double the annual IRS contribution limit. Accumulated vacation pay can be deferred at time of payoff. For more information on these provisions call the Salem OSGP office at **1-888-320-7377**.

How much can I save?

If you need help determining how much you can save, use online savings calculator at **osgp.voya.com**.

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The Plan offers a wide array of features

- Comprehensive investment lineup, including LifePath® Portfolios, ten investment options, and a Self-Directed Brokerage Account option
- Low, competitive fees
- Pre-tax savings that can reduce your current federal taxable income. You don't pay income taxes on your contribution or any earnings they accumulate until you make a withdrawal.
- After-tax savings that provide the potential for tax-free withdrawals
- 24/7 access to account information online at **osgp.voya.com** and by phone at **800-365-8494**
- Dedicated Service Representatives
- Free on-site retirement and investment education
- Transition Counseling services for terminated and retired employees

It's easy to enroll in OSGP!

Simply complete the ***Enrollment*** and ***Beneficiary Designation Forms*** included in the pocket of this guide.

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ENROLLMENT FORM

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SECTION 1: PERSONAL INFORMATION (PLEASE PRINT)

Last Name	First Name	M.I.	OR Number or SSN
Address			DoB
City	State	Zip	
Email			
Work Phone		Personal Phone	

SECTION 2: EMPLOYER INFORMATION

Agency Name /Employer Name	Agency Number (if applicable)	Hire Date (mm/dd/yyyy)

SECTION 3: CONTRIBUTION ELECTION

If you are not a state employee, please check with your payroll department to make sure your employer offers the Roth (after-tax) option.

You may elect to contribute in a pre-tax or Roth (after-tax) status, or both. The total monthly minimum is $25.

I would like to begin contributing per pay period:

Pre-Tax (Select Investments in section 4.A)
☐ $100 ☐ $75 ☐ $50 ☐ $25
☐ Other $_______________

And/Or

Roth (after-tax) (Select Investments in section 4.B)
☐ $100 ☐ $75 ☐ $50 ☐ $25
☐ Other $_______________

SECTION 4: INVESTMENT ELECTION

If you choose to contribute pre-tax, Roth (after-tax) or both pre-tax and Roth (after-tax), you have the option of investing 100% of your pre-tax contribution and/or 100% of your Roth (after-tax) contribution among the 10 investment options.

OSGP offers two ways to invest: Choose a Target Date Fund for a simpler approach to investing and/or select among the 10 investment options. Percentages must be whole and total 100% of investment elections for pre-tax and/or 100% for Roth (after-tax). You may change your contribution amount and investment elections at any time.

SECTION 4.A: PRE-TAX CONTRIBUTIONS

Target Date Funds
Select the fund closest to the date you plan to begin withdrawing money from your account.

LifePath 2060	_______%
LifePath 2055	_______%
LifePath 2050	_______%
LifePath 2045	_______%
LifePath 2040	_______%
LifePath 2035	_______%
LifePath 2030	_______%
LifePath 2025	_______%
LifePath 2020	_______%
LifePath Retirement	_______%

Individual Asset Class Funds

Short-Term Fixed Income Option	______%
Stable Value Option	______%
Active Fixed Income	______%
Real Return Option	______%
Large Company Value Stock Option	______%
Stock Index Option	______%
Socially Responsible Investment Option	______%
Large Company Growth Stock Option	______%
International Stock Option	______%
Small Company Stock Option	______%

Total______% must equal 100% (can not equal more than 100%)

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SECTION 4.B: ROTH (AFTER-TAX) CONTRIBUTIONS

Target Date Funds Select the fund closest to the date you plan to begin withdrawing money from your account.		**Individual Asset Class Funds**	
LifePath 2060	______%	Short-Term Fixed Income Option	_____%
LifePath 2055	______%	Stable Value Option	_____%
LifePath 2050	______%	Active Fixed Income	_____%
LifePath 2045	______%	Real Return Option	_____%
LifePath 2040	______%	Large Company Value Stock Option	_____%
LifePath 2035	______%	Stock Index Option	_____%
LifePath 2030	______%	Socially Responsible Investment Option	_____%
LifePath 2025	______%	Large Company Growth Stock Option	_____%
LifePath 2020	______%	International Stock Option	_____%
LifePath Retirement	______%	Small Company Stock Option	_____%

Total______% must equal 100% (can not equal more than 100%)

For a description of each investment option, including the expected risk and return for each category, refer to the Investment Options Booklet at www.oregon.gov/pers/osgp or included with the Enrollment Guide. Be sure to review the booklet before choosing your investments. You may also review the Performance Report online for historical performance. Statements about the relative risk and return of investment options do not represent predictions of how the investments will perform in the future, but rather provide only a general description of the current investment and how it has performed in the past. The disclosure statement and other information provided by the State is not intended to provide individualized investment counseling, but only general information. Employees who participate in the Oregon Savings Growth Plan will be entitled only to the assets that are lawfully credited to their account when those assets are distributed.

SECTION 5: MAKE YOUR CHOICE OFFICIAL

I have read and understand the terms and conditions stated and reviewed the appropriate fund information. I accept the terms and agree to them.

X____ ____________________
Participant's Signature (Do not print) Date

Return the Enrollment and Beneficiary Forms to:

Oregon Savings Growth Plan
800 Summer Street NE, Suite 200
Salem, OR 97301
Fax: 503-603-7655 OSGP Office: 888-320-7377

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Pre-Tax ____________________ 01____________________ 04____________________

Roth (after-tax) ____________________ 02____________________ 06____________________

03____________________ LG____________________

STAMP OR CODE

Approval____
OSGP Manager or Designee

TERMS AND CONDITIONS

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1. By agreeing to these terms and conditions, I authorize my employer to deduct the contribution amount specified on this form and invest in the investment options selected. I understand that the maximum combined pre-tax and Roth after-tax deferral amount, plus catch-up contributions, cannot exceed the annual IRS maximum contribution amount.
2. I understand that I need to complete a Designation of Beneficiary form. If I fail to provide a Designation of Beneficiary form upon by death, my estate will be my beneficiary of record.
3. The Oregon Savings Growth Plan (OSGP) assets may be eligible for rollover into an Individual Retirement Account (IRA) or other eligible plan, depending on the terms of the Plan receiving the assets, and the Oregon Administrative Rules.
4. OSGP assets are held in trust for the benefit of the participants and their beneficiaries.
5. Crediting of earnings is based on the date of deposit by the investment providers, not payday.
6. In the event a financial institution or investment provider becomes financially insolvent, the State is liable for only the amount in the participant's account regardless of the amount deferred or earned. The State of Oregon is liable only for account balance.
7. All returns are net of all fees. The fees for administration, record keeping, communications, counseling, customer service and custodial services are 0.17 percent. The weighted cost for the investment provider contract and investment management fees range from 0.05 percent to approximately 0.65 percent. Fees listed are as of January, 2016, and are subject to change. Additional fees may be assessed for loans and administration processing of court orders approved in accordance with the IRC, the Plan, and Oregon law, including chapter 459 of the Oregon Administrative Rules.
8. OSGP is not a savings account. I cannot withdraw the money unless I have a Qualifying Severance from Employment as defined by the Plan and Internal Revenue Code. In the event of my death, my beneficiary will receive the assets.
9. If I have an unforeseeable emergency, I may apply for the amount of assets required to meet the immediate need. Upon request, OSGP will provide me with an Unforeseeable Emergency Withdrawal Packet to complete and submit for approval or denial. An Unforeseeable Emergency distribution is not eligible for rollover into an IRA or other qualified plan, and a beneficiary or alternate payee under a court order are not eligible for distribution for an unforeseeable emergency.
10. If I have less than $5,000 in my account and I have not contributed to the Plan for a minimum of two years, I may request to have the balance of my account distributed to me. I can select this option only once.
11. I may be eligible to borrow from my OSGP account through the Loan Program; if I meet all requirements and have sufficient funds to do so. While employed I understand that loans must be paid back through payroll deduction, and if I default on the loan, the balance will be treated as a distribution and will be subject to state and federal taxes.
12. I may elect to begin a distribution after meeting the qualifications in accordance to the Plan.
13. Pre-tax contributions are taxable when distribution begins; after-tax contributions taken before the end of the five-year holding period and prior to age 59½ are considered non-qualified distributions and any earnings will be taxed as ordinary income. The contribution portion of any Roth 457 distribution is tax free since taxes were paid. Early withdrawals from assets rolled over from other eligible plans (such as 403(b) and 401(k)) before age 59½ may be subject to an additional 10 percent tax withholding.
14. Certain withdrawal options may be subject to a mandatory 20 percent federal tax withholding and 8 percent Oregon state tax withholding. OSGP retains the right to change a tax withholding for compliance with federal and state regulations
15. I must start receiving the funds no later than April of the year following age 70½, unless I am still employed by the employer sponsoring OSGP.
16. The payout options are based on Section 457 of the Internal Revenue Code. These options include: Lump Sum, Partial Lump Sum, Specified Period (Systematic Withdrawal), Specified Dollar Amount, and Required Minimum Distribution.
17. OSGP's office retains the right to change my method of distribution to comply with federal regulations and to change my timing of distribution if paperwork cannot be processed in the month selected.
18. OSGP is designed for long-term investment and easy periodic adjustment of asset allocation. Transfer of assets between investment options can occur any day the stock market is open. However, trades may not exceed $100,000, a purchase attributable to a trade may not be redeemed in the International Stock Option for 30 days following the date of the trade, and no trade may move monies directly from the Stable Value Option to the Short-Term Fixed Income Option or Self-Directed Brokerage Option. Limitations on individual transfers may be imposed in any option if trading activity of any participant is deemed excessive by Plan administration or any underlying investment provider. These restrictions are subject to change.
19. I understand that I assume the risk of participating and that at the time of distribution, the investments related to my account may have decreased in value or become valueless.

DESIGNATION OF BENEFICIARY

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Complete one side only

Participant Name	Social Security Number or OR Number
Address	
City, State, Zip	**Phone Number**

If you choose the Standard Beneficiary Designation, **DO NOT** complete the beneficiary information on the following page. To designate a specific beneficiary or beneficiaries, complete back of form only.

Do not use white-out, circle or cross anything out. ALTERATIONS WILL VOID THIS FORM. If a change is required, use a new form.

Standard Designation of Beneficiary

- ☐ I elect the Standard Designation of Beneficiary
- (a) To **my spouse**: and if he or she does not survive me, then to
- (b) my **child or children** in equal shares, and the share of any child who does not survive me to his or her children living at my death in equal shares; but, if none of my children survive me then to the children of my children living at my death in equal shares; and if neither my children nor any of their children survive me, then to
- (c) my **mother and father** in equal share or to the survivor; and if neither survives me, then to
- (d) my **brothers and sisters** in equal shares, and the share of any brother and sister who does not survive me to his or her children living at my death in equal shares; but if none of my brothers and sisters survive me, then to the children of my brothers and sisters living at my death in equal shares, then to
- (e) my **estate**.

The terms "child" and "children," as used in this beneficiary designation shall include both natural born, stepchildren and adopted children, whether born or adopted before or after the date on which I selected this beneficiary.

No payment shall be made to persons included in any of the above groups should there be living at the date of my death person in any groups preceding it as listed.

Except as designated above, no dependents of any beneficiary who does not survive me will take any interest or benefit in property subject to this designation.

If you elect this option, your designation will create a chain of beneficiaries that automatically allows for future marriages, divorces, births, deaths, or adoptions within your family as established by Oregon law.
In the event of your death, the value of your account, except for any portion invested through the Self-Directed Brokerage Option, will be transferred from the previous investment options into the Stable Value Fund to preserve the value of the account pending distribution to the designated beneficiary(ies)."

I understand this designation is not effective until received and approved by the Oregon Savings Growth Plan.

I hereby revoke any and all previous designations of beneficiary(ies) to receive my Oregon Savings Growth Plan account assets.

X

Participant's Signature (Do not print) Date

FOR OFFICIAL USE ONLY – OREGON SAVINGS GROWTH PLAN	
☐ Participant ☐ Alternate Payee ☐ Beneficiary	
Cross-reference Participant Social Security Number	
Approved by Oregon Savings Growth Plan Manager or Designee	Date

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Complete one side only

Participant Name	Social Security Number or OR Number
Address	
City, State, Zip	**Phone Number**

Instructions:

- If you choose to complete this side, **DO NOT** complete the Standard Designation on the front page.
- Do not use white-out or cross anything out. ALTERATIONS WILL VOID THIS FORM. If a change is required, use a new form.
- Allocations have to be in whole percentages and equal 100%.
- More than one primary beneficiary may be named. If more than one is named, all payments will be split equally between the primary beneficiaries unless an allocation is designated.
- More than one contingent beneficiary may be named. If more than one is named, all payments will be split equally between the contingent beneficiaries unless an allocation is designated. A contingent beneficiary receives benefits only if he/she survives the participant and the primary beneficiary(ies).
- Always write full given names. For example, Mary R. Doe (not Mrs. Robert Doe).
- To designate a trust, you must name a trustee and a successor trustee rather than the trust itself, e.g., To John Doe (name) trustee,or Jane Doe (name), successor trustee, of the (name of trust, dated (date), held by (name and address).
- To designate your estate as beneficiary, write "The Personal Representative, Executor, or Administrator of my Estate."

Primary Beneficiary Name	Social Security Number*	Address (Street, City, State, Zip)	Date of Birth	Relationship to Participant	%

0

Contingent Beneficiary Name	Social Security Number*	Address (Street, City, State, Zip)	Date of Birth	Relationship to Participant	%

0

* Providing a Social Security Number (SSN) is voluntary. It will be used for confirmation purposes only. Failure to supply a SSN may delay the processing of benefits to a beneficiary.

I understand this designation is not effective until received and approved by the Oregon Savings Growth Plan.

I hereby revoke any and all previous designations of beneficiary(ies) to receive my Oregon Savings Growth Plan account assets.

X ______________________________ ______________________________

Participant's Signature (Do not print) Date

In compliance with the Americans with Disabilities Act, staff will provide assistance in filling out this form to anyone who needs it. You may request assistance from your Oregon Savings Growth Plan representative by calling 888.320.7377.

FOR OFFICIAL USE ONLY – OREGON SAVINGS GROWTH PLAN	
☐ Participant ☐ Alternate Payee ☐ Beneficiary	
Cross-reference Participant Social Security Number	
Approved by Oregon Savings Growth Plan Manager or Designee	Date

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Looking forward to new horizons.

investment options

Saving for retirement involves choosing the right investments to match your goals. That's why the Plan offers a variety of professionally-managed investment options.

OSGP offers a variety of investment options for you to choose from:

LifePath Portfolios

Simply select the one fund with target date closest to the date you expect to retire or begin withdrawing money.

- LifePath Retirement
- LifePath 2020 Portfolio
- LifePath 2025 Portfolio
- LifePath 2030 Portfolio
- LifePath 2035 Portfolio
- LifePath 2040 Portfolio
- LifePath 2045 Portfolio
- LifePath 2050 Portfolio
- LifePath 2055 Portfolio
- LifePath 2060 Portfolio

Core Investment Options

OSGP's investment options cover major investment categories and levels of risk. Choose your investment option(s) based on your personal situation, including the time you have until retirement and your risk tolerance.

- Short-Term Fixed Option
- Stable Value Option
- Active Fixed Income
- Real Return Option
- Large Company Value Stock Option
- Stock Index Fund Option
- Socially Responsible Investment Option
- Large Company Growth Stock Option
- International Stock Option
- Small Company Stock Option

Self-Directed Brokerage Account Option

Through the PCRA you can access 6,000 mutual funds, including 3,000 mutual funds available with no loads and no transaction fees.

- Charles Schwab Personal Choice Retirement Account (PCRA)

? What Type of Investor Are You?

If you're unsure of the level of risk you may be willing to take, complete the risk questionnaire available online at http://osgp.participant-connection.com/pages/risk-assessment.

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12 **Active Fixed Income Option**
— BlackRock U.S. Debt Index Fund
— DoubleLine Total Return Bond Fund
— Wellington Trust Core Bond Plus Fund

14 **Real Return Option**
— GMO Benchmark-Free Allocation Fund
— SSgA Real Asset Strategy
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18 **Stock Index Option**
— BlackRock Russell 3000 Index Fund

20 **Socially Responsible Investment Option**
— TIAA-CREF Social Choice Equity Fund

22 **Large Company Growth Stock Option**
— BlackRock Russell 1000 Growth Index Fund

24 **International Stock Option**
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— DFA Emerging Markets Core Equity Fund
— DFA International Core Equity
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— BlackRock Russell 2000 Index Fund
— Callan Small Equity Fund
— DFA US Small Cap Portfolio

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— Schwab PCRA

Transfer Restrictions

The following trading restrictions apply to all participants:

1. A participant may not make a trade that exceeds $100,000;
2. A purchase that is attributable to a trade may not be redeemed from the International Stock Option for a period of 30 days following the date of the trade; and
3. No trade may move monies directly from the Stable Value Option to the Short-Term Fixed Income Option or the Self-Directed Brokerage Account.

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IMPORTANT INFORMATION: Statements about the relative risk and return of investment options do not represent predictions of how the investments will perform in the future, but rather provide only a general description of the current investment and how it has performed in the past.

LifePath® 2020 - 2060 Portfolios

Composition

The LifePath Portfolios provide you with the blended performance of a range of underlying investments. These funds invest in any or all of seven underlying asset classes ranging from stocks to bonds to a money market fund.

Objective

The LifePath Portfolios are a range of funds designed to meet the needs of investors in defined contribution plans throughout their working lives. Each LifePath Portfolio is designed to provide an investment strategy appropriate to a specific age range and/or expected retirement date.

Each fund has a date in its name (such as 2020 in LifePath 2020). The portfolio managers of each fund will select and maintain a mix of investments that is appropriate for the portfolio's specific time frame. Over time, each portfolio's investment mix gradually shifts to become more conservative. This shift is designed to reduce the ups and downs in the value of your account as your target date approaches.

Primary Investments

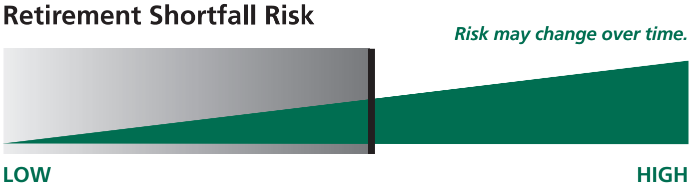
Each LifePath Portfolio is diversified among many different asset classes and is adjusted over time to gradually become more conservative as its 'target year' approaches.

Each LifePath Portfolio can invest in any or all of seven major asset classes to ensure that the Fund is properly diversified. Those asset classes are: domestic large capitalization stocks, domestic medium and small capitalization stocks, international stocks, real estate investment trusts (REITs), domestic bonds, treasury inflation protected securities (TIPS) and a money market fund. The result is that each LifePath Portfolio is a widely diversified holding all in one fund.

Risk Measurement

Because each LifePath Portfolio targets a different time frame, the portfolios provide a broad range of risk levels, ranging from conservative (LifePath 2020 Portfolio) to more aggressive (LifePath 2060 Portfolio). The level of market risk steadily decreases as time passes for each portfolio. Each portfolio reaches its lowest risk level at the end of the year preceding its target date. Then, having reached its target year, the Fund will be absorbed into the LifePath Retirement Portfolio, which is covered separately in this brochure.

Retirement Shortfall Risk



The possibility that an investment will not increase enough to provide adequate income at retirement: The less aggressive an investment is, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investments concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue; although there is no guarantee that it will do so.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Due to the broad diversification across both stocks and bonds, and hundreds of individual securities, the market risk for the LifePath Portfolios is expected to be less than that of any individual stock fund. Historically, a diversified portfolio of stocks, bonds and cash has produced better returns than a portfolio invested exclusively in bonds or cash, with less risk than a portfolio invested exclusively in stocks.

Relative Risk Ranking

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

As the LifePath Portfolios consist of varying blends of underlying funds, traditional single asset class benchmarks would not be appropriate for analyzing performance. The funds' investment manager has constructed a custom benchmark that combines relevant benchmarks according to the weights that those benchmarks are represented in each LifePath Portfolio. That custom benchmark is included on the LifePath fact sheets.

Fund Investment Strategies

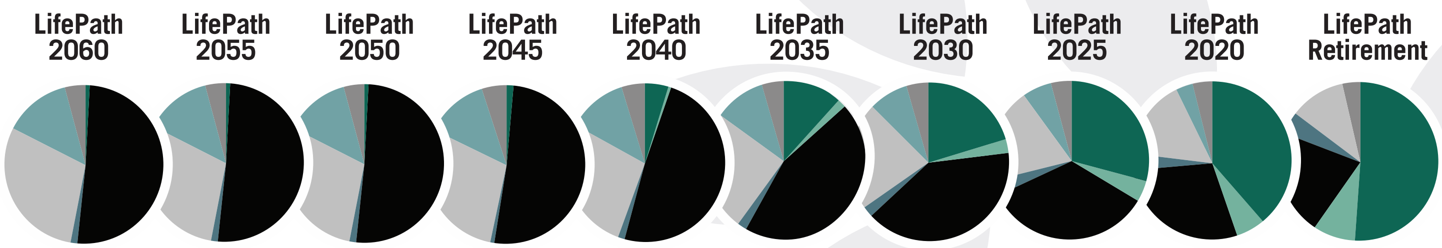
Each LifePath Portfolio's investment strategy is based on a unique time horizon. It can invest in any or all of seven major asset classes to ensure that the Fund is properly diversified. The portfolio managers of each fund manage the blend of underlying investments to try to set the overall level of risk of the Fund to an appropriate level given the Fund's timeframe.

The most important feature of LifePath is that each fund (except for LifePath Retirement, which is highlighted on the next two pages) is constructed so that its investment strategy evolves as it approaches its maturity date.

In the early years, when investors generally seek to maximize returns, while potentially having additional time to bear short-term fluctuations in the equity market, each funds' asset allocation gives preference to the equity market. Then, as you and the portfolio get closer to your 'target year', the funds gradually move more money out of equities into fixed income and cash with the goal of protecting the accumulated value of your account.

Unlike actively managed funds, LifePath Portfolios rely primarily on time-tested asset allocation strategies, quantitative methods, and consistent and rigorous investment discipline. LifePath Portfolios can help take some of the worry out of deciding how much to invest in stocks, bonds and cash. This asset mix is monitored every day.

IF YOU EXPECT TO RETIRE BETWEEN	THEN YOU MIGHT CONSIDER
2053 or later	LifePath 2060®
2048–2052	LifePath 2055®
2043–2047	LifePath 2050®
2038–2042	LifePath 2045®
2033–2037	LifePath 2040®
2028–2032	LifePath 2035®
2023–2027	LifePath 2030®
2018–2022	LifePath 2025®
2012–2017	LifePath 2020®
Prior to 2017	LifePath Retirement®



LifePath® Retirement Portfolio

Composition

The LifePath Retirement Portfolio provides you with the blended performance of a range of underlying investments. These funds can invest in any or all of seven underlying asset classes ranging from stocks to bonds to a money market fund.

Objective

The LifePath Retirement Portfolio is intended for people who will be retiring soon, or are already retired. The Fund's primary goal is to provide a source of income for retired investors throughout their retirement years. Although the portfolio invests in a greater concentration of lower-risk investments, a portion of its assets will continue to be invested in stock funds so that the portfolio has some protection against inflation during your retirement years.

Primary Investments

The LifePath Retirement Portfolio can invest in any or all of seven major asset classes to ensure that the Fund is properly diversified. The LifePath Retirement Portfolio generally holds, approximately, one-third of its assets in stocks and around two-thirds of its assets in bonds and money market instruments.

Risk Measurement

Retirement Shortfall Risk

LOW HIGH

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investments concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue; although there is no guarantee that it will do so.

Market Risk

LOW HIGH

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Due to the broad diversification across both stocks and bonds, the market risk for the LifePath Retirement Portfolio is expected to be less than that of any individual stock fund. Historically, a diversified portfolio of stocks, bonds and cash has produced better returns than a bond or cash portfolio with less risk than a stock portfolio.

Relative Risk Ranking

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

As the LifePath Retirement Portfolio consists of a blend of underlying funds, a traditional single asset class benchmark would not be appropriate for comparison. The portfolio's investment manager has constructed a custom benchmark that combines relevant benchmarks according to the weights that those benchmarks represented in the LifePath Retirement Portfolio.

Fund Investment Strategies

The LifePath Retirement Portfolio is a balanced fund that holds a wide range of stocks and bonds. Unlike actively managed funds, LifePath Portfolios rely primarily on time-tested asset allocation strategies, quantitative methods, and consistent and rigorous investment discipline. LifePath Portfolios can help take some of the worry out of deciding how much to invest in stocks, bonds and cash. Using sophisticated computer models, the funds carefully weigh the risks and rewards of these different asset classes relative to one another. This asset mix is monitored every day.

Short-Term Fixed Income Option

Composition

This option consists of a government security money market fund:

- 100% SSgA Government Short-Term Investment Fund

Objective

Preservation of capital with a moderate level of earnings by investing primarily in fixed income instruments issued by the U.S. government and its agencies.

Primary Investments

The Short-Term Fixed Income Option invests in short-term money market securities. Money market-type securities include debt instruments such as U.S. Treasury government agency notes and repurchase agreements collateralized with such instruments. Yields on these securities follow short-term interest rate cycles. Their primary goal is to provide safety, liquidity and yield with little risk of a decline in principal. Many investors use money market securities as a convenient place to keep money while deciding where to invest their longer-term funds, so they are sometimes referred to as "cash."

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

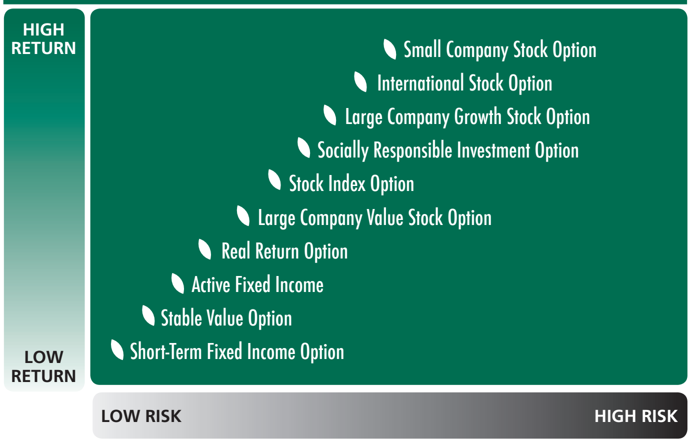
Long-term investors should be aware that the lower yields on money market securities may make it difficult to keep up with the rate of inflation. Therefore, this option could pose a high level of retirement shortfall risk by not providing a large enough account balance to meet your retirement income needs. You may want to use this option in conjunction with several other options to create a diversified and balanced portfolio.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

This option is managed to maintain a stable net asset value, and provide a way to receive current income with maximum stability of principal and liquidity. Yields will vary in line with overall short-term interest rates. This option invests in government securities. There is no guarantee that a stable net asset value will be maintained.

Relative Risk Ranking



Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

91-Day Treasury Bill

The 91-Day Treasury Bill is a common industry benchmark for government security money market funds and provides a good comparison of average maturity and credit risk for the investment portfolio.

Fund Investment Strategies

SSgA Government Short-Term Investment Fund

This option invests in high-quality U.S. dollar-denominated money market securities, generally with average maturities of 90 days or less. These securities are very liquid and relatively safe in terms of potential loss of principal, although they are not guaranteed against loss. The goal is to maintain a stable net asset value of $1.00 per share.

Stable Value Option

Composition

This option consists of a government security money market fund:

- 100% Galliard Capital Management

Objective

Stability of principal plus stable, predictable returns that are competitive with other fixed income investments with similar risks. It is designed so that it does not experience the principal value fluctuations typical of stock and bond funds. There is a slight risk of principal loss in the event of a default by a security or contract issuer. Investors in this option will earn a return that is a blend of all the interest rates from the individual assets. By design, the Option's return will move toward current interest rates. Over time, returns are expected to be consistent with returns generated by high quality intermediate bonds.

Primary Investments

This option invests primarily in a diversified portfolio of fixed income investments and agreements that support capital preservation and liquidity. The investments include, but are not limited to, group annuity contracts with life insurance companies, deposit agreements with banks, obligations of the U.S. Government or its agencies, assetbacked securities, and other high quality fixed income securities. The fixed-income investments will, in each case, represent an issuer's promise to repay principal plus a rate of interest.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

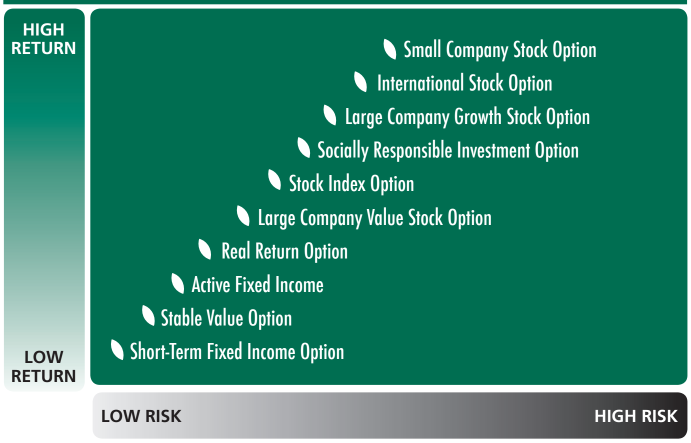
Historically, stable value funds have produced returns that are higher than money market investment and short-term fixed investments. These funds have greater potential for retirement shortfall risk than stocks, but less than money market securities. You may want to use this option in conjunction with several other options to create a diversified and balanced portfolio.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

This option typically offers lower returns relative to the other options except the Short-Term Fixed Income Option and has lower risk of potential principal loss.

Relative Risk Ranking



Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

91-Day Treasury Bill

The 91-Day Treasury Bill is a common industry benchmark for government security money market funds and provides a good comparison of average maturity and credit risk for the investment portfolio.

5-Year Constant Maturing Treasury (CMT)

The 5-Year Constant Maturing Treasury (CMT) is a good benchmark for stable value funds. Each new 5-year Treasury Note issued is added to the return calculation while the Treasury Note issued five years previously drops off. The duration approximates 2.5 years, and the return stream is smooth and positive, similar to stable value funds.

Transfer Restrictions

Please see information on page 3 for more information on Stable Value restrictions.

Active Fixed Income Option

Composition

This fixed income-based option provides you with the blended performance of three funds:

- 33.3% BlackRock U.S. Debt Index
- 33.3% DoubleLine Total Return Bond Fund
- 33.3% Wellington Trust Core Bond Plus Fund

Objective

Higher level of current earnings than the Short-Term Fixed Income Option by investing in fixed-income securities with a range of maturities, including U.S. Treasury, corporate, high-yield, and foreign fixed-income securities.

Primary Investments

This option invests mostly in intermediate-term bonds with maturities ranging from 3 years to 10 years. A majority of the bonds are investment-quality as rated by one or more of the major rating agencies, or judged by the managers to be of comparable quality, if not rated. Types of securities include:

- U.S. Government securities
- Investment-grade corporate bonds
- Mortgage-related and other asset-backed securities
- Foreign government debt securities
- High-yield corporate bonds
- Commercial paper and other short-term investments

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

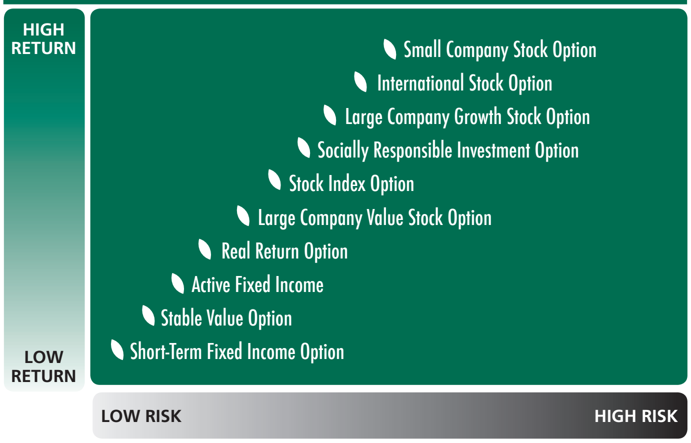
Historically, bonds have produced total returns somewhere between stocks and money market securities. So they have greater potential retirement shortfall risk than stocks, but less than money market securities. Within the different types of bonds, longer-term bonds tend to have higher yields, which may make them less susceptible to retirement shortfall risk compared with short-term bonds such as those used in money market accounts.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Bonds are potentially lower risk than stocks because of the promise of returned principal at maturity, and historically have had lower returns. Bonds and other fixed income securities are affected by general changes in market interest rates. As interest rates go down, bond values tend to go up. On the other hand, if interest rates rise, then bond values decline. Generally, the longer a bond's maturity, the higher the yield, and the more its value will be affected — either up or down — as interest rates move. Fixed income securities may help to balance the stock portion of a diversified portfolio, since bonds often perform differently than stocks in any given market condition.

Relative Risk Ranking



Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Barclays Aggregate Bond Index

The Barclays Aggregate Bond Index is the benchmark used for investment-grade (higher quality) bonds. U.S. Government bonds, corporate bonds, asset-backed securities, and mortgage-backed securities are found within this index.

Fund Investment Strategies

BlackRock U.S. Debt Index Fund

The BlackRock U.S. Debt Index Fund is a "superfund" constructed by holding units of underlying funds. Each underlying fund tracks a specific sector/maturity combination of the Barclays Aggregate Bond Index:

- Intermediate Government Bonds (1-10 years maturity)
- Long Government Bonds (10+ years maturity)
- Intermediate Corporate Bonds (1-10 years maturity)
- Mortgage-Backed Securities
- Commercial Mortgage-Backed Securities
- Asset-Backed Securities

DoubleLine Total Return Bond Fund

This product's objective is to achieve risk-adjusted total returns in excess of the Barclays Aggregate Bond Index, mainly in mortgage-backed securities. The product will employ active management strategies while remaining duration-neutral relative to the benchmark. The firm believes the inefficiencies within the subsectors of the mortgage market create opportunities to enhance returns for the fund.

Wellington Trust Core Bond Plus Fund

The investment objective of the Wellington Trust Core Bond Plus Fund is to achieve a long-term total rate of return well in excess of a broad U.S. investment-grade fixed-income benchmark such as the Barclays Aggregate Bond Index. This portfolio will contain two types of positions: core holdings and opportunistic holdings. Core holdings are established in U.S. investment-grade fixed-income securities such as government bonds, corporate bonds, and mortgage-backed securities. Opportunistic holdings are established in higher risk/higher return segments of the global bond market, such as the U.S. corporate high-yield bond market, the non-dollar foreign debt and currency market and emerging market debt. The Fund invests outside of the U.S. investment-grade bond universe when it is believed that such issues have a high probability of outperforming the Index in the near-term; positions are sold as soon as the target rate of return is achieved.

Real Return Option

Composition

This option provides you with the blended performance of three funds:

- 33.3% GMO Benchmark-Free Allocation Fund (GBMRX)
- 33.3% SSgA Real Asset Strategy
- 33.3% Wellington Real Total Return

Objective

Provide participants access to a mix of assets that will provide a return that meets or exceeds inflation over a full market cycle. A secondary purpose is to provide returns less correlated to those of typical stock or bond funds.

Primary Investments

The underlying funds in this option will invest in securities or asset classes that the portfolio managers expect to hold up in value regardless of the inflation environment. These could include:

- Real Estate Investment Trusts (REITs)
- Commodities
- Common Stocks of Commodity Related Companies
- Currencies
- Foreign Securities
- Inflation Linked Bonds (ILBs)

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

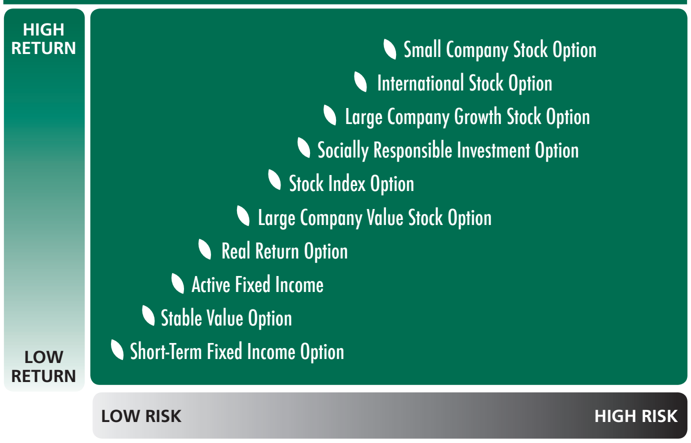
The objective for this option is to produce real returns above inflation. So this option has some potential shortfall risk, but less than those of fixed income funds.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Public equity securities such as REITs and commodity related stocks are highly correlated with the broad equity markets. Additionally, REITs have more recently exhibited bond-like behavior with interest rates; they have gone up in value with decline in long-term rates and vice-versa. However, it is expected that this broadly diversified option holding REITs, stocks, commodities, and ILBs will be less sensitive to equity and interest rate risks than standalone equity and fixed income options respectively.

Relative Risk Ranking



Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Consumer Price Index + 3%

The Consumer Price Index for All Urban Consumers (CPI-U) is estimated by the Bureau of Labor Statistics on a market basket of consumer goods and services. The benchmark of CPI-U+ 3% for the Option is over a full market cycle, typically three to five years.

Fund Investment Strategies

GMO Benchmark-Free Allocation Fund

The objective for this fund is to generate positive total return by allocating to undervalued asset classes and sectors of the global market, without the constraints of traditional benchmarks. The fund is managed by GMO's Asset Allocation team which allocates based on the team's seven year return forecasts.

SSgA Real Asset Strategy

The Fund seeks to provide a total investment return approximate to those of the fund's custom benchmark in an indexing approach. The benchmark is 20% Dow Jones-UBS Roll Select Commodity Index, 35% S&P Global LargeMidCap Commodity and Resources Index, 20% Dow Jones U.S. Select REIT Index, and 25% Barclays US Treasury Inflation-Protected Securities (TIPS) Index.

Wellington Real Total Return

The Fund seeks to provide attractive real returns over inflation with moderate volatility and low correlation to equity returns. The portfolio manager for this fund seeks to identify attractively valued asset classes and investment teams within Wellington with security selection skills in conjunction with risk management for the overall fund to deliver returns.

Large Company Value Stock Option

Composition

This option consists of an equity index fund:

- 100% BlackRock Russell 1000 Value Fund

Objective

Long-term growth of capital by investing in common stocks considered to be undervalued relative to the stock's historical average price or to the broad market as a whole.

Primary Investments

Common stocks of medium and large U.S. companies that are generally selling at a discount relative to the market and with below market earnings and sales growth. These stocks are referred to as "value" stocks, since their lower relative prices sometimes make them a good value. The dividend income on value stocks is often higher than growth stocks and their price volatility may be somewhat lower.

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

LOW HIGH

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue, although, there is no guarantee that it will do so.

Market Risk

LOW HIGH

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Investing in value stocks may tend to limit the down-side potential for price fluctuation since value stocks, by definition, are already priced lower than what would be considered a fair price. So value stock investing may be considered a slightly more conservative strategy than growth stock investing. But even value stocks experience price fluctuations, especially over shorter time periods. The wide diversification of industry sectors, the large number of stocks held and the generally higher dividend yields of value stocks helps to alleviate some of the price volatility risks compared with the other stock fund options.

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Russell 1000 Value Index

The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values than those companies in the Russell 1000 Growth Index. Russell 1000 companies are the top 1,000 of the 3,000 largest U.S. companies. In their aggregate, the largest 3,000 companies represent 98 percent of the investable U.S. equity market.

Fund Investment Strategies

BlackRock Russell 1000 Value Fund

Effective management of this Fund requires focusing on minimizing transaction costs, minimizing tracking error, and minimizing risk.

The Russell 1000 Value Index Fund fully replicates the Russell 1000 Value Index created by Russell Investments. The Fund holds every stock in the Index in its market capitalization weight.

Russell Investments reconstitutes the Russell 1000 Index for issue changes annually in June, using May month-end data. The segmentation of the Russell 1000 into the Russell Value and Russell Growth Indexes, based on book-to-price and growth rates, is also made at this time.

BlackRock rebalances the Russell 1000 Value Index Fund based on changes in shares outstanding made by Russell Investments. The full replication approach utilized in the Fund’s management ensures close tracking and minimizes transaction costs. By holding every stock in the Index in its market capitalization weight, the Fund is “self-rebalancing” so transaction costs to the client are minimized. The necessary trading is for dividend reinvestments, index changes, and implementing client contributions and redemptions.

Stock Index Option

Composition

This option consists of an equity index fund:

- 100% BlackRock Russell 3000 Index Fund

Objective

Long-term growth of capital by investing in common stocks with growth and valuation characteristics in line with the broad market averages.

Primary Investments

This option invests in common stocks of the broad market of U.S. companies included in the Russell 3000 universe. The Russell 3000 Index includes the largest 3,000 publicly-traded companies and encompasses 98 percent of the market capitalization of all publicly-traded U.S. companies. The sole investment in this option is the BlackRock Russell 3000 Index Fund whose performance is designed to replicate that of the Russell 3000 Index.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks as measured by the Russell 3000 Index have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue, although, there is no guarantee that it will do so.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

This option is expected to track the performance of the overall U.S. stock market as represented by the Russell 3000 Index. The price of stocks in the Index rise and fall due to individual company performance and general economic and market criteria. If the broad market declines in value, this option will also decline. If the broad market rises in value, this option would be expected to also rise. The wide diversification of industry sectors in the Index and the fact that many of the stocks held are among the leading companies in their respective industries helps to alleviate some of the price volatility risks compared with the Large Company Growth Stock Option or Small Company Stock Option.

Relative Risk Ranking

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Russell 3000 Index

The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization. These 3,000 companies represent approximately 98 percent of the investable U.S. equity market.

Fund Investment Strategies

Russell 3000 Index Fund

This Fund seeks to track the performance of its benchmark, the Russell 3000 Index. It is a superfund which holds the Russell 1000 Index Fund and Russell 2000 Index Fund. The constituent funds are also superfunds which hold the respective growth and value funds. The Russell 1000 funds are fully replicated while the Russell 2000 Funds are optimized.

Russell Investments reconstitutes the Russell 3000 Index for issue changes annually in June, using May month-end data. The segmentation of the Russell 1000 into the Russell Value and Russell Growth Indexes, based on book-to-price ratio, is also made at this time.

Socially Responsible Investment Option

Composition

This option consists of an equity securities fund:

- 100% TIAA-CREF Social Choice Equity Fund (TISCX)

Objective

The Fund seeks a favorable long-term total return that reflects the investment performance of the overall U.S. stock market while giving special consideration to certain Environmental Social Governance (ESG) criteria.

Primary Investments

Under normal circumstances, the Fund invests at least 80% of its assets in equity securities. The Fund attempts to track the return of the U.S. stock market as represented by its benchmark, the Russell 3000 Index, while investing only in companies whose activities are consistent with the Fund's socially responsible criteria.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks as measured by the Russell 3000 Index have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue, although, there is no guarantee that it will do so.

Market Risk

The risk that market prices of portfolio investments held by the Fund may fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions. Market risk may affect a single issuer, industry or sector of the economy, or it may affect the market as a whole.

Relative Risk Ranking

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Russell 3000 Index

The Russell 3000 Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market.

Fund Investment Strategies

TIAA-CREF Social Choice Equity Fund

The Fund attempts to track the return of the U.S. stock market as represented by its benchmark, the Russell 3000 Index, while investing only in companies whose activities are consistent with the Fund's social criteria.

The Fund's investments are subject to certain environmental, social and governance ("ESG") criteria. The research vendor currently providing the ESG performance evaluation is MSCI, Inc. ("MSCI"). All companies must meet or exceed minimum ESG performance standards to be eligible for inclusion in the Fund. The evaluation process favors companies with leadership in ESG performance relative to their peers. Typically, environmental assessment categories include climate change, natural resource use, waste management and environmental opportunities. Social evaluation categories include human capital, product safety and social opportunities. Governance assessment categories include corporate governance, business ethics and government and public policy. How well companies adhere to international norms and principles and involvement in major ESG controversies (examples of which may relate to the environment, customers, human rights and community, labor rights and supply chain, and governance) are other considerations.

The ESG evaluation process is conducted on an industry-specific basis and involves the identification of key performance indicators, which are given more relative weight compared to the broader range of potential assessment categories. Concerns in one area do not automatically eliminate an issuer from being an eligible investment for the Fund. When ESG concerns exist, the evaluation process gives careful consideration to how companies address the risks and opportunities they face in the context of their industry and relative to their peers. The social and environmental impact of corporate activities related to the production and sale of alcohol, tobacco, military weapons, firearms, nuclear power and gambling products and services are quantified and incorporated into a company's overall ESG performance assessment. While not automatically excluded from the Fund, most companies involved in these industries are ineligible for inclusion in the Fund due to their poor overall ESG performance.

Once a universe of ESG-eligible companies is established, the Fund's investment adviser, Teachers Advisors, Inc. ("Advisors"), then uses quantitative investment techniques to attempt to closely match, to the extent practicable, the overall risk characteristics of the benchmark index. The Fund holdings will generally consist of a subset of the eligible investment universe. The Fund is not required to invest in all companies that meet the ESG criteria.

Large Company Growth Stock Option

Composition

This option consists of an equity index fund:

- 100% BlackRock Russell 1000 Growth Index Fund

Objective

Long-term growth of capital by investing in common stocks with above-average growth and profitability prospects.

Primary Investments

Common stocks of medium and large capitalization U.S. companies that are generally selling at a premium relative to the market and with above market earnings and sales growth. These stocks are referred to as "growth" stocks, since their higher relative prices sometimes compensate for the higher growth rates.

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks have significantly outperformed bonds and cash over long time periods of 10 years or more. This relative long-term performance is expected to continue, although, there is no guarantee that it will do so. The very factors that raise the market risk of this option are what lower the retirement shortfall risk. This option offers the potential for substantial capital appreciation, as growth companies can move up in value very quickly.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

The price fluctuations of growth stocks, especially those of small and medium-sized companies, are generally greater than larger, blue chip companies. This is because these firms may rely on limited product lines, and may have limited financial resources.

Relative Risk Ranking

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Russell 1000 Growth Index

The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values than those companies in the Russell 1000 Value Index. Russell 1000 companies are the top 1,000 of the 3,000 largest U.S. companies. In their aggregate, the largest 3,000 companies represent 98 percent of the investable U.S. equity market.

Fund Investment Strategies

BlackRock Russell 1000 Growth Index Fund

This Fund fully replicates the Russell 1000 Growth Index created by Russell Investments. The Fund holds every stock in the Index in its market capitalization weight.

Russell Investments reconstitutes the Russell 1000 Index for issue changes annually in June, using May month-end data. The segmentation of the Russell 1000 into the Russell Value and Russell Growth Indexes, based on book-to-price ratio and growth rates, is also made at this time.

International Stock Option

Composition

This equity-based option provides you with the blended performance of five funds:

- 25% AQR ACWI ex-US Fund
- 10% DFA Emerging Markets Core Equity (DFCEX)
- 15% DFA International Core Equity (DFIEX)
- 25% Lazard International Equity
- 25% BlackRock ACWI ex-US Index Fund

Objective

Long-term growth of capital by investing primarily in the common stocks of foreign companies.

Primary Investments

Stocks of established companies operating outside the United States that the managers believe to have favorable characteristics. Investments are diversified among many countries and industries. The funds may also invest in a variety of debt securities.

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. International investing offers you:

- Expanded investment opportunities: more than half of the world's total stock market capitalization and two-thirds of global gross national product are non-U.S.
- Most investments consultants model long-term expectations for non-U.S. equities with a higher return and volatility than for U.S. equities.
- Portfolio diversification: returns on foreign stock markets have not moved as independently with those of U.S. stock market in recent years, but international equity still provide some diversification benefits.

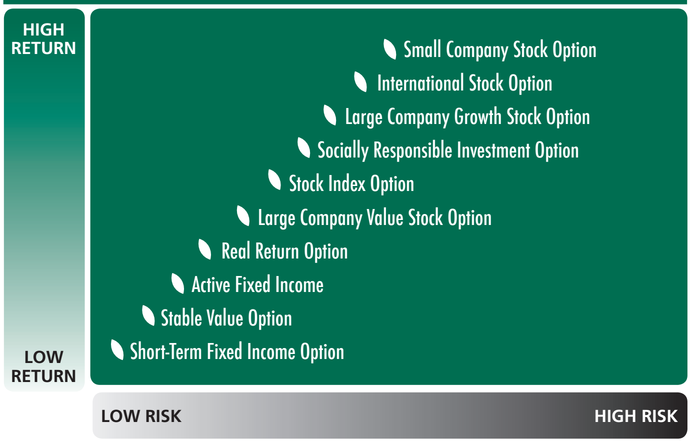
Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

Stock prices of foreign and U.S. companies are subject to many of the same influences, such as general economic conditions, company and industry earnings prospects and investor psychology. However, investing in foreign securities involves additional risks not found in domestic stocks. These risks can increase the potential for losses and include:

- **Currency fluctuations:** changing foreign exchange rates can significantly increase or decrease the dollar value of foreign investments.

Relative Risk Ranking



Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

- **Political and economic factors:** uncertainties relating to foreign governments and economies can affect market values in individual countries and regions, especially in emerging markets such as Latin America, China, Eastern Europe, and Africa.
- **Legal and accounting practices:** many countries lack uniform accounting, auditing and financial reporting standards, and may have less government supervision of financial markets than in the United States. Many of the market risks associated with foreign investing can be reduced with the kind of broad diversification found in the International Stock Option.

Performance Benchmark

MSCI All Countries World Index (ACWI) ex-United States

The MSCI ACWI ex-US is the model used as the benchmark for foreign company stocks and represents over 1,800 companies in over 40 of the largest countries around the world.

Fund Investment Strategies

AQR ACWI ex-US Fund

This Fund seeks maximum long-term capital growth and uses a quantitative stock selection process selecting companies exhibiting certain characteristics such as value and quality. The Fund invests primarily in stocks of non-U.S. companies and generally holds several hundred securities.

DFA Emerging Markets Core Equity

The Fund's objective is long-term capital appreciation. The Fund invests in a broad portfolio of emerging markets companies with an increased exposure to small capitalization and value companies. The portfolio generally holds several thousand securities.

DFA International Core Equity Fund

The Fund is managed identically to the DFA Emerging Markets Core Equity except that it invests in non-U.S. developed markets companies.

Lazard International Equity

This Fund primarily invests in stocks of companies based in developed markets of Europe and Asia. The portfolio management team, supported by a large analyst team, selects securities based on bottom-up fundamental research.

BlackRock ACWI ex-US Index Fund

This is an index fund that seeks to match the performance of the MSCI ACWI ex-US by fully replicating the index.

Small Company Stock Option

Composition

This equity-based option provides you with the blended performance of three funds:

- 30% BlackRock Russell 2000 Index Fund
- 35% Callan Small Equity Fund
- 35% DFA US Small Cap Portfolio (DFSTX)

Objective

Long-term growth of capital by investing in the common stocks of small capitalization companies.

Primary Investments

Stocks of small and micro capitalization companies. The funds may also invest in a variety of debt securities and foreign securities.

Note: Unregistered annuity contracts may be used in this option.

Risk Measurement

When making investment decisions about your retirement portfolio, it's important to consider two types of risk:

Retirement Shortfall Risk

The possibility that an investment will not increase enough to provide adequate income at retirement. The less aggressive an investment, the less likely it will outpace inflation and provide enough income for retirement.

Any long-term investment concentrated in stocks carries a low retirement shortfall risk level. That is because, historically, stocks have significantly outperformed bonds and cash over long time periods of 10 years or more. Small capitalization companies have historically shown the highest returns over long time periods. This relative long-term performance is expected to continue, although, there is no guarantee that it will do so. Used in conjunction with several less risky stock options, the Small Company Stock Option can provide additional diversification for the long-term investor.

Market Risk

The possibility that an investment will fluctuate in value. The more aggressive an investment, the greater its potential return — but the more it may rise and fall in value, especially over the short term.

This option is designed for long-term investors who are willing to assume above-average risk in return for above-average capital growth potential. The stock prices of small capitalization companies can fluctuate much more than larger, more established blue chip companies making them more volatile, especially over shorter time periods. These companies often have limited products, and they may depend heavily on a select small group of managers. In addition, their stock may be traded on over-the-counter markets, which could make them harder to sell when their prices are depressed.

Relative risk ranking is historical and may not hold true for any particular point in time, past, present or future.

Performance Benchmark

Russell 2000 Index

The Russell 2000 Index measures the performance of the 2,000 smallest companies of the 3,000 largest U.S. companies. In their aggregate, the largest 3,000 companies represent 98 percent of the investable U.S. equity market.

Fund Investment Strategies

BlackRock Russell 2000 Index Fund

Due to the illiquid nature and high transaction costs involved in trading the smallest securities in the Russell 2000 Index (created by Russell Investments), the BlackRock Russell 2000 Index Fund is managed using an optimization technique. The optimization is based upon a risk model, and its goal is to create a fund that statistically reflects the respective index's characteristics. The optimization approach enables BlackRock to decrease transaction costs, and, therefore, to minimize negative tracking error.

Russell Investments reconstitutes the Russell 3000 Index for issue changes annually in June, using May month-end data. The segmentation of the Russell 1000 into the Russell Value and Russell Growth Indexes, based on book-to-price ratio and growth rates, is also made at this time.

Futures are used in the BlackRock Russell 2000 Index Fund only to equitize dividends and other cash flows associated with the issuers that comprise the Index. For the BlackRock Russell 2000 Index Fund "E," futures are used to a greater extent. In addition to equitizing cash distributions and dividends, futures are used to increase liquidity to facilitate daily contributions and withdrawals. BlackRock has extensive experience in the use of futures, dating back to 1982. Futures are used solely for bona fide hedging purposes, and not for speculation or to conduct arbitrage between futures and the underlying Russell 2000 stocks.

Callan Small Equity Fund

The Fund seeks to outperform standard small cap benchmarks over time by employing a diversified roster of experienced institutional managers, each managing a high conviction strategy with a relatively small asset base. Research indicates that smaller, less capacity-constrained products have significant operating advantages relative to larger products in the small cap asset class. The Fund contains 40 institutional small cap asset managers

DFA US Small Cap Portfolio

The Fund's objective is long-term capital appreciation. The Fund invests in a broad portfolio of small capitalization companies with an increased exposure to value and profitable companies The portfolio generally holds several thousand securities.

Self-Directed Brokerage Option

Schwab Personal Choice Retirement Account® (PCRA)

What is Schwab PCRA?

Schwab Personal Choice Retirement Account® (PCRA) is a self-directed brokerage account (SDBA) designed to complement your OSGP retirement plan core investments and give you access to thousands of additional investment choices.

Schwab PCRA is for knowledgeable investors who understand the risks associated with many of the investment choices available through PCRA and who are committed to staying invested for the long-term. PCRA is designed for individuals who seek more flexibility, increased diversification and a greater role in managing their retirement savings.

How does PCRA differ from a typical brokerage account?

One important difference is that the PCRA can only be used to invest in approved investments, based on the provisions of your retirement plan. Additionally, PCRA is different because it is funded only through transfers from your retirement plan core investments. If you have other accounts with Schwab, such as an Individual Retirement Account (IRA), you cannot transfer assets between such accounts and PCRA. All restrictions imposed on your retirement plan apply to the money transferred to PCRA.

Investments available through PCRA

Through PCRA, you may invest in U.S. listed and NASDAQ stocks, real estate investment trusts (REITs), and corporate bonds. You also have access to more than 6,000 mutual funds from over 400 well-known fund families. Over 3,000 mutual funds are available with no-loads and no-transaction fees[1], including over 1,100 load-waived funds typically available only to institutional clients. You may also invest in U.S. listed exchange-traded funds[2] (ETFs) offering exposure within various markets, industries, sectors, and asset indexes.

Ineligible investments include: Foreign securities, tax-exempt bonds (except Treasuries), currencies, short sales, private placements, commodities, precious metals, real estate, futures, margin accounts, collectibles and options.

NOTE: Investors should consider carefully information contained in the prospectus, including investment objectives, risks, trading policies, charges and expenses. You can request a prospectus by calling Schwab's dedicated PCRA Call Center at 1-888-393-PCRA (7272). You may also request a prospectus at www.schwab.com/prospectus.Please read the prospectus carefully before investing.

Investing in the PCRA

Money transferred from your core retirement investments into your PCRA will be automatically allocated to the sweep money market fund in your PCRA within approximately two business days. Use these assets to purchase other investments in your PCRA.

NOTE: An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) 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.

Future contributions may be directed into your PCRA. Direct deferrals will be transferred directly into the sweep money market fund in your PCRA, where your assets will remain until you purchase other investments.

Need more information?

For more information, read the PCRA Fact Sheet available online at **http://osgp.voya.com** or call **888.320.7377** and ask one be sent to you.

1 Charles Schwab & Co., Inc. (Member SIPC) receives remuneration from fund companies for recordkeeping and shareholder services, and other administrative services for shares purchased through Schwab's Mutual Fund OneSource® program. Schwab may also receive remuneration from transaction fee fund companies for certain administrative services. Data as of August 31, 2010.

Trades in no-load mutual funds available through OneSource (including Schwab Funds®), as well as certain other funds, are available without transaction fees when placed through Schwab.com or our automated phone channels. Schwab reserves the right to change the funds we make available without transaction fees and to reinstate fees on any funds. Funds are also subject to management fees and expenses.

Schwab's short-term redemption fee will be charged on redemption of funds (except certain Schwab Funds) bought through Schwab's Mutual Fund OneSource program (and certain other funds) with no transaction fee and held for 90 days or less. Schwab reserves the right to exempt certain funds from this fee, including Schwab Funds, which may charge a separate redemption fee, and funds that accommodate short-term trading.

2 Exchange-traded funds (ETFs) are subject to risks similar to those of stocks.

Schwab Personal Choice Retirement Account® (PCRA) is offered through Charles Schwab & Co., Inc., a registered broker-dealer which also provides other brokerage and custody services to its customers.

THE **OREGON SAVINGS GROWTH PLAN** PRESENTS

Much Ado about Roth 457

Your guide to Roth 457 contributions

"Wonderful new feature this year"
★★★★

"Exciting. Thrilling. Fantastic."
★★★★

"Best thing to hit the Pacific Northwest!"
★★★★

What's in a name? That which we call Roth

*An added choice under the Oregon Savings Growth Plan provides opportunity for tax-free retirement income.**

Oregon Savings Growth Plan (OSGP) gives you even more flexibility to save for retirement. The Plan now includes a Roth 457(b) feature. This option doesn't change how much you can contribute, but rather gives you more control over when your contributions — and retirement income — will be subject to federal income tax.

Unlike contributions to a traditional 457 plan, which are made on a pre-tax basis, contributions to a Roth 457 are made on an after-tax basis. What this means is that taxes are withheld from your Roth contributions before they're invested in your OSGP account. In exchange, you may be able to withdraw your contributions and any earnings tax-free when you retire,* which could mean more retirement income.

**Qualifying conditions apply.*

Much Ado about Roth

- Contributions are after tax and subject to tax withholding
- Withdrawals are tax-free, as long as qualifying conditions are met
- Roth may be right for people who:
  - — expect to be in a higher tax bracket in retirement
  - — are in a low tax bracket today or have other large tax deductions
  - — want tax-free withdrawals in retirement
  - — want the option of not taking required withdrawals at age 70½ (if you roll over to a Roth IRA)
  - — exceed Roth IRA income limitations

Friends, Oregonians, Participants, lend us your ears

Here are answers to commonly asked questions

What is a Roth 457? A Roth 457 allows you to contribute to OSGP on an after-tax basis. As contributions are made on an after-tax basis, the principal is not taxable at the time of distribution. In addition, any earnings on the Roth 457 money you invest will not be taxable at the time of distribution provided qualifying conditions are met.

What are the Qualifying conditions? Distributions (including earnings) are tax-free as long as you have satisfied the 5-year holding period AND are age 59½ or older (assuming you have separated from service, are disabled, or a distribution is made to your beneficiary after your death).

Explain the 5-year holding period. To qualify for a tax-free distribution of your earnings your Roth contributions must be held in your OSGP account at least 5 years prior to the date of distribution. You can withdraw your funds tax- free from your account if you satisfy the 5-year rule and other qualifying conditions.

When does the 5-year holding period start? The 5-year rule holding period begins on the first day of the taxable year in which you make your initial Roth contribution. In other words, you are recognized as having made a Roth contribution in a particular tax year regardless of whether you make it in January or December. For example, if your first contribution is May 1, 2015, the five year holding period would begin January 1, 2015.

Does the Roth 457 have any income based restrictions like the Roth IRA? No, it does not. You are restricted only to the allowable federal 457 contribution limit. In 2016, it is $18,000 with an additional $6,000 if you are age 50 or over. These amounts are aggregated with any pre-tax contributions you make.

How do I know if a Roth 457 is best for me? That is a questions you will have to answer for yourself or through a tax advisor. Roth may be right for people who expect to be in a higher tax bracket in retirement, are in a low tax bracket today, or have other large tax deductions, or who exceed Roth IRA income limitations. There are many factors to consider. For example, if you are Medicare eligible, a conversion will increase your taxable income and could cause an increase to your Medicare premiums. It is advisable to speak to a tax expert before completing a conversion.

Can I contribute to both pre-tax and Roth in OSGP?
Yes, you can. The combined limit is the $18,000, with $6,000 additional for those ages 50 and above. You can designate this by logging into your account at **osgp.voya.com**. Keep in mind that you must choose a dollar amount for each category as state payroll cannot process a percent of pay for each option.

Can I convert my pre-tax OSGP account to Roth?
Yes, you may convert your pre-tax dollars to Roth at any time. Keep in mind that you are responsible for paying the taxes on the conversion from sources outside of the plan. OSGP does not with-hold taxes on in plan conversions.

How do I pay my taxes if I convert my pre-tax to Roth?
No taxes are withheld when dollars are converted; therefore, you will be responsible to pay any taxes when you file your tax return. You will receive a 1099R form for the year of the conversion.

How can I be sure my Roth distributions are tax free?
Distributions (including earnings) are tax-free as long as you have satisfied the 5-year holding period AND are age 59½ or older (assuming you have separated from service, are disabled, or a distribution is made to your beneficiary after your death). If your account does not meet these requirements, you will have to pay taxes on any earnings on your Roth account.

What about any amounts I have converted to Roth?
If you have been contributing to the Roth 457, the five year rule will begin on the first day of the taxable year in which you made your first contribution, not the day the conversion was made. If you have not been contributing, but then convert upon retirement/termination, the five year rule begins on that date.

What happens if my Roth contributions are not "qualified" at distribution? If your account does not meet the requirements above, you will have to pay taxes on any earnings on your Roth account.

Continued on back...

It is a wise participant who knows his own needs.

Answer the questions below to see if a Roth 457 is right for you.

YES	NO	
☐	☐	Plan to work quite a few more years before you retire?
☐	☐	Think your tax rate will be higher by the time you retire?
☐	☐	Willing to swap a current tax break for a longer-term tax benefit?
☐	☐	Can you afford to save more of your annual salary now so you can contribute the same to your after-tax Roth 457(b) as you would to your pre-tax 457(b)?
☐	☐	Like the idea of diversifying your tax strategy, just like you diversify your investment strategy?
☐	☐	Focused on passing as much as possible to your heirs?
☐	☐	Do you currently max out your pre-tax contributions?

NOTE: THE MORE BOXES YOU CHECK "YES," THE MORE YOU MAY WANT TO CONSIDER THE ROTH 457 OPTION.

Traditional, and Roth, and both.

Can't decide? A combination of pre-tax and Roth after-tax contributions may be right for you if you:

- Like the idea of tax-free retirement income, but also like the current tax deduction on your pre-tax contributions.
- Believe your taxes in retirement will be about the same or are unsure where taxes are headed in the future.
- Would like the flexibility to optimize your tax strategy year to year as you withdraw your retirement income.

To Roth, or not to Roth, that is the question.

So how do you decide which savings option — traditional, Roth, or both — makes sense for you? It depends on whether you think your federal income tax rate will be higher at retirement or lower.

Let's take a closer look.

	Traditional 457	Roth 457
Money going in	**Pre-tax** contributions are deducted from your salary before taxes are taken. That can reduce your taxable income.	**After-tax** contributions are subject to federal (and where applicable, state and local) income tax withholding.
Earnings, if any	Are tax-deferred until withdrawn.	Are tax-free as long as certain qualifying conditions are met.*
Money coming out	Distributions are taxable as current income when withdrawn.	Tax-free distributions if you are entitled to a distribution under the plan, as long as you've satisfied the five-year holding period and are age 59½ or older (assuming you have separated from service, disabled, or deceased).
Money moving on	Rollovers allowed to another Traditional governmental 457(b), 403(b), 401(a)/(k), or Traditional IRA or (if rolled directly) to a Roth IRA.	Rollovers allowed to another Roth account in a governmental 457(b), 403(b), 401(k), or Roth IRA. The period held under the 457 plan does not count toward the 5-year holding period under the Roth IRA. (Rollovers to plans other than a governmental 457(b) plan may be subject to the IRS 10% premature distribution penalty tax when withdrawn from the plan receiving the rollover, unless an exemption applies.)
Required minimum**	The IRS requires distributions to begin at age 70½ or retirement, whichever is later.	The IRS requires distributions to begin at age 70½ or retirement, whichever is later.

* *Roth contributions must be held at least five years before date of distribution and you must be age 59½ (assuming separation from service, death, or disability). You must be eligible for a distribution under the plan.*

** *An IRS 50% penalty tax applies to any RMD amount not taken in a timely manner.*

So, which option may be right for you?

Meet Claudio, Beatrice, and DJ...

Claudio (Age 45) considers himself in his "peak" earning years. He knows he won't be making this money forever, but wants to enjoy it while he can. Claudio:

- Doesn't think he can afford to lose another tax deduction at this point
- Doesn't really like change
- Expects to be in a lower tax bracket when he retires

	Traditional Pre-tax 457	Roth After-tax 457
Gross income	$75,000	$75,000
Annual salary available to save	$10,000	$10,000
Less taxes at 25%[1]	- $0	- $2,500
Net yearly contributions	$10,000	$7,500
Total over 20 years	$200,000	$150,000
Value at retirement*	$378,900	$284,200
Less taxes at 15%[2]	$56,800	- $0
After tax value	**$322,100**	$284,200

** Assumes 20 years of contributions at 6%*

CONCLUSION: *Consider Traditional 457*

Beatrice (Age 25) just started working for the State. She feels good about the fact she's already starting to build up her savings. Beatrice:

- Isn't worried about the tax deduction now
- Is confident her salary will increase over the years to come
- Expects to be in a higher tax bracket when she retires

	Traditional Pre-tax 457	Roth After-tax 457
Gross income	$35,000	$35,000
Annual salary available to save	$3,000	$3,000
Less taxes at 15%[1]	- $0	- $450
Net yearly contributions	$3,000	$2,550
Total over 40 years	$120,000	$90,000
Value at retirement*	$478,200	$406,480
Less taxes at 33%[2]	$159,500	- $0
After tax value	$318,700	**$406,480**

** Assumes 40 years of contributions at 6%*

CONCLUSION: *Consider Roth 457*

1 Based on current federal tax rates as of 2016.

2 Assumed rates designed to illustrate impact of lower and higher tax rates in retirement.

Note: These are hypothetical illustrations for demonstration purposes only. They are not intended to (1) serve as financial advice or as a primary basis for investment decisions and (2) imply the performance of any specific security. Contributions are subject to Internal Revenue Code limits. Systematic investing does not ensure a profit nor guarantee against loss. Investors should consider their ability to invest consistently in up as well as down markets. This example does not represent any specific product, nor does it reflect sales charges or other expenses that may be required for some investments. After-tax value of traditional 457(b) assumes a one-time lump-sum distribution. Your actual results may vary.

Nothing can come of nothing.

If you aren't contributing to OSGP, you may be missing an opportunity to save for a more secure retirement. The sooner you start saving, the more you may have when you retire.

What are you waiting for?
It only takes a few minutes.

- Go to **osgp.voya.com** to download an *Enrollment form*
- Call **800-365-8494** to speak with a customer service associate

DJ (Age 55) likes the idea of tax-free retirement income, but also likes his current tax deduction. And, he doesn't have a clue where taxes are headed in the future! DJ:

- Is getting close to retiring, but not that close
- Wants the flexibility to optimize his tax strategy year to year as he withdraws retirement income

	Traditional Pre-tax 457	Roth After-tax 457
Gross income	$60,000	$60,000
Annual salary available to save	$6,000	$6,000
Less taxes at 25%[1]	- $0	- $1,500
Net yearly contributions	$6,000	$4,500
Total over 10 years	$60,000	$45,000
Value at retirement*	$81,500	$61,100
Less taxes at 25%[2]	$20,400	- $0
After tax value	**$61,100**	**$61,100**

* *Assumes 10 years of contributions at 6%*

CONCLUSION: *Consider both*

Whichever option you choose, you'll enjoy these benefits:

Investment flexibility
You select from the same investment options.

Convenience
You can put money aside using automatic payroll deductions.

Compound interest
Works to your advantage when investing for the long term.

Higher contribution limits
You can contribute more through OSGP than you can in an individual retirement account (IRA) you set up on your own.

Here are answers to commonly asked questions

Can I invest my Roth money separately from my pre-tax dollars in OSGP? Yes, once you are enrolled and have an established account, you can log in to your account and allocate future Roth contributions separately from any pre-tax contributions.

If I convert to a Roth 457, can I change my mind and have funds converted back to pretax? No, unlike a Roth IRA, all conversions are irrevocable.

I already have a Roth IRA; can I roll that into OSGP? No. The IRS does not permit rollovers from Roth IRAs at this time.

Can I roll other Roth accounts into OSGP? Yes, you may roll a Roth 457, Roth 401(k) or Roth 403(b) into OSGP.

On a conversion, how/when are the taxes applied, does a participant need to submit a Tax Withholding form along with the conversion request? No, taxes are not withheld by OSGP for a conversion. The participant will receive a 1099R and they will be responsible for paying the taxes outside of the Plan when they file their return for the year of the conversion.

When rolling funds from pre-tax to a Roth IRA, 401(k) or 403(b), does a member submit a Tax Withholding form with the Transfer/Rollover out form? No, the amount that is rolled over is whatever amount the participant requested and no taxes are withheld. The participant will receive a 1099R and be responsible for taxes when they file their return for the year of the conversion.

If I get an Unforeseeable Emergency Withdrawal (UE), can I use my Roth funds? Yes, you can, however, keep in mind that if you do, and you have not experienced a Roth Qualified event, you will have to pay taxes on any earnings on the Roth withdrawn. The UE form allows you to choose pre-tax and/or Roth for the distribution. If no choice is made, it will come out ONLY from the pre-tax.

What about a loan? Can I borrow money that is in my Roth? Yes. Loan amounts will first be deducted from pre-tax account and then, if needed, pro-rata from both pre-tax and Roth. The money will go back into the account in the same manner.

Do I have to take a Required Minimum Distribution (RMD) from my Roth account when I turn 70½? Yes, if your Roth is with OSGP, or another defined contribution plan, you are required to a take a minimum distribution at 70½.

Can my employer make contributions into my Roth 457? No. Only employee contributions can be contributed to the Roth 457.

Can I participate in the Schwab PCRA with Roth funds? Yes. You may choose to transfer Roth or pre-tax dollars into the PCRA when you sign up.

Nothing is rotten in the State of Oregon!

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FEE STRUCTURE Effective Date January 20, 2016

oregon
SAVINGS GROWTH PLAN

All reported returns are net of fees. The Oregon Savings Growth Plan has two types of fees: Administrative and investment provider contract/management fees. The administrative fees include recordkeeping, communications, counseling, customer service, and custodial services. Certain circumstances may require an additional fee such as processing domestic relations orders and loans.

I. ADMINISTRATIVE FEE

	Percentage of Assets
State of Oregon Administrative Fee	0.07%
Recordkeeping/Custody/Trust/Communications	0.10%
Total Administrative Fees	**0.17%**

II. INVESTMENT PROVIDER CONTRACT AND INVESTMENT MANAGEMENT FEES

By Investment Option	Weighted Average (%)
LifePath® Portfolios	0.12%
Short-Term Fixed Income	0.05%
Stable Value	0.42%
Active Fixed Income Option	0.19%
Real Return Fund	0.65%
Large Company Value Stock	0.032%
Stock Index	0.045%
Socially Responsible Investment Option	0.18%
Large Company Growth Stock	0.032%
International Stock	0.38%
Small Company Stock	0.41%

Fees for investments in the Self-Directed Brokerage Option vary. For more information, contact Schwab's dedicated PCRA Call Center at **1-888-393-PCRA (7272)**.

EXAMPLES OF INVESTMENT PROVIDER/MANAGEMENT FEE STRUCTURE

(1) If the participant had a balance of $10,000 invested in a LifePath Portfolio as of December 31, 2015, the fees would be assessed daily to the account prior to crediting earnings, i.e. $10,000 x 0.12% = $12.00 divided by 365 days = $0.03 a day.

(2) A participant whose assets are distributed equally among the options will pay a weighted average investment provider contract/investment management fee of 0.24%, excluding LifePath Portfolios.

(3) There are also administrative fees of 17 basis points. For that same $10,000 you have invested, the fees would be assessed daily to the account as well, i.e., $10,000 x 0.17% = $17.00 divided by 365 = $0.05 cents per day.

Note: The fees are based on the assets as of January 20, 2016 and are subject to change. There are no additional fees charged for transferring funds between the options, starting a distribution, etc. All proceeds from mutual funds for revenue sharing are reflected as a reduction to the weighted average fees.

TRANSFER/ROLLOVER IN INFORMATION PACKET

oregon
SAVINGS GROWTH PLAN

The Oregon Savings Growth Plan (OSGP) allows you to consolidate your retirement savings dollars in one place to make navigating your financial world easier. You may transfer or roll all of your pre-tax or Roth after-tax dollars into your OSGP account from a:

- 457 deferred compensation plan or investment provider [pre-tax or Roth 457]
- traditional pre-tax IRA (Individual Retirement Account) [only on a pre-tax basis]
- 401(k) or 403(b) account established with a previous employer [pre-tax or Roth]
- 401(a) pension plan [only on a pre-tax basis]

TRANSFERRING OR ROLLING IN

What is the difference between a transfer and a rollover?

A *transfer* involves the movement of money from one 457 deferred compensation plan to another or from one investment provider within a local government plan to another. A *rollover* occurs when money moves between a 457 plan and a 401(a), 401(k), 403(b) plan, or an IRA.

Why should I consider a transfer or rollover into the OSGP?

There are several good reasons:

- You can keep all your retirement dollars in one place, making it easier to manage your money.
- You are able to invest in a wide range of easy-to-understand investments that are monitored by the Oregon Investment Council.
- You benefit from some of the lowest plan fees in the country.
- You pay no transaction fees for making investment changes.
- When you retire or end your employment, you have the same flexible payout options that are available with an IRA.

Are there restrictions I should know about?

Yes, there are a few restrictions. OSGP accepts assets from pre-tax and after-tax accounts, including:

- 457 Plan pre-tax accounts
- Qualified plan pre-tax accounts
- 457 Roth after-tax accounts (provide the after-tax contribution value)
- Qualified plan Roth after-tax accounts (provide the after-tax contribution value)
- Assets from Roth IRAs cannot be rolled into OSGP.

Can I convert my pre-tax rollover to a Roth after-tax account?

Yes. After you roll over assets from your 401(a), 401(k) or 403(b) into a OSGP qualified rollover account, you can submit a request to have any amount converted into your Roth after-tax qualified rollover account. You should consult your accountant or tax advisor before doing this, as you will be taxed on the amount you convert from your pre-tax account into your Roth after-tax in the year you convert, instead of when you take distribution from your account.

Do you charge a fee for a transfer or rollover?

No. It is possible, however, that your previous provider may impose fees or penalties for the transfer or rollover. If so, you may want to compare the short-term cost of the transfer against the long-term advantages of the consolidation.

SL3

How will my transfer/rollover dollars be invested?

- **When you transfer assets from a 457 account,** your assets will be added to the money in your Oregon Savings Growth Plan account. You may choose a separate asset allocation for your rollover assets, or your assets can be deposited into your account according to the asset allocation you have established for your monthly contributions.
- **If you are rolling money in from another type of plan – such as 401(a), 401(k), 403(b), or IRA** – a separate account will be established for tax purposes, but your rolled-over money will be put into investments according to the asset allocation you have already selected or you may choose a different allocation on the Transfer/Rollover **IN** form. If you make transfers from one investment to another within the Plan after your rollover is complete, the transfer will occur in both accounts simultaneously. (For investment purposes, your retirement assets will be treated as a single account, but for tax reporting purposes, separate accounting must be maintained.)

Pre-tax money will be rolled into your account as pre-tax contributions; after-tax money will be rolled into your account as Roth (after-tax) contributions.

Will my OSGP 457 account still be available without the 10 percent tax penalty when I end my employment?

Yes. The 10 percent tax penalty that is assessed against certain payments made from a tax-deferred account and received before age 59½ *does not apply* to payments made from the 457 portion of your OSGP account. But be careful: If you take payments before age 59½ from that portion of your account which was rolled from a 401(a), 401(k), 403(b), or IRA, the 10 percent tax penalty will be applied to that portion of your payments. Basically, for tax treatment, the 457 portion of your account is subject to the 457 laws and the money that came into your account from other types of plans is subject to the laws governing the original plan type.

When can Roth assets be withdrawn tax-free?

In order for Roth deferrals and associated earnings to be withdrawn tax-free, the requirements for a "qualified distribution" must be met. Distribution of Roth assets are qualified if: a period of five years has passed since January 1 of the year of your first Roth contribution; and you are at least 59½ years old (or disabled or deceased).

How do I take advantage of this opportunity?

1. Check with your previous investment provider to ensure that your assets are eligible for rollover.
2. Ask the provider for the forms you need to complete.
3. Complete your previous investment provider's form and the attached Transfer/Rollover **IN** form.
4. Mail or fax all required forms to:

Oregon Savings Growth Plan
800 Summer Street N.E., Suite 200
Salem, OR 97301
Phone: 888-320-7377
Fax: 503-603-7655

Our Rollover-In team will work with your previous provider to complete the transaction. Most transfers or rollovers will result in a check being issued and deposited directly to your account. **If a provider sends a check to you instead, please forward it to us immediately**. You will be notified when the deposit to your account has occurred.

If you have additional questions, go to osgp.voya.com or call our toll-free Information Line at 800-365-8494.

TRANSFER/ROLLOVER IN

NAME	SOCIAL SECURITY or OR NUMBER
ADDRESS	DATE OF BIRTH
	DAYTIME PHONE
CITY, STATE, ZIP	EVENING PHONE
	EMAIL

PLEASE CHECK ONE BOX FROM EITHER THE TRANSFER OR DIRECT ROLLOVER SECTIONS BELOW:

Transfer:

❑ Roth after-tax amounts from a 457 Plan ❑ Pre-tax amounts from a 457 Plan

Direct Rollover (for transfer of eligible assets) from one of the following plans:

Pre-tax: ❑ 401(a) ❑ 401(k) ❑ 403(b) ❑ Pre-tax IRA
Roth after-tax: ❑ 401(k) ❑ 403(b)

Incomplete information may cause a delay in processing.

FORMER INVESTMENT PROVIDER	CONTACT PERSON
ADDRESS	ACCOUNT NUMBER
CITY, STATE, ZIP	PHONE NUMBER

I understand that my account with my previous provider may be assessed penalties for early withdrawal, loss of interest, and other related costs. I understand that I will be taxed on any assets rolled over in error. I understand that if I roll assets from a 401(a), 401(k), 403(b), or an IRA, they will retain the tax characteristics of the Plan from which they are being rolled. I authorize liquidation of assets with my previous provider to affect this rollover.

PLEASE CHECK ONE BOX:

❑ Allocate my rollover according to the asset allocation I have already established for my monthly contributions.
❑ Split the rollover as I have indicated below *(the sum of all choices must equal 100%)*:

Target Date Funds – choosing just one fund gives you a diversified portfolio

Select the fund closest to the date you plan to begin withdrawing money from your account:

LifePath 2060 _______% **LifePath 2055** _______% **LifePath 2045** _______% **LifePath 2035** _______% **LifePath 2025** _______%

LifePath 2050 _______% **LifePath 2040** _______% **LifePath 2030** _______% **LifePath 2020** _______% **LifePath Retirement** _______%

Individual Asset Class Funds – mix and match to create a diversified portfolio

Short-Term Fixed Income Option __________%
Stable Value Option __________%
Active Fixed Income __________%
Large Company Value Stock Option __________%
Real Return Fund __________%
Stock Index Option __________%
Socially Responsible Investment Option __________%
Large Company Growth Stock Option __________%
International Stock Option __________%
Small Company Stock Option __________%

X ______________________________ ______________________________
PARTICIPANT'S SIGNATURE (DO NOT PRINT) DATE