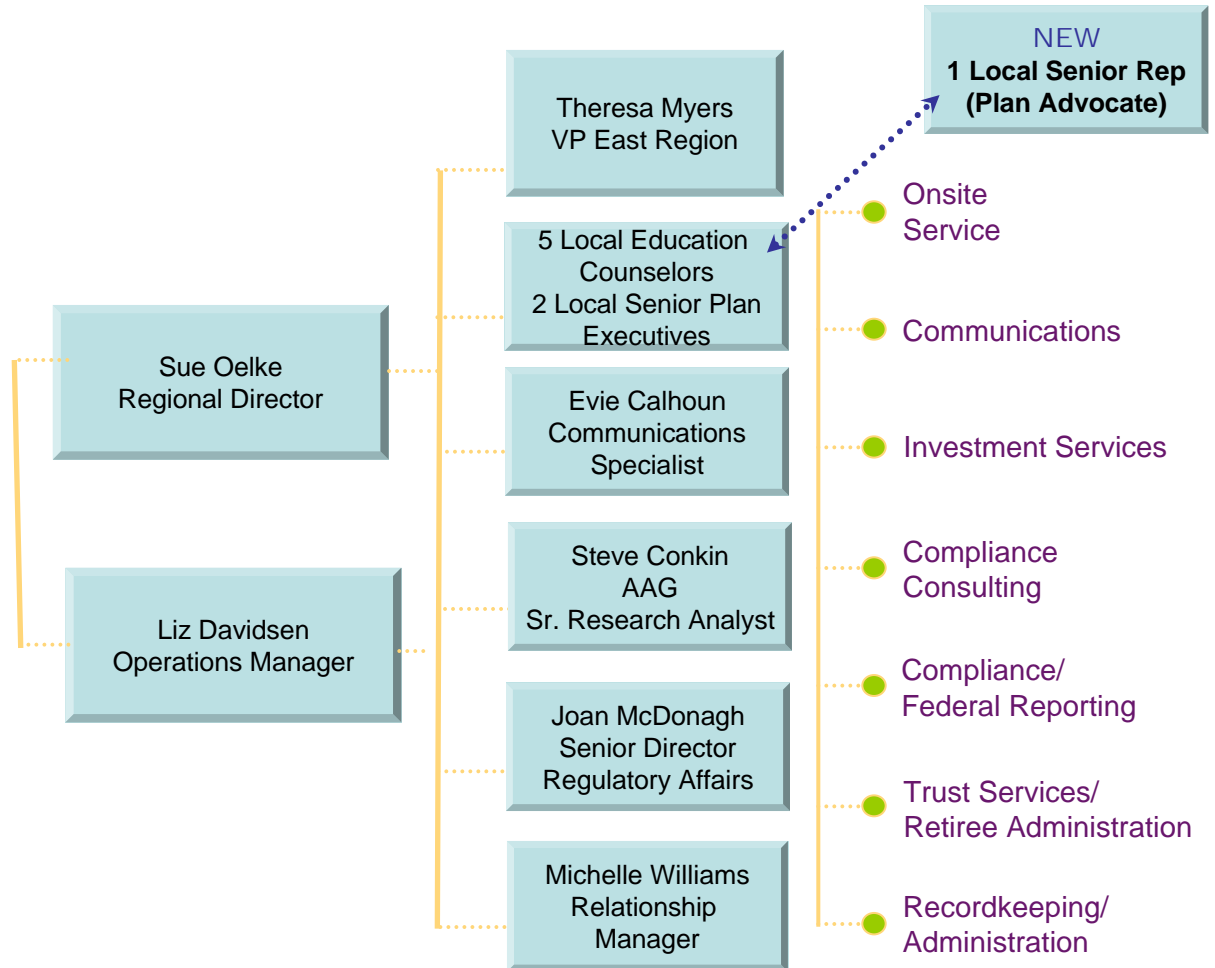




Wisconsin Deferred Compensation Plan Enhancement Program



WDC Service Team



Plan Enhancements 2005-2010



- Local call center with expanded hours (7 a.m. to 7 p.m. Central Time)
- Expertise and oversight of specialized functions (cash processing, participant transactions, distributions) realigned to specialists at corporate
- 2009 employer survey results reflected 94% of employers rated Great-West services as good to excellent
- Plan-level, dedicated legal representative
- Custom branding of WDC Program and customized website
- Oversight of Advised Assets Group for quarterly fund performance review
- Plan Service Center reporting capabilities
- Addition of advisory services with no plan-level cost implications
- Contributions directly to Schwab PCRA

Improving the WDC



Best Practices



- Provide direction and leadership to our plan sponsors
- Take advantage of latest technologies and legislation
- Form a framework and vision ahead of our competition
- Form a “roadmap” of plan evolution for Plan Sponsors



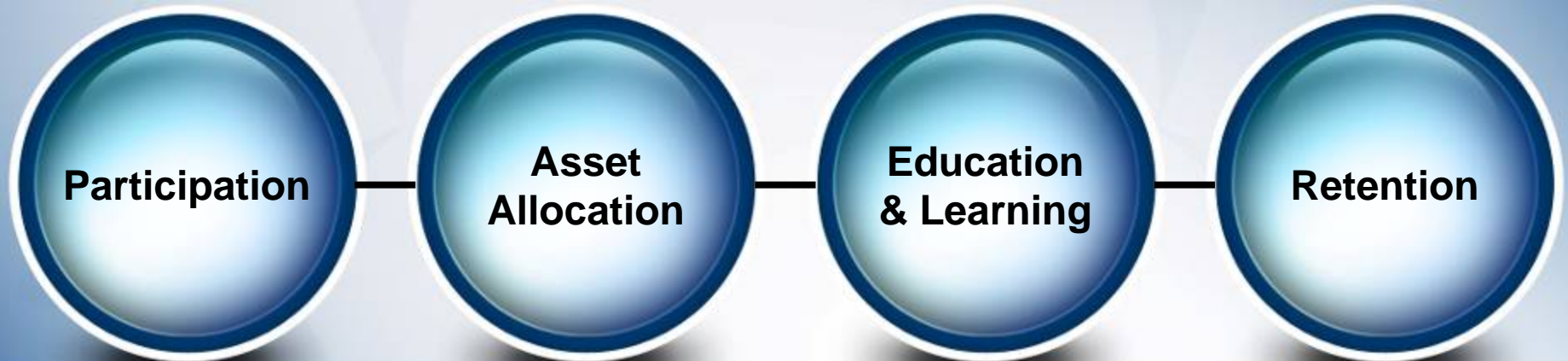


The Four Dimensions

Four Dimensions of the WDC



Every plan has four primary characteristics



4 Step Process



- **Step 1: Create Plan Enhancement Program (PEP)**
 - PEP measures and compares the Four Dimensions of WDC
 - “What gets measured gets improved”

- **Step 2: Determine Target Initiatives**
 - Target initiatives for priorities established by you, the Plan Sponsor
 - Specific Marketing and Communications Program

- **Step 3: Implement Strategy**
 - Great-West has tools to improve each dimension of the WDC

- **Step 4: Annual Plan Report Card**
 - Results measured & evaluated
 - Have plan elements improved?
 - Reset objectives for following year

Participation – Employee



■ How It's Measured

- Percent of eligible population participating in the WDC
- Contribution amount by participant
- New enrollments

■ Goals

- Maintain 12/31/2010 in-force account population (50,974*)
- Enroll 2,214 new participants (80% of 2010 new enrollments)

■ Tools To Improve Participation:

- Automatic deferral increase
- Group meetings and individual consultations
- Special restart initiative
- Automatic enrollment or online enrollment
- Seminars and orientation meetings



*Per Annual Reconciliation Report

Participation – Employer



■ How It's Measured

- Percent of eligible population of employers offering the WDC
- New employers adopting
- Employers establishing ROTH 457 procedures

■ Goals

- Help all WDC employers establish ROTH 457 procedures
- 50% set up by end of Q1; 75% by end of Q2; 90% by end of Q3

■ Tools To Facilitate Employer Establishment of Roth Procedures:

- Attend employer conventions
- Dedicated staff members (2) for contacting WDC employers and helping them through the ROTH 457 procedures.



Benchmarking Participation-Employee



	State	Local*	Total
Eligible Employees	72,790	70,214	143,004
Total Participants (during 2010)	30,740	20,579	51,319
Total Participation Rate	42.23%	29.30%	35.90%

*Not including technical colleges and all local school districts where 403(b) markets exist

How does this compare with other plans?

WDC	National Average	Great-West States	Great-West Cities & Counties
35.9%	35%	56%	54.5%

Benchmarking Participation–Employer



Eligible Employers	1,413*
Participating Employers	850
Participation Rate	60.2%

*Per ETF

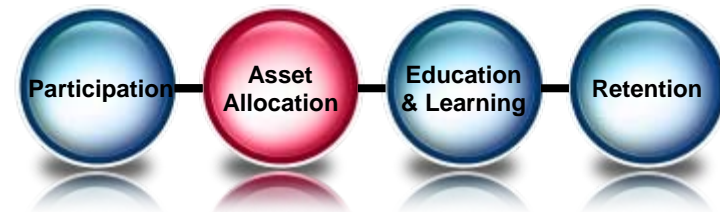
How does this compare to the past?

December 2005	June 2010
717	843

Asset Allocation



- **How It's Measured**
 - Account diversification among asset classes
- **Recommend Goals**
 - Decrease the number of participants with 70% or more of their assets in the Vanguard Admiral Money Market account by 3%
- **Tools to Improve Asset Allocation**
 - Targeted mailings to identified participant's
 - Invitation to schedule an account review
 - Newsletter article related to diversification



Benchmarking Asset Allocation (12/31/10)



- Advisory Services (Guidance, Advice, and Managed Accounts) 4,089
- Participants with one investment option 10,884
- Participants in lifecycle funds 14,932
- Participants in VUSX* 391
- Average number of investment options 4.3

How does this compare to the past?

Dec. 2005	August 2009	Ibbotson Recommendation
4	4.4	5 - 7

Reflects participants with more than 70% of account balance in VUSX

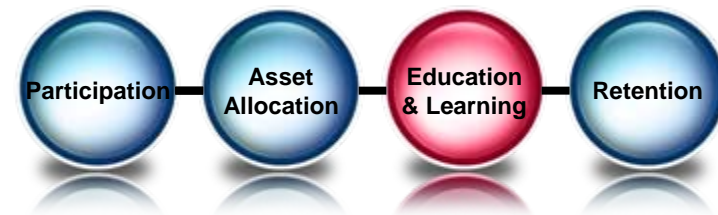
Education and Learning



- **How Its Measured**
 - Scheduled education seminars
 - Scheduled individual consultations
 - Employee/Participant surveys and focus groups

- **Recommended Goals**
 - 1,050 group presentations annually
 - 5,250 individual meetings annually

- **Tools to Improve Education and Learning**
 - Fact or Fiction workshops
 - Group and individual meetings
 - Plan features and highlights brochure
 - “Lunch & Learn” seminars
 - Website tools and calculators



Benchmarking Education (12/31/2010)



- Group Informational Meetings 810
- Participant attendance 9,030
- Individual consultations 6,264
- # of Website log-ins 137,451

How does this compare to the past?

December 2006 Group Meetings	2009 Group Meetings
465	860

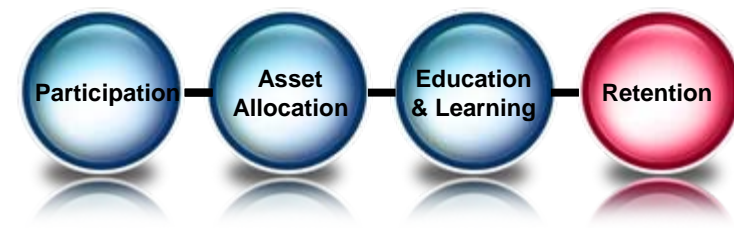
Retention



- **How It's Measured**
 - Asset retention in WDC
 - Reduced full distributions
 - Reduced rollovers
 - Attendance at retirement seminars

- **Recommended Goals**
 - Maintain educational outreach

- **Tools To Improve Outreach**
 - Fact or Fiction workshops
 - Pre-retirement meetings
 - Newsletter Articles
 - Web messaging



Benchmarking (12/31/2010)



■ Full withdrawals	458
■ Full rollovers	578
■ Total full distributions*	1,036
■ Full withdrawal amount	\$49,240,151
■ Percentage**	1.87%

How does this compare to the past?

December 2005	June 2009
--	1.3%

*Full distributions include amounts \$1,000 and over

**Percentage = full withdrawal amount/total plan assets



Strategic Objectives/ Proposed Initiatives for 2011

Four Dimensions

Metrics

Tools and Resources

1.	Participation a) Employees b) Employers	Goals: <ul style="list-style-type: none"> ▪ Maintain 12/31/10 in-force account population (50,974) ▪ Enroll 2,214 new participants (80% of 2010 new enrollments) ▪ Establish ROTH 457 procedures with all WDC employers 	<ul style="list-style-type: none"> ▪ Targeted employer outreach ▪ Special restart initiative ▪ Seminars and orientation meetings ▪ ROTH 457 rollout ▪ Retiree outreach
2.	Asset Allocation	Goal: Decrease number of participants with 70% or more of their assets in the Vanguard Admiral Money Market Account by 3%.	<ul style="list-style-type: none"> ▪ Targeted mailings for those in the Vanguard Admiral US Treasury Money Market fund ▪ Invitation for an account review ▪ Newsletter article focused on diversification
3.	Education and Learning	Goal: Maintain high visibility in number of group and individual meetings. <ul style="list-style-type: none"> ▪ Schedule 1,050 education seminars ▪ Schedule 5,250 individual consultations ▪ Employee/Participant surveys and focus groups 	<ul style="list-style-type: none"> ▪ Fact or Fiction workshops ▪ ROTH 457 communications ▪ Number of group meetings ▪ Number of individual appointments ▪ Number of unique website users compared to prior year ▪ Increase Online File Cabinet usage ▪ Increase usage of online videos and Virtual Classroom
4.	Retention	Goal: Offer nearing retirement presentations and retirement seminars.	<ul style="list-style-type: none"> ▪ Pre-retirement seminars ▪ Fact or Fiction workshops ▪ Post-retirement seminars ▪ ROTH 457 communications ▪ Retiree Crossroads website

Strategic Objective – Participation



Increase:

- Employer adoption of WDC
- Awareness of WDC
- Participation in WDC – ROTH 457 and pre-tax
- Participation and average deferral amounts among employees ages 25 to 35
- Participation and average deferral amounts among women
- Regular contributions

Partner with ETF in identifying state agencies and local employers that do not meet participation benchmark standards in order to increase employee participation at these locations

Proposed Initiatives - Participation



Objective – To Increase:	Strategy	Timing	Expected Result
Awareness of WDC	Onsite service visits, payroll stuffers, email announcements	Ongoing	WDC recognition
Awareness of ROTH 457	Targeted outreach to participating employers	First 6 months of 2011	WDC employers having established procedures for ROTH 457
Maintain 12/31/10 in-force account population	Onsite service visits and payroll stuffers	Ongoing	Increased enrollment
Enroll 2,214 new participants (80% of 2010 new enrollments)	Targeted seminars and meeting announcements at Departments that have low participation rates	Ongoing	Increased new enrollments

Strategic Objective – Asset Allocation



- Educate participants who have 70% or more of their assets in the Vanguard Admiral Money Market Account (previously the default investment option)

Proposed Initiatives – Asset Allocation



Objective	Strategy	Timing	Expected Result
Decrease of the number of participants with 70% or more of their assets in the Vanguard Admiral Money Market Account (prior WDC default fund) by 3%	Send an invitation for an account review to selected participants	July - December	Increase diversification
	Newsletter article addressing diversification	July - December	Increase diversification

Strategic Objective - Education/Learning



Plan Level — provide additional employer level reporting – target large employers and provide onsite employer plan review including demographics.

Participant Level — maintain the number of group and individual meetings throughout various locations and departments. Expand workshop offering to include Fact or Fiction.

	2009	2010 (as of 12/31/2010)
Group education seminars	860	810
Seminar attendees	9,212	9,030
Individual meetings	4,548	6,264

Proposed Initiatives – Education/Learning



Objective	Strategy	Timing	Expected Result
Continue education seminars to include delivery of all elements of the four dimensions	Group and individual meetings	Continuous	All results as stated throughout four dimensions initiatives
Specifically target: <ul style="list-style-type: none"> ▪ ROTH 457 ▪ Women ▪ Retirees ▪ Close to retirement ▪ WDC Website and tools ▪ Vanguard Admiral US Treasury Money Market 	<ul style="list-style-type: none"> ▪ Fact or Fiction seminar ▪ Women and Investing seminar ▪ ROTH 457 added to all group seminars ▪ Investment Symposiums ▪ Understanding Your Distribution Options seminar ▪ Asset Allocation seminar ▪ How to Use the WDC Website (DreamTracker, Rebalancer, online videos, etc.) 	Continuous	Maintain in-force accounts, increase diversification, and focus on changes impacting the workforce.
Ability to provide for ROTH 457	Dedicate 2 Sr. Account Executives to working with employers to establish ROTH 457 procedures for employees and participants	First 6 months of 2011	All WDC employers having established procedures for ROTH 457

eLearning Seminars



- Multiple topics on retirement planning
- Available through the WDC Website, and available for state and local employer Intranets, or on DVD/CD
 - Participants can view any time



eLearning Seminar Enhancements



- Enhanced course curriculum aligned with retirement planning lifecycle
- More modules
- Shorter in duration
- Addition of links at conclusion, relative to account, based on the subject matter

Target Web Messages



- Remind participants of key elements that are essential to their overall retirement planning
- With personalization, there is greater likelihood they will take a desired course action
- Rules-based pop-up windows appear to a specified participant when logged in
- Messages are tailored to the individual based on items such as:
 - Current savings rate
 - Age
 - Asset allocation

Example: A person who is age 50 will see a Targeted Web Message related to the opportunity to take advantage of catch-up contributions

Strategic Objective – Retention



- Establish WDC Employer Advocate
- Establish Participant Retiree Advocate
- Educate participants throughout employment period
- Educate participants during exit process

Proposed Initiatives – Retention

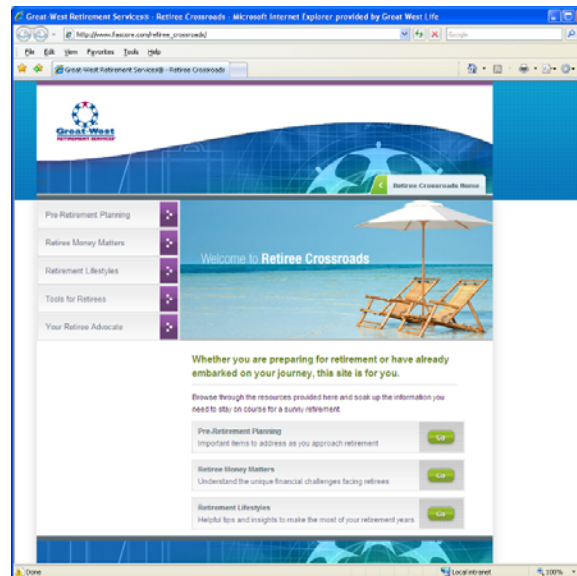


Objective	Initiative	Timing	Expected Result
Establish a base of informed, loyal participants and retirees	Conduct pre-retirement educational seminars starting at age 45 to provide focused material using “Ready to Retire” seminars and flyers; focus on plan tools such as DreamTracker, Reality Investing, online workshops, and Virtual Classroom	Continuous	Better informed participants and fewer retirees leaving the WDC (rolling money out)
Educate participants during exit from employment	Human Resource package to include pre-retirement checklist	Continuous for all employees at termination	Maintain the leakage percentages
Establish employer and participant retention liaisons	GWRS has initiated a plan/participant level retiree outreach	Continuous	More informed retirees

Retention



- Spend-Down Advice
- Retiree Advocate



- ✓ 85% of boomers are “very concerned” . . .
- ✓ 2004, \$507 billion in distributions
- ✓ 2012, \$1.09 trillion expected in distributions

Scorecard



Four Dimensions			
	Dimensions	Metrics	2011 Goals
1.	Participation a) Employees b) Employers	Goals: a. Maintain 12/31/10 in-force account population b. Enroll 80% of 2010 new enrollments b. Establish ROTH 457 procedures with WDC employers	a. 12/31/10 in-force accounts = 50,974 b. 2,214 new enrollments c. Roth 457 – 50% employers set up for contributions by end of Q1; 75% by end of Q2, and 90% by end of Q3
2.	Asset Allocation	Goals: Decrease number of participants with 70% or more of their assets in the Vanguard Admiral Money Market account by 3%	<ul style="list-style-type: none"> ▪ Reduce # of participants with 70% or more from 391 (as of 12/31/10) to 379.
3.	Education and Learning	Goal: Maintain high visibility in number of group and individual meetings.	a. 1,050 group seminars b. 5,250 individual counseling sessions c. Online File Cabinet usage increased by 7% to 2,125 d. Unique website logins increased to 144,323 (12/31/10 x 105%)
4.	Retention	Goal: Offer nearing retirement education.	<ul style="list-style-type: none"> ▪ Newsletter articles ▪ Web site messaging

2011 PEP

Milwaukee Public Schools



Four Dimensions			
	Metrics		Tools and Resources
1.	Participation	Goals: Increase WDC participation	<ul style="list-style-type: none"> ▪ WDC attending large events at MPS in 2011 (pre-retirement workshops, New Educators Institute, and WEAC) ▪ Target outreach campaigns: <ul style="list-style-type: none"> ▪ Letters to employees of various age groups to remind them of the importance of saving for retirement
2.	Asset Allocation	Defer to 2012	
3.	Education and Learning	Goal: Maintain high visibility in number of group and individual meetings	<ul style="list-style-type: none"> ▪ WDC to attend: <ul style="list-style-type: none"> ▪ MPS Pre-retirement workshops in April/May ▪ MPS New Educators Institute in August ▪ WEAC Convention by MPS invitation in October ▪ Target mailing to specific age groups
4.	Retention	Defer to 2012	