



Wisconsin Deferred Compensation Program

Adopting the Wisconsin Deferred Compensation (WDC) Program

Eric Zeegers, Senior Account Executive

October 2008



What Is a Deferred Compensation Plan?

- A 457(b), different from 401(k), 403(b), 401(a), and IRA's
- Companion to Wisconsin Retirement System (WRS)
- Voluntary employee contributions on a before-tax basis
- Flexible benefits

Program Highlights

- Program was established in 1982
- More than 45,000 program participants*
- More than \$2.2 billion in assets under management*
- More than 750 local employers*
- Largest IRC 457 deferred compensation program in Wisconsin
- Seven local program representatives

*Source: Great-West Retirement Services, 2008

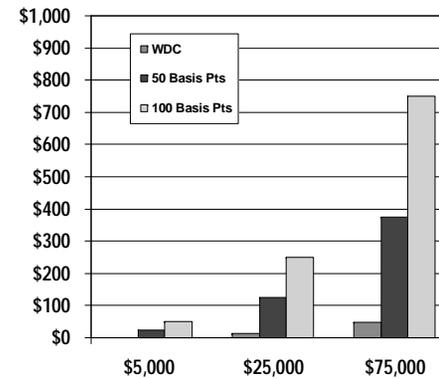
Participant Benefits

- Contribution limits
 - 2008: \$15,500
- Catch-Up provisions:
 - (a) Standard Catch-Up
 - (b) Age 50+ Catch-Up
- No 10% early withdrawal penalty
- No coordination of contributions with other non-IRC 457 plans
- Consolidation of retirement assets
- Local service and call center

Participant Benefits

- Low-fee program—tiered flat fees
- State oversight of plan administration and investment options
- Diverse lineup of investment options, including a self-directed brokerage account
- Comprehensive investment education
- Enhanced participant services

Plan Administrative Cost Comparisons



EFFECTIVE 1/1/08

WDC FEE STRUCTURE	
Participant Balance	Fee per Month
\$0 - \$5,000	\$0.00
\$5,001 - \$25,000	\$1.00
\$25,001 - \$50,000	\$2.00
\$50,001 - \$100,000	\$4.00
\$100,001 and more	\$5.50

FOR ILLUSTRATIVE PURPOSES ONLY. This chart shows the WDC Plan administrative costs versus higher plan administrative costs at .005% and .01% respectively.

Participant Services

- Fully staffed customer service center—Monday-Friday, 7:00 a.m. to 7:00 p.m.
- Local area account executives
- Interactive Web site: **www.wdc457.org***
- KeyTalk® telephone response system: (877) 457-WDCP (9327)*

* Access to KeyTalk and the Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.

Participant Flexibility

- Start, change or stop deferrals at any time
- Redirect deferral allocations at any time
- Transfer existing account balances daily*
- Transfer or roll in dollars from other eligible plans

*Funds may impose redemption fees, and/or transfer restrictions on certain transfers, redemptions or exchanges.

Transfer requests made via the Web site or KeyTalk received on business days prior to close of the New York Stock Exchange (3:00 p.m. Central Time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

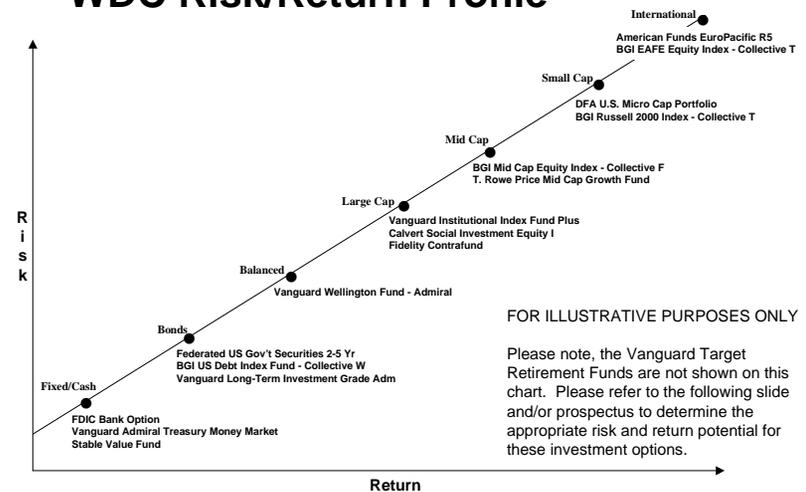
Distribution Options

- Periodic installment payments
- Flexibility to change or stop distribution payments at any time
- Full or partial lump-sum withdrawal
- Roll over to another qualified plan*

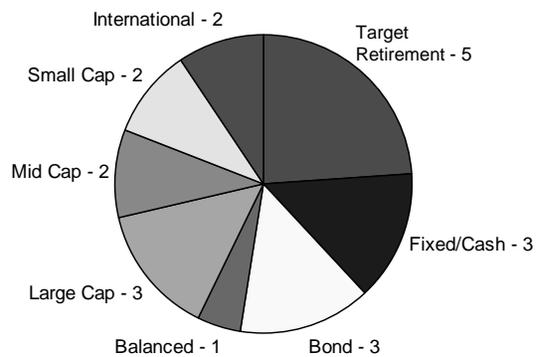
Distributions are subject to ordinary income taxes.

*Withdrawals are subject to ordinary income tax. A 10% federal tax penalty may apply to withdrawals made prior to age 59½. The 10% early withdrawal penalty does not apply to 457 plan withdrawals. However, the 10% penalty will apply to 457(b) money rolled over to 401(a), 401(k), 403(b) or IRA.

WDC Risk/Return Profile



Investment Options



This chart is intended to show the variety of investment options offered in the WDC Plan.

Participant Cost Information by Investment Option

Investment Option Name	Category	Expense Ratios % of Assets
American Funds EuroPacific Growth Fund (Class R5)	Foreign Large Blend ¹	0.53%
BGI EAFE Equity Index – Collective T	International Index ^{1,2}	0.10%
DFA U.S. Micro Cap Portfolio	Small Cap Blend ³	0.53%
BGI Russell 2000 Index – Collective T	Small Cap Index ^{2,3}	0.05%
T. Rowe Price Mid Cap Growth Fund	Mid Cap Growth ⁴	0.80%
BGI MidCap Equity Index – Collective F	Mid Cap Index ^{2,4}	0.04%
Calvert Social Invest. Investment Equity (Class I)	Large Cap Blend	0.67%
Fidelity Contrafund	Large Cap Growth	0.90%
Vanguard Institutional Index Fund (Plus Shares)	S&P 500 [®] Index ²	0.03%
Vanguard Wellington Fund (Admiral Shares)	Moderate Allocation	0.17%
Vanguard Long-Term Investment Grade (Admiral Shares)	Long Term Bond ⁵	0.12%
BGI U.S. Debt Index Fund – Collective W	Bond Index ^{2,3}	0.05%
Federated US Gov't Securities Fund: 2-5 Yrs (Instl Shares)	Short Government ⁵	0.60%
Vanguard Admiral Treasury Money Market Fund	Money Market	0.10%
<i>An investment in a Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.</i>		

¹ Foreign investments involve special risks, including currency fluctuations and political developments.

² An index is not professionally managed, does not have a defined investment objective, and does not incur fees or expenses. Therefore, performance of an index fund will generally be less than its benchmark index. You cannot invest directly in an index.

³ Equity securities of companies with relatively small market capitalization may be more volatile than securities of larger, more established companies.

⁴ Medium sized companies may suffer more significant losses as well as realize more substantial growth than larger capitalized, more established issuers.

⁵ U.S. Treasury securities are guaranteed as to the timely payment of principal and interest if held to maturity. Fund shares are neither issued nor guaranteed by the US Government.

Vanguard Lifecycle Funds

- One-decision funds
 - Choose fund by year of retirement
 - Manager adjusts allocation as retirement year approaches
- Vanguard Target Retirement 2045 Fund
 - Vanguard Target Retirement 2035 Fund
 - Vanguard Target Retirement 2025 Fund
 - Vanguard Target Retirement 2015 Fund
 - Vanguard Target Retirement Income Fund*

*The Vanguard Target Retirement Fund allocations are based on an investment strategy based on risk and return. This is not intended as financial planning or investment advice.

Schwab Personal Choice Retirement Account®

- Core account requirements
- Approximately 2000 mutual funds
- Separate statements

Securities available through the self-directed brokerage account are offered through Charles Schwab & Co., Inc. Additional information can be obtained by calling Charles Schwab at 1-888-393-7272. GWFS Equities is not affiliated with Charles Schwab.

Prospectus

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information you may obtain mutual fund prospectuses and disclosure documents from your registered representative. For prospectuses related to investments in your Self-Directed Brokerage (SDB) account, contact Charles Schwab at 1-888-393-7272. Read them carefully before investing.

Education

- Innovative, extensive education curriculum
- Seven local salaried representatives
- Group meetings
 - General information
 - Review and update
 - Benefit planning
- One-on-one consultations

Employer Benefits

- WDC has fiduciary responsibility for the plan
- State Board and ETF staff provide oversight for the plan
- Only competitively bid plan
- WDC investment policy is monitored quarterly
- WDC keeps the plan current with all regulatory agencies – (IRS, Congress, etc.)

Employer Benefits

- Written Plan Document/Investment Policy Statement
- No employer costs
- Simple and flexible administrative procedures
- Hardship Committee rests with WDC
- Local service center

WDC—The Right Choice for Your Employees

- Low Plan fees
- Diversified investment options
- Educational meetings and print material
- Web site with interactive education tools, such as Virtual Classroom, E-Learning Seminars, DreamTrackerSM, Paycheck Comparison and College Planner, as well as online account access with full transaction capabilities
- KeyTalk telephone response system
- Quarterly statements and newsletter

WDC— The Right Choice for You

- Simple adoption process
- Flexible and easy payroll deferral processing
- Fully staffed local service center
- No cost to you

To Adopt the WDC . . .

- Pass a resolution
- Complete Designation of Agent and appropriate payroll setup forms
- Forward paperwork to the WDC
- Meet with your account executive

Wisconsin Deferred Compensation Program
5325 Wall Street, Suite 2755
Madison, WI 53718



Wisconsin Deferred Compensation Program

Thank you for your time

Securities (except for the Self Directed Brokerage Option), when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Securities available through the Self-Directed Brokerage Account (SDB) are offered by Charles Schwab. Additional information can be obtained by calling Schwab at (888) 393-7272. Each fund has its own fund operating expenses that vary depending on the investment options you select. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution, and administrative services. Representatives of GWFS Equities, Inc. are not registered investment advisers, and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed. Great-West Retirement Services refers to products and services provided by Great-West Life & Annuity Insurance Company and its subsidiaries and affiliates. Great-West Retirement Services[®], KeyTalk[®] and DreamTrackerSM are service marks of Great-West Life & Annuity Insurance Company. All rights reserved. Not intended for use in New York. Form# 57561 (4/08)

