



## Compare Your Options

As a new State of Colorado or Colorado community college employee, you may select from two types of retirement plans offered by Colorado PERA. Whether you are comfortable investing for your retirement or would like professionals to invest on your behalf, Colorado PERA has an option for you.

## What is Colorado PERA?

Colorado PERA was established in 1931 by the Colorado General Assembly, at the request of a group of State employees who foresaw the need for a safe and secure retirement system. PERA pre-dates the creation of Social Security, and as a State of Colorado or community college employee, you do not contribute to that system, although workers hired after March 1986 contribute 1.45 percent of their pay to Medicare.

Colorado PERA serves over 430,000 public employees today. PERA is governed by a 15-member Board of Trustees, 11 of whom are elected by the membership. The Board works closely with your elected officials to ensure the soundness of the State's largest financial institution.

## What Plans Does PERA Offer?

Colorado PERA has two types of plans—a defined benefit (DB) plan and a defined contribution (DC) plan available for eligible new State and community college employees. The PERA DB Plan is the traditional retirement plan, where your contributions are invested by professionals for you. In the PERA DC Plan, you direct your investments to an array of fund options.

### Eligibility Requirements

You may be eligible to participate in PERAChoice if you are:

- A State of Colorado employee hired on or after January 1, 2006.
- A community college employee hired on or after January 1, 2008, at one of the institutions listed to the right.

If PERA has received contributions on your behalf from you and another PERA-affiliated employer in the last 12 months you cannot participate in PERAChoice and must return to the plan in which you previously participated. If you were a State DC Plan participant within the past 12 months, you will be placed in the PERA DC Plan. PERA retirees are not eligible to participate.

If PERA has not received contributions on your behalf in the past 12 months, and you are not a PERA retiree, you are eligible to participate in PERAChoice.

Community colleges eligible to participate in PERAChoice:

- Arapahoe Community College
- Colorado Community College System
- Colorado Northwestern Community College
- Community College of Aurora
- Community College of Denver
- Front Range Community College
- Lamar Community College
- Morgan Community College
- Northeastern Junior College
- Otero Junior College
- Pikes Peak Community College
- Pueblo Community College
- Red Rocks Community College
- Trinidad State Junior College



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## Making the Decision—DB or DC

The PERA DB retirement plan is a hybrid defined benefit plan. It is designed to attract and retain employees who are interested in working in PERA-covered employment for a large part of their careers, while providing greater portability than a traditional defined benefit plan.

Unlike the PERA DB Plan, the PERA DC Plan is based solely on the money you have contributed, the investment earnings or losses incurred, minus expenses. You have the flexibility to make investment decisions, which also means you assume the investment risks. The amount of your benefit can sometimes be difficult to determine given that the amount depends on the success of your investment decisions, when you begin withdrawals, and your life expectancy.

Over the years, PERA has worked with the State Legislature and others to address issues such as portability, cost of living adjustments, and the level of benefits PERA members receive. These changes have made the PERA DB Plan more flexible and portable. PERA members benefit from a conservative yet innovative approach to public pension management.

The PERA DB and PERA DC Plans are both considered 401(a) plans and are created under that section of the Internal Revenue Code.

### Defined Benefit Plan Features

- Lifetime retirement benefit
- Ancillary benefits such as disability and survivor coverage
- Plan invests for all beneficiaries, and individual contributors do not control the amount of their contributions nor their investments
- Also known as a traditional pension plan

### Defined Contribution Plan Features

- The retirement benefit equals the amount accumulated in the account over time and the benefit ends when the account balance is depleted
- Employees contribute to a tax-deferred plan, making their own investment decisions
- Employees have their own unique accounts
- Plan type generally labeled according to the governing section of the Internal Revenue Code, such as 401(k), 403(b), 457, or a 401(a) plan

## Personal Investment Assessment

By answering the following questions, you'll be better able to determine what type of plan (DB or DC) is right for you.

*Do you like to manage your own investments?*    Yes    No

If you answered Yes, consider PERA DC.

If you answered No, consider PERA DB.

*Do you have the time and knowledge to appropriately invest for your retirement security?*    Yes    No

If you answered Yes, consider PERA DC.

If you answered No, consider PERA DB.

*Do you have dependents that rely on you for financial support?*    Yes    No

If you answered Yes, consider PERA DB since your contribution includes survivor benefits and disability coverage.

If you answered No, consider PERA DC.

*Are you still unsure of what type of plan to choose—DB or DC?*    Yes    No

If you answered Yes, keep in mind that after a year of contributing to either the PERA DB or PERA DC Plan, you can switch plans between years 2 and 5 of participation.

If you answered No, complete the *PERAChoice Election and Release Form* in this packet within 60 calendar days of your date of hire to start investing in your future. (After 60 days, you'll be automatically enrolled in the PERA DB Plan.)



## Defined Benefit Plan

As the premier Defined Benefit plan available to public employees in the State of Colorado, PERA has served Colorado public employees since 1931. An Internal Revenue Code Section 401(a) hybrid defined benefit plan, PERA operates as a “qualified retirement plan” and for most members serves as a substitute for Social Security. (PERA began before Social Security was created. In 1951, public employers could join Social Security; the Colorado Legislature decided to continue the PERA program instead of joining Social Security.)

PERA provides its members and retirees with a comprehensive benefit package that includes the following:

- Lifetime retirement benefits, which can continue to a cobeneficiary after your death
- Good portability provisions
- Tax-deferred interest on member contributions
- Comprehensive survivor and disability benefits
- Annual cost-of-living increases in retirement benefits
- Access to PERACare retiree health care, including dental and vision plans
- Ability to invest in a voluntary 401(k) plan
- Access to voluntary life insurance and long term care insurance programs

### PERA Benefits At A Glance...

#### The Advantages of Membership in PERA

- Your PERA contributions of 8 percent are tax deferred, which means reduced current state and federal income taxes. (State Troopers and CBI Agents contribute 10 percent)
- You earn a fixed interest rate on your member contributions (currently 3 percent compounded annually). The rate is set by the Board and is subject to change annually.
- You receive a matching amount equal to 50 percent of your contributions and interest if you withdraw your account before retirement eligibility or age 65, or, receive a 100 percent match if you withdraw your account after retirement eligibility or age 65.
- Your qualified survivors will be provided a monthly benefit, between 25 percent and 50 percent of your pay, if you die after earning one year of service. Your beneficiary will receive a lump-sum payment of your contributions, applicable interest, and a 100 percent match if no monthly benefits are payable.
- You receive a lifetime retirement benefit after meeting age and service requirements (minimum age 55).
- You receive benefits equal to 2.5 percent of your average highest three years of salary for each year of service up to 100 percent.

Did you know that as a new PERAChoice participant you will have the one-time option of switching between the PERA DB and DC Plans? Between years two and five you can change your mind and end participation in one plan and begin participation in the other plan.



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# PERA Defined Benefit Option

Even if you are a Colorado PERA member for only a short period of time during your career, your PERA membership is valuable to you. The following example illustrates how over a period of time, a PERA account will grow with compounded interest.

The example below uses Jim, a PERA member who earned five years of PERA service credit before terminating employment at age 30. Jim's annual salary was \$30,000, with 3.5 percent raises per year. The refund and benefit amounts assume an annual interest rate in effect at the time. The interest rate is set by the PERA Board and is subject to change annually.

### Account Balance Each Year with Compounded Interest

| Age | Account Balance |
|-----|-----------------|
| 30  | \$14,555        |
| 35  | \$17,200        |
| 40  | \$19,942        |
| 45  | \$23,120        |
| 50  | \$26,804        |
| 55  | \$31,078        |
| 60  | \$36,031        |

When Jim terminated employment, he had an account balance of \$14,555 (member contributions and interest accumulated at rate in effect at the time of service compounded annually for five years).

Jim has the option to withdraw his account when he terminates PERA-covered employment or leave it until he reaches retirement age. The amount of Jim's refund, should he choose to withdraw his account prior to retirement eligibility, would be his account balance of \$14,555 plus a 50 percent match, for a total refund of \$21,833.

Jim also has the option of leaving his account with PERA, where it will continue accruing interest. At age 60, because he would be eligible for a retirement benefit, he would be eligible for a 100 percent match on his account balance and he could choose to withdraw the account or receive a lifetime monthly benefit.

At age 60, Jim's account will have grown from \$14,555 to \$36,031 as a result of compounding over a 30-year period. With a 100 percent match, his refund amount would be \$72,062.

At age 60, if Jim were to choose to receive an Option 1 lifetime monthly benefit, which is calculated by projecting his account balance over his expected life span, his benefit amount would be \$427 per month. Each year after retirement, Jim's benefit would be increased to help toward inflation.\*

*\*If Jim became a member on or after July 1, 2005, his annual benefit increase would be the lower of 3 percent or the Consumer Price Index (CPI) for urban wage earners and clerical workers. If Jim became a member on or after January 1, 2007, his annual benefit increase would be the lower of 3 percent or the CPI for urban clerical workers, if he has been retired for one year and reached age 60, or if his years of service plus age equals 85; all limited to available funds.*

# PERA Defined Benefit Table

Find the percentage in the block where age intersects with years of service. Multiply your Highest Average Salary (HAS) by that percentage. HAS is one-twelfth of the average of the highest annual salaries on which PERA contributions were paid that are associated with three periods of 12 consecutive months of service credit. Credit is earned for each month.

### Highest Average Salary Percentages for Retirement Benefit Option 1 Effective January 1, 2007

Use this table if you began PERA membership on or after January 1, 2007.

| Years of Service | Age at Retirement               |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|------------------|---------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
|                  | 50                              | 51   | 52   | 53   | 54   | 55   | 56   | 57   | 58   | 59   | 60   | 61   | 62   | 63   | 64   | 65+  |
| 5                | No retirement benefits payable. |      |      |      |      |      |      |      |      |      | 10.0 | 10.5 | 11.0 | 11.5 | 12.0 | 12.5 |
| 6                |                                 |      |      |      |      |      |      |      |      |      | 12.0 | 12.6 | 13.2 | 13.8 | 14.4 | 15.0 |
| 7                |                                 |      |      |      |      |      |      |      |      |      | 14.0 | 14.7 | 15.4 | 16.1 | 16.8 | 17.5 |
| 8                |                                 |      |      |      |      |      |      |      |      |      | 16.0 | 16.8 | 17.6 | 18.4 | 19.2 | 20.0 |
| 9                |                                 |      |      |      |      |      |      |      |      |      | 18.0 | 18.9 | 19.8 | 20.7 | 21.6 | 22.5 |
| 10               |                                 |      |      |      |      |      |      |      |      |      | 20.0 | 21.0 | 22.0 | 23.0 | 24.0 | 25.0 |
| 11               |                                 |      |      |      |      |      |      |      |      |      | 22.0 | 23.1 | 24.2 | 25.3 | 26.4 | 27.5 |
| 12               |                                 |      |      |      |      |      |      |      |      |      | 24.0 | 25.2 | 26.4 | 27.6 | 28.8 | 30.0 |
| 13               |                                 |      |      |      |      |      |      |      |      |      | 26.0 | 27.3 | 28.6 | 29.9 | 31.2 | 32.5 |
| 14               |                                 |      |      |      |      |      |      |      |      |      | 28.0 | 29.4 | 30.8 | 32.2 | 33.6 | 35.0 |
| 15               | 30.0                            | 31.5 | 33.0 | 34.5 | 36.0 | 37.5 |      |      |      |      |      |      |      |      |      |      |
| 16               | 32.8                            | 33.6 | 35.2 | 36.8 | 38.4 | 40.0 |      |      |      |      |      |      |      |      |      |      |
| 17               | 35.7                            | 36.6 | 37.4 | 39.1 | 40.8 | 42.5 |      |      |      |      |      |      |      |      |      |      |
| 18               | 38.7                            | 39.6 | 40.5 | 41.4 | 43.2 | 45.0 |      |      |      |      |      |      |      |      |      |      |
| 19               | 41.8                            | 42.8 | 43.7 | 44.7 | 45.6 | 47.5 |      |      |      |      |      |      |      |      |      |      |
| 20               | 42.5                            | 43.0 | 43.5 | 44.0 | 44.5 | 45.0 | 46.0 | 47.0 | 48.0 | 49.0 | 50.0 |      |      |      |      |      |
| 21               | 45.4                            | 46.2 | 46.7 | 47.3 | 47.8 | 48.3 | 49.4 | 50.4 | 51.5 | 52.5 | 52.5 |      |      |      |      |      |
| 22               | 48.4                            | 49.2 | 50.1 | 50.6 | 51.2 | 51.7 | 52.8 | 53.9 | 55.0 | 55.0 | 55.0 |      |      |      |      |      |
| 23               | 51.5                            | 52.3 | 53.2 | 54.1 | 54.6 | 55.2 | 56.4 | 57.5 | 57.5 | 57.5 | 57.5 |      |      |      |      |      |
| 24               | 54.6                            | 55.5 | 56.4 | 57.3 | 58.2 | 58.8 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |      |      |      |      |      |
| 25               | 43.8                            | 46.6 | 49.4 | 52.2 | 55.0 | 57.8 | 58.8 | 59.7 | 60.6 | 61.6 | 62.5 | 62.5 | 62.5 | 62.5 | 62.5 | 62.5 |
| 26               | 45.5                            | 49.4 | 52.3 | 55.3 | 58.2 | 61.1 | 62.1 | 63.1 | 64.0 | 65.0 | 65.0 | 65.0 | 65.0 | 65.0 | 65.0 | 65.0 |
| 27               | 47.3                            | 51.3 | 55.4 | 58.4 | 61.4 | 64.5 | 65.5 | 66.5 | 67.5 | 67.5 | 67.5 | 67.5 | 67.5 | 67.5 | 67.5 | 67.5 |
| 28               | 49.0                            | 53.2 | 57.4 | 61.6 | 64.8 | 67.9 | 69.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 | 70.0 |
| 29               | 50.8                            | 55.1 | 59.5 | 63.8 | 68.2 | 71.4 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 | 72.5 |
| 30               | 52.5                            | 57.0 | 61.5 | 66.0 | 70.5 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 | 75.0 |
| 31               | 58.9                            | 58.9 | 63.6 | 68.2 | 72.9 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 | 77.5 |
| 32               | 65.6                            | 65.6 | 65.6 | 70.4 | 75.2 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 |
| 33               | 72.6                            | 72.6 | 72.6 | 72.6 | 77.6 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 | 82.5 |
| 34               | 79.9                            | 79.9 | 79.9 | 79.9 | 79.9 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 |
| 35               | 87.5                            | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 | 87.5 |

The shaded areas indicate reduced service retirement percentages. For 35+ years, add 2.5 percent to 87.5 for each year over 35 up to 100 percent. Final calculations are made to the exact amount of service you earn, not necessarily even years.

A different Highest Average Salary Percentages table applies to State Troopers and Colorado Bureau of Investigation Agents. Please refer to the special inserts to the *Your PERA Benefits* booklet available on the PERA Web site at [www.copera.org](http://www.copera.org).



## Defined Contribution Plan

You can choose from a variety of low-cost, top-ranked funds in the Colorado PERA DC Plan. Remember that the key to successful investing is diversification, and in the Colorado PERA DC Plan, you have the ability to select your own funds based on your personal tolerance for investment risk, or you may select a target-date fund in which your fund allocation is done for you based on your anticipated retirement date.

### Setting Up Your Account

You must set how your future contributions will be invested. To do this, go to [www.copera.org](http://www.copera.org) and click on "DC Plan Asset Allocation." If you do not do this, your money will automatically be invested in the Dodge & Cox Balanced Fund.

### Web Site and Customer Service Center

Most Plan transactions and information requests can be made 24 hours a day, 7 days a week by accessing the DC Plan site through the PERA Web site at [www.copera.org](http://www.copera.org) (click on Account Access) or by calling 1-800-759-7372 and selecting the DC/401(k) option. In each case, DC account access requires your Social Security number and PIN.

### Participant Service Representatives

You may also speak with a Participant Service Representative any business day between 6:00 a.m. and 6:00 p.m. (Mountain time), excluding New York Stock Exchange holidays. You must use your PIN to get your account information from a Participant Service Representative.

### Quarterly Account Statements

Every quarter, you will receive an easy-to-read statement that summarizes your account status, including your account balance, investment selections, and the current value of each investment. Or, if you'd prefer, you can generate a customized statement at any time on the DC Plan Web site.

### Voluntary Plans

You have the option of enrolling in several voluntary plans including PERA's life insurance, long term care, and health care program. You may also join PERA's 401(k) Plan, which allows you to make additional contributions to the same investment options as the DC Plan. You have access to loans and hardship withdrawals from your 401(k) money.

## PERA DC Choice Vesting Schedule

### Your Contributions

100% Immediately\*

### Your Employer's Contributions

50% Immediately\*

60% After 1 year of membership\*

70% After 2 years of membership\*

80% After 3 years of membership\*

90% After 4 years of membership\*

100% After 5 years of membership\*

**\*Plus/minus investment gains/losses, minus fees**



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**Fees\***

Administrative and recordkeeping fees will be charged directly to your account. Administrative fees are charged directly to participants on a monthly basis based on your account balance as shown on the table at right.

Each investment fund charges an investment management fee, which participants pay directly by having the fee deducted from the investment fund's return. Fees for each fund are listed in the Investment Funds Available table on page 8.

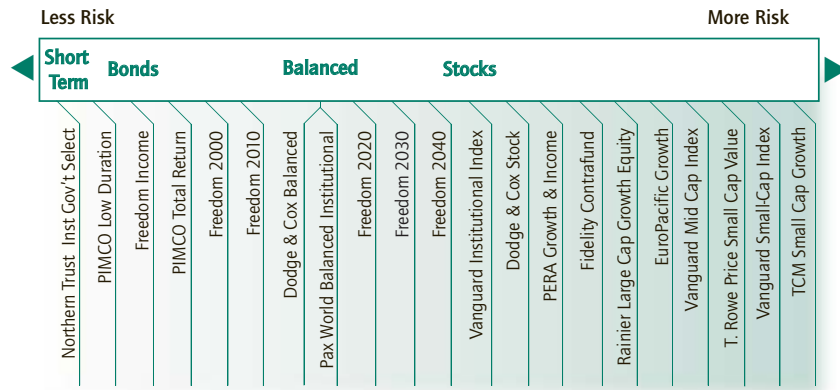
You may also obtain fee information on the DC Plan Web site or by calling 1-800-759-7372 and selecting the DC/401(k) option.

\* All fees subject to review and change

| Account Balance         | Monthly Fee | Total Fee Per Year |
|-------------------------|-------------|--------------------|
| \$ 0-\$25,000           | \$2.00      | \$24.00            |
| \$ 25,000.01-\$50,000   | \$2.25      | \$27.00            |
| \$ 50,000.01-\$75,000   | \$2.50      | \$30.00            |
| \$ 75,000.01-\$100,000  | \$2.75      | \$33.00            |
| \$100,000.01-\$125,000  | \$3.00      | \$36.00            |
| \$125,000.01-or greater | \$3.25      | \$39.00            |

**Risk Spectrum**

The graphic below features the funds that are available in the DC and 401(k) Plans. As you move along the spectrum from left to right, the greater the risk to your principal, but also the greater potential reward.



**Distributions When Terminating PERA-Covered Employment**

When you leave PERA-covered employment, you have several choices regarding the money in your DC Plan account:

- You can leave the money in the Plan.
- You must start distributions once you reach age 70½.
- You can request installment payments.
- You can roll over the balance to another qualified plan, 403(b), governmental 457 plan, or an IRA.
- You can take the money in cash, called a lump-sum distribution.

Distribution choices and rules are complicated. You are encouraged to talk with your tax adviser or financial planner before deciding how to take your distribution.

*Note: Lump-sum distributions from the Plan will be subject to 20 percent federal tax withholding and, if you are less than age 59½, a 10 percent early withdrawal penalty will apply. Ordinary income taxes may apply. State and local taxes and withholding may also apply.*

## Types of Investments

If you choose to participate in PERA's DC Plan, you have a variety of investment options from which to choose. The table below explains the four main investment classes available to you. When building your portfolio, keep in mind your goals, risk tolerance, and time horizon for retirement. And remember, neither diversification nor asset allocation ensures a profit or guarantees against a loss.

For more information, call PERA's Customer Service Center at 303-832-9550 or 1-800-759-7372.

Information about PERA's DB and DC Plans is also available online at [www.copera.org](http://www.copera.org).

|                               | Description   | Benefits   | Risks  |
|-------------------------------|---|--|--|
| Short-Term Funds              | Short-term funds are generally made up of money market investments, certificates of deposit (CDs), and U.S. Treasury Securities.  | Offer a high degree of security, designed to protect your original investment or principal.  | Don't offer the income potential of bond funds or the growth potential of stock funds, so they may not keep pace with inflation over time.   |
| Bond Funds                    | Bond funds invest in many individual government and corporate bonds. Bond funds generally earn interest, which is also referred to as income or yield.  | Generally offer greater income potential than short-term funds and not as much risk as stock funds.  | Don't offer the growth potential of stock funds and are riskier than short-term funds.   |
| Stock Funds                   | Stock funds offer different investing strategies, ranging from conservative to aggressive, with varying degrees of risk and return potential. Stock funds invest in many different individual stocks. | Historically have provided larger long-term gains than other asset classes.  | The value of stocks can go down. As a result, there is greater risk to your savings, including your principal, compared to other asset classes.  |
| Balanced or Target-Date Funds | Target-date funds invest in a combination of all asset classes.<br><br>Balanced funds invest in both stock funds and bonds.   | Target-date funds are designed to automatically make your investment asset allocation decisions for you based on the length of time until you retire.<br><br>Balanced funds are designed to offer both income potential and long-term gains. | During the early years of your career, target-date funds invest more heavily in stock funds, which carry greater risk. As you near retirement, they automatically shift to an asset mix that has less risk.<br><br>The bonds in balanced funds may offer less growth potential and stocks may have a greater risk to your principal. |

## Investment Funds Available

### **Northern Trust Institutional Government Select Fund**

Newspaper Symbol: None  
Ticker Symbol: None  
Investment Fee: 0.20%

### **PIMCO Low Duration Fund**

Newspaper Symbol: PIMCO Fds Inst I PIMS:  
LowDur  
Ticker Symbol: PTLDX  
Investment Fee: 0.46%

### **PIMCO Total Return Fund**

Newspaper Symbol: PIMCO Fds Inst I PIMS:  
TotRt  
Ticker Symbol: PTRRX  
Investment Fee: 0.46%

### **Dodge & Cox Balanced Fund**

Newspaper Symbol: Dodge & Cox BalanN  
Ticker Symbol: DODBX  
Investment Fee: 0.52%

### **PAX World Balanced Institutional Fund**

Newspaper Symbol: PAXIX  
Ticker Symbol: PAXIX  
Investment Fee: 0.72%

### **Vanguard Institutional Index Fund**

Newspaper Symbol: VANGUARD INSTL  
FDS: InstIdx  
Ticker Symbol: VINIX  
Investment Fee: 0.05%

### **Dodge & Cox Stock Fund**

Newspaper Symbol: Dodge & Cox: Stock  
Ticker Symbol: DODGX  
Investment Fee: 0.52%

### **PERA Growth & Income Fund**

Newspaper Symbol: None  
Assets are managed by  
PERA's investment staff  
Ticker Symbol: None  
Investment Fee: 0.30%

### **Fidelity Contrafund**

Newspaper Symbol: Fidelity Invest: Contra  
Ticker Symbol: FCNTX  
Investment Fee: 0.90%

### **Rainier Large Cap Growth Equity Fund**

Newspaper Symbol: None  
Ticker Symbol: None  
Investment Fee: 0.57%

### **American Funds EuroPacific Growth Fund**

Newspaper Symbol: American Funds  
CL R5: Eupac  
Ticker Symbol: RERFX  
Investment Fee: 0.58%

### **Vanguard Mid Cap Index Fund**

Newspaper Symbol: MidCpSgl  
Ticker Symbol: VMISX  
Investment Fee: 0.11%

### **T. Rowe Price Small Cap Value**

Newspaper Symbol:  
Ticker Symbol: PRSVX  
Investment Fee: 0.85%

### **Vanguard Small-Cap Index Fund**

Newspaper Symbol: SmCapAdml  
Ticker Symbol: VSCIX  
Investment Fee: 0.08%

### **Tygh Capital Management (TCM) Small Cap Growth Fund**

Newspaper Symbol:  
Ticker Symbol: TCMSX  
Investment Fee: 0.92%

### **Fidelity Freedom Income Fund**

Newspaper Symbol: Income  
Ticker Symbol: FFFAX  
Investment Fee: 0.51%

### **Fidelity Freedom 2000 Fund**

Newspaper Symbol: FF2000  
Ticker Symbol: FFFBX  
Investment Fee: 0.52%

### **Fidelity Freedom 2010 Fund**

Newspaper Symbol: FF2010  
Ticker Symbol: FFFCX  
Investment Fee: 0.62%

### **Fidelity Freedom 2020 Fund**

Newspaper Symbol: FF2020  
Ticker Symbol: FFFDX  
Investment Fee: 0.70%

### **Fidelity Freedom 2030 Fund**

Newspaper Symbol: FF2030  
Ticker Symbol: FFFEX  
Investment Fee: 0.74%

### **Fidelity Freedom 2040 Fund**

Newspaper Symbol: FF2040  
Ticker Symbol: FFFFX  
Investment Fee: 0.76%

*Note: The individual fund managers may change fees throughout the year. For the most current fee percentage, access the DC Plan Web site through [www.copera.org](http://www.copera.org). For specific or detailed information regarding each investment option, please review each fund's prospectus. You may obtain a fund's prospectus by calling 1-800-759-7372 and selecting the DC Plan option or by visiting [www.copera.org](http://www.copera.org) and accessing the DC Plan Web site.*

*This publication provides general information about DB/DC Plans. PERA membership rights, benefits, and obligations are governed by Title 24, Article 51 of the Colorado Revised Statutes, and the Rules of the Colorado Public Employees' Retirement Association, which take precedence over any interpretations in this publication.*

## PERAChoice Election and Release Form

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800  
303-832-9550 or 1-800-759-PERA (7372) • Fax: 303-863-3727  
www.copera.org



Dear PERAChoice Member:

Complete this form and choose between the Colorado PERA Defined Benefit (DB) or Defined Contribution (DC) Plan. Both plans are a substitute for Social Security.

To find out if you're eligible to participate in PERAChoice, contact your employer's human resources office, or call PERA's Customer Service Center at 1-800-759-PERA (7372) or 303-832-9550.

### More Information

Information about both the PERA DB and PERA DC plans is available from your employer's human resources office or PERA. You may call PERA's Customer Service Center at 1-800-759-PERA (7372) or 303-832-9550 to request information. PERA's Web site, [www.copera.org](http://www.copera.org), also has information about the plans available to you.

### Next Steps

Depending on your choice, there are additional forms you will need to complete. All applicable forms are available on the PERA Web site.

*If you choose PERA DB:* Complete a *PERA Member Information Form* to designate a beneficiary.

*If you choose PERA DC:* Complete a *PERA DC Plan Beneficiary Designation Form* to designate a beneficiary. You should also set how your future contributions will be invested by going to [www.copera.org](http://www.copera.org) and clicking on "401(k) and DC Plan Information."

### Switching Plans

If you are eligible for PERAChoice, you have the option to stop participating in your PERA DB account and begin participation in a PERA DC account or stop participating in your PERA DC account and begin participation in a PERA DB account. This is a one-time option and the change can only be made in years two through five of participation in the plan. For more information, refer to the *PERAChoice Years 2-5 Change/Transfer Form*. (PERAChoice members who were previously enrolled in a State DC plan and were transferred to PERA on July 1, 2009, do not have the option of switching plans.)

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## Eligibility

While PERA records determine who is eligible to participate in PERAChoice, you should answer the questions below to help you determine if you should complete the form on the reverse side. Your Payroll/Personnel administrator will contact PERA to verify your eligibility.

Are you a PERA retiree (receiving a monthly PERA benefit)?  Yes  No

If yes, you are not eligible to participate in any retirement plan. You should not complete this *PERAChoice Election and Release Form*.

Have you worked for a PERA-covered employer (such as a school district other than DPS, PERAChoice eligible community college, or a State agency) in the last 12 months?  Yes  No

If yes, you must continue in the retirement plan you were previously enrolled in: PERA DB or PERA DC.

If no, you are eligible to select either PERA DB or PERA DC and should complete the form on the reverse side.

**PERAChoice Election and Release Form**

Colorado Public Employees' Retirement Association  
 PO Box 5800, Denver, Colorado 80217-5800  
 303-832-9550 or 1-800-759-PERA (7372) • Fax: 303-863-3727  
 www.copera.org



You must submit this form to your human resources office promptly, but no later than 60 calendar days from your date of hire. If you do not complete and return this form to your human resources office within 60 calendar days from your first day of employment, you will be automatically enrolled in PERA DB. You may obtain information about each of the plans available to you from PERA or your employer's human resources office. You may call PERA to discuss these plans at 1-800-759-PERA (7372) or 303-832-9550.

**Member  
SSN**

|  |  |  |   |  |  |   |  |  |  |
|--|--|--|---|--|--|---|--|--|--|
|  |  |  | - |  |  | - |  |  |  |
|--|--|--|---|--|--|---|--|--|--|

Name \_\_\_\_\_  
Last First MI

Address \_\_\_\_\_  
Street City State ZIP Code

Daytime Telephone ( ) \_\_\_\_\_ Birth Date \_\_\_\_\_

**Retirement Choice Election**

After you have completed the Eligibility section on the reverse side, you must choose one of the following:

I elect to enroll in the PERA DB retirement plan. I understand that I may, at a subsequent time, elect to participate in the PERA DC Plan.

**OR**

I elect to enroll in the PERA DC retirement plan. I understand that I may, at a subsequent time, elect to participate in the PERA DB Plan.

**Retirement Choice Release**

I am eligible to make an election to participate in the Colorado PERA DB Plan or the PERA DC Plan. I understand that it is my responsibility to coordinate any rollovers I may wish to make from previous retirement accounts to PERA (if applicable). I also understand that I must confirm that my payroll deductions are accurate for the plan I have selected/defaulted into and I will notify my human resources office of any corrections within 10 days after the month in which the election becomes effective.

**Retirement Plan Election.** I understand that I am allowed to make an election about my retirement plan only within the first 60 calendar days after my first day of employment. I understand I will have one additional opportunity to elect to transfer to the other PERA plan during years 2 through 5 of active participation (unless I was previously enrolled in a State DC plan that was transferred to PERA on July 1, 2009). I have read and understand the *PERAChoice Brochure*.

**Investment of PERA DC Account.** As a participant in the PERA DC Plan, I am responsible for deciding how my Plan account balance will be invested. I understand that my Plan account balance may increase or decrease based on the return on investments that I have selected. The individual investment funds offered under the PERA DC Plan could change in the future. Investment management fees may apply to the investments I select and administrative fees will be deducted from my PERA DC account.

**Employee Contributions and Distributions.** I understand that I must contribute a percentage of my salary to the Plan I select as a condition of participation.

**Release of All Claims.** In consideration for being able to participate in the Plan reflected on this form, I agree to release, hold harmless, and indemnify my employer and the Colorado Public Employees' Retirement Association and its Board of Trustees, and their employees, agents, contractors, successors, and assigns from any and all liability, for any negative consequences, loss, lost opportunity cost, or expense resulting from my election to participate in the Plan reflected on this form.

**Member Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

## For Payroll/Personnel Use Only

|                                       |                          |
|---------------------------------------|--------------------------|
| Employer Name: _____                  | Employer Number: _____   |
| Employee Status (FT, PT, Temp): _____ | Date of Hire: _____      |
| Date Election Form Received: _____    | Screen Entry Date: _____ |
| Entered By (print name): _____        | Telephone Number: _____  |

### Member Information Form

Colorado Public Employees' Retirement Association  
PO Box 5800, Denver, Colorado 80217-5800

303-832-9550 or 1-800-759-PERA (7372) • Fax: 303-863-3727 • www.copera.org



Read the reverse side before completing this form. Type or print in black ink, and sign below. Please do not send photocopies of this form or staple, tape, or glue items to it. If you are a new member, give the form to your personnel office to send to PERA. If you are changing information PERA has on file, send it to PERA and provide your employer with a copy. Changes made on this form take effect upon receipt of the completed form at PERA. Do not complete this form if you are a PERA retiree or need to change your PERA-sponsored life insurance or 401(k) Plan beneficiary(ies), or your PERA Defined Contribution Plan name, address, phone number, or beneficiary(ies). (See "To Members Changing Information" on reverse.)

SSN

SSN input boxes: [ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

#### Member Information—to be completed by you.

- New Member
- Changing Colorado PERA Information (Fill in name and any information you are changing and sign.)

Member \_\_\_\_\_  
Last Name First Name Middle Name Former Name

Birthdate \_\_\_\_\_ Sex:  Male  Female Home Telephone ( ) Work Telephone ( )  
Month/Day/Year

Mailing Address \_\_\_\_\_  
Street, Route, or Box Number, and Apt. Number City State ZIP Code

Spouse \_\_\_\_\_ Spouse's Birthdate \_\_\_\_\_  
Last Name First Name Middle Name Month/Day/Year

**Named Beneficiary(ies) (Primary and Contingent) of Your PERA Account:** If you die and no monthly benefits are payable, a lump-sum payment will be made to your primary beneficiary(ies). If your primary beneficiary(ies) predeceases you, payment will be made to your contingent beneficiary(ies). If you do not designate a named beneficiary or your named beneficiary(ies) is deceased, payment will be made to your estate. No law shall apply to automatically revoke a spouse's designation as a named beneficiary upon your divorce, annulment, or any dissolution or declaration of invalidity of your marriage. Completion of this form is the only method of changing or revoking a named beneficiary designation. For additional named beneficiaries, enclose a list of their names, relationships, Social Security numbers, birthdates, and addresses. **Sign and date any list you enclose.** If you complete any beneficiary information below and submit this form to PERA, you are canceling and replacing all of your previously named beneficiaries. If you want to continue any previous designations, you must fully name all named beneficiaries on this form or on a separate list submitted with this form. **If you have more than one year of service, state law specifies who receives monthly benefits after you die.** See the *Survivor Benefits* brochure.

Primary Beneficiary: If you list more than one beneficiary (attach a separate sheet with name(s) and your signature), payment will be divided equally among them.

Name Relationship SSN Birthdate  
Street, Route, or Box Number, and Apt. Number City State ZIP Code

Contingent Beneficiary (person to receive payment if your primary beneficiary(ies) is deceased): If you list more than one beneficiary (attach a separate sheet with name(s) and your signature), payment will be divided equally among them.

Name Relationship SSN Birthdate  
Street, Route, or Box Number, and Apt. Number City State ZIP Code

Member Signature \_\_\_\_\_ Date \_\_\_\_\_

\*\*\*\*\* TO BE COMPLETED BY EMPLOYER FOR NEW EMPLOYEES ONLY \*\*\*\*\*

Employer No. \_\_\_\_\_ Employer Name \_\_\_\_\_ Date \_\_\_\_\_

Starting Salary \_\_\_\_\_ Job Title \_\_\_\_\_ Date Employed \_\_\_\_\_

## To New Colorado PERA Members:

Welcome to membership in the Colorado Public Employees' Retirement Association (PERA).

As an employee of a public employer affiliated with Colorado PERA, you may or may not pay Social Security tax depending on whether your employer contributes to both PERA and Social Security. Colorado PERA is a qualified retirement plan that can substitute for Social Security, as required by law.

Upon receipt of this form, PERA will establish a member contribution account for you. You will contribute 8 percent of your salary to the account through payroll deduction. PERA pays interest on your contributions at a rate determined by the Board. As of January 1, 2009, the interest rate is 3 percent per year and is subject to change annually. Your PERA contributions are tax-deferred—that is, they are not subject to federal or state income tax until they are withdrawn or received as a monthly benefit. Your contributions and interest will always be returned to you, either in the form of a lump-sum withdrawal or a monthly benefit.

While our mission is to provide members with retirement benefits, we also provide the following other benefits:

- Monthly benefits to your qualified survivors if you die after one year of PERA service.
- Disability coverage after you have five years of earned service credit.
- A voluntary life insurance program in which you may participate immediately.
- A voluntary 401(k) plan in which you may participate immediately. Contribution limits change annually; additional contribution amounts are allowed if you are age 50 or older. For more information on the 401(k) Plan, please call 1-800-759-7372 and select the 401(k) option or go to PERA's Web site at [www.copera.org](http://www.copera.org) and select "401(k) Information" located on the PERA home page.
- A voluntary long term care insurance program available to you and other family members.

After PERA receives this completed *Member Information Form*, we will mail you a PERA membership packet that contains details about your benefits. For more information about these benefits, go to the PERA Web site at [www.copera.org](http://www.copera.org).

When you end PERA-covered employment, you may leave your member contribution account with PERA (it will continue to earn interest). If you return to PERA-covered employment, your account will be ready to accept additional contributions and you will build additional service credit. If you leave your account at PERA be sure to keep us informed of your address to prevent your account from being transferred to the State's Unclaimed Property Fund.

If you were previously covered by PERA and withdrew your member contribution account, you may purchase service credit based on this refunded account when you have one year of earned service credit. You may also be able to purchase service credit for employment not covered by PERA or another pension plan. See the *Purchasing Service Credit* booklet for more information.

Again, welcome to Colorado PERA! We will strive to inform you about your PERA benefits by sending you the PERA *Member Report* newsletter three times per year, a statement of your account annually after your first year of membership, and other publications.

## To Members Changing Information:

- If you have changed your name, changed employers, or want to change your address or beneficiary(ies), complete this form and send it to PERA. PERA requires a new copy of your Social Security card only if you have changed your name since sending in your initial copy.
- If you would like to change your address only, you may log on to the PERA Web site at [www.copera.org](http://www.copera.org) and click on the "Contact Us" button or call PERA's Customer Service Center at 303-832-9550 or 1-800-759-7372 and speak to a customer service representative.
- If you are enrolled in PERA-sponsored life insurance and have changed employers, notify your new employer to deduct your life insurance premium. If you want to change your life insurance beneficiary(ies), call Unum toll-free at 1-866-277-1649 or visit PERA's Web site at [www.copera.org](http://www.copera.org), click on "Account Access," and select "Life Insurance."
- If you have a PERA 401(k) account and need to make beneficiary changes, you can change them online through the PERA Web site or by calling PERA at 1-800-759-7372 and selecting the PERA 401(k) Plan option to order a form. In either case, you will need your Personal Identification Number (PIN). If you are transferring from or are currently employed by another PERA-affiliated employer and actively contributing, notify your new employer's payroll office so that contributions may continue through your new employer.
- If you have a PERA defined contribution account and need to change your name, address, or phone number, complete the *PERA Defined Contribution Plan Change Form*. If you need to make beneficiary changes, you can change them online through the PERA Web site or by calling PERA at 1-800-759-7372 and selecting the PERA Defined Contribution Plan option to order a form. In either case, you will need your Personal Identification Number (PIN).



# DC Plan Beneficiary Designation Form

ING  
Attn: Colorado PERA DC Plan  
PO Box 5599, Boston, MA 02206-5599  
1-800-759-7372  
www.copera.org

Please print or type in dark ink.

Your SSN

## Participant Information

Participant Name \_\_\_\_\_ Date of Birth \_\_\_\_\_  
Last First M.I.

Mailing Address \_\_\_\_\_  
Street, Route, or Box Number City State ZIP Code

Home Telephone Number ( ) \_\_\_\_\_

Employer Name \_\_\_\_\_

Mailing Address \_\_\_\_\_  
Street, Route, or Box Number City State ZIP Code

Work Telephone Number ( ) \_\_\_\_\_

## Beneficiary Information

Your designation can only be changed by you. Your divorce, annulment or any dissolution or declaration of invalidity of your marriage SHALL NOT revoke the beneficiary named below as your designated beneficiary unless you revoke the designation by submitting a new form. Colorado Revised Statute § 15-11-804 does not act to revoke a spouse's designation as a beneficiary.

To change your existing beneficiary information, please fill in the name and relationship of the individuals you would like to designate as your future beneficiaries. A primary beneficiary is the person who is your first choice to receive your DC Plan benefits if you should die. A contingent beneficiary is the person who would receive your DC Plan benefits if your primary beneficiary should die prior to your death. You may name one or more primary and contingent beneficiaries. Your contingent beneficiaries will not receive benefits unless all of your primary beneficiaries predecease you.

| Name of Primary Beneficiary | Relationship | Social Security Number | Date of Birth | % Payable |
|-----------------------------|--------------|------------------------|---------------|-----------|
| _____                       | _____        | _____                  | _____         | _____     |
| _____                       | _____        | _____                  | _____         | _____     |
| _____                       | _____        | _____                  | _____         | _____     |
| _____                       | _____        | _____                  | _____         | _____     |

(Total=100%)

| Name of Contingent Beneficiary | Relationship | Social Security Number | Date of Birth | % Payable |
|--------------------------------|--------------|------------------------|---------------|-----------|
| _____                          | _____        | _____                  | _____         | _____     |
| _____                          | _____        | _____                  | _____         | _____     |
| _____                          | _____        | _____                  | _____         | _____     |
| _____                          | _____        | _____                  | _____         | _____     |

(Total=100%)

## Authorization

The execution of this form and delivery thereof to the Colorado PERA DC Plan revokes all prior designations that I have made.

Signature of Participant \_\_\_\_\_ Date \_\_\_\_\_

Please return your completed form to:

ING  
Attn: Colorado PERA DC Plan Administration Unit  
PO Box 5599  
Boston, MA 02206-5599