

State of Alaska Defined Contribution Plans

FEES AND EXPENSES

Empower Retirement acts as the recordkeeper for the State of Alaska Defined Contribution Plans. Fees and expenses associated with the day-to-day management of the Plans are deducted from your account to support the Plans, as follows.

Administrative Fees

The annual fee covers the cost of Plan recordkeeping expenses. Fees are assessed to the Plans separately and are based on your account balance.

- ◇ For the DCP, the 0.17% administrative fee is assessed monthly at 0.0142%, based on the total balance.
- ◇ For the SBS and DCR Plans, the 0.11% administrative fee is assessed monthly at 0.009%, based on the total balance. Annually, a fixed fee of \$35 (or \$25 for non-contributing participants) is charged.

State of Alaska Plan Type	Annual Administrative Fee
457(b) Deferred Compensation Plan (DCP)	0.17%, or 0.17 of 1%
Alaska Supplemental Annuity Plan (SBS)	0.11% + \$35 annual fee (\$25 for non-contributing participants)
PERS/TRS Defined Contribution Retirement Plan (DCR)	0.11% + \$35 annual fee (\$25 for non-contributing participants)

Empower Retirement Advisory Services Fees

(provided by Advised Assets Group, LLC (AAG), a registered investment adviser)

- ◇ There is no cost to use Online Investment Guidance.
- ◇ There is a \$25 annual fee assessed quarterly at \$6.25 for Online Investment Advice.
- ◇ If you choose the Managed Account service, the quarterly fee will be based on a percentage of your account balance, as shown to the right.

Account Balance	Quarterly Fee
<\$100,000	0.1125%
Next \$150,000	0.0875%
Next \$150,000	0.0625%
>\$400,000	0.0375%

Example:

Account Balance	Quarterly Fee Charged
\$10,000	\$11.25
\$20,000	\$22.50

There is no guarantee that participation in any of the advisory services will result in a profit or that the account will outperform a self-managed portfolio invested without assistance.

- 1 Each investment option has its own operating expenses. Actual fund operating expenses may be less if the fund currently offers a waiver or reimbursement that is subject to an expiration date.
- 2 Not all investment options are available in all Plans.
- 3 Specialty funds invest in a limited number of companies and are generally non-diversified. As a result, changes in market value of a single issuer could cause greater volatility than with a more diversified fund.
- 4 The investment management fees for the Russell 3000 Index Fund, U.S. Real Estate Investment Trust Index Fund, World Equity ex-U.S. Index Fund, Long U.S. Treasury Bond Index Fund, U.S. Treasury Inflation Protected Securities Index Fund, and the World Government Bond ex-U.S. Index Fund vary based on total assets of all participants in each fund.
- 5 Real estate securities involve greater risks than other non-diversified investments, including but not limited to: declining property values, varying economic conditions, changes in zoning laws, or losses from casualty. Real estate securities that invest in foreign real estate involve additional risk, including currency fluctuations and political developments.
- 6 Equity securities of small and mid-size companies may be more volatile than securities of larger, more established companies.
- 7 Foreign investments involve special risks, including currency fluctuations, taxation differences and political developments.
- 8 Fees for this investment option are based on total assets of all participants in the fund.
- 9 The Russell 3000® Index is a registered trademark of Russell Investments and measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.
- 10 S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC and an unmanaged index considered indicative of the domestic large-cap equity market.
- 11 The investment management fees for the S&P 500 Stock Index Fund vary based on total assets of all participants in the fund. The fees for the S&P 500 Stock Index Fund include custodial expenses of approximately 0.05%.
- 12 The date in a target date fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date. For more information, please refer to the fund prospectus and/or disclosure document.
- 13 Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.
- 14 The 2060 Target Retirement Trust is available in the State of Alaska Retirement Plans as of November 2, 2015.
- 15 A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.
- 16 U.S. Treasury securities are guaranteed as to the timely payment of principal and interest if held to maturity. Investment options are neither issued nor guaranteed by the U.S. government.
- 17 Certain underlying funds invest in Treasury inflation-protected securities ("TIPS"). Unlike conventional bonds, the principal or interest of TIPS is adjusted periodically to a specified rate of inflation (e.g., Consumer Price Index for all Urban Consumers [CPI-U]). There can be no assurance that the inflation index used will accurately measure the actual rate of inflation.
- 18 Annual Management Fee includes investment management fees, custody fees, and fees associated with the wrap contracts.
- 19 Transfer requests made via the website or the voice response system received on business days prior to close of the New York Stock Exchange (12:00 p.m. Alaska 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.



Investment Management Fees¹

- ◇ Investment management fees are deducted from the investment return of the fund before the daily price or performance is calculated. Asset allocation funds are generally subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest. For more information, please refer to the fund prospectus and/or disclosure document. Funds are subject to the risks of the underlying funds.
- ◇ Investment management fees are not shown on quarterly statements.
- ◇ All fees are current as of September 30, 2016. You can also view the most current fees charged for each investment option on the Fund Performance document located on www.akdrb.com. Select “Investment Information” and then “Fund Performance.” Fees are listed in the “Gross/Net Expense Ratio” column.

Investment Option ²	Annual Mgmt. Fee
U.S. Real Estate Investment Trust Index Fund ^{3, 4, 5}	0.17%
U.S. Small-Cap Trust Fund ⁶	0.62%
International Equity Fund ^{7, 8}	0.42%
World Equity Ex-U.S. Index Fund ^{4, 7}	0.17%
Allianz/RCM Socially Responsible Investment Fund	0.50%
Russell 3000 Index Fund ^{4, 9}	0.03%
S&P 500 [®] Index Fund ¹⁰	0.025%
S&P 500 [®] Stock Index Fund ^{10, 11}	0.01% ⁸
Alaska Target Retirement 2060 Trust ^{12, 13, 14*}	0.23%
Alaska Target Retirement 2055 Trust ^{12, 13*}	0.16%
Alaska Target Retirement 2050 Trust ^{12, 13*}	0.16%
Alaska Target Retirement 2045 Trust ^{12, 13*}	0.16%
Alaska Target Retirement 2040 Trust ^{12, 13*}	0.16%
Alaska Target Retirement 2035 Trust ^{12, 13*}	0.16%
Alaska Target Retirement 2030 Trust ^{12, 13*}	0.15%
Alaska Target Retirement 2025 Trust ^{12, 13*}	0.15%
Alaska Target Retirement 2020 Trust ^{12, 13*}	0.14%

Investment Option ²	Annual Mgmt. Fee
SSgA Global Balanced Fund ^{5, 7, 13}	0.10%
Alaska Long-Term Balanced Trust ¹³	0.12%
Alaska Target Retirement 2015 Trust ^{12, 13*}	0.13%
Alaska Target Retirement 2010 Trust ^{12, 13*}	0.21%
Alaska Balanced Trust ¹³	0.10%
World Government Bond Ex-U.S. Index Fund ^{4, 7, 15}	0.09%
Long U.S. Treasury Bond Index Fund ^{4, 14, 15}	0.07%
Government/Credit Bond Index Fund ^{14, 15}	0.13%
U.S. Treasury Inflation Protected Securities Index Fund ^{4, 16, 17}	0.09%
Intermediate Bond Fund ¹⁵	0.06%
Stable Value Fund ¹⁸	0.12%
Wrap Fees	0.21%
Interest Income Fund ¹⁸	0.14%
Wrap Fees	0.21%
Alaska Money Market Master Trust	0.20%
State Street Treasury Money Market Fund-Inst.	0.12%

*Asset allocation funds are generally subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest. For more information, see the fund prospectus and/or disclosure document.

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 per share, it is possible to lose money by investing in the Fund.

For more information on fees or the investment options, or for any other questions, visit the Website at www.akdrb.com or call the voice response system at 1-800-232-0859 toll free, seven days a week, 24 hours a day (except between 10:00 p.m. Saturday and 10:00 a.m. Sunday, Alaska Time).¹⁹

Please consider the investment objectives, risks, fees and expenses carefully before investing. The prospectus contains this and other information about the investment options offered. Depending on the investment options offered in your plan, your registered representative can provide you with prospectuses for any mutual funds, any applicable annuity contracts and the annuity's underlying funds and/or disclosure documents for investment options exempt from SEC registration. Please read them carefully before investing.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

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