



Important News! Upcoming Changes Regarding Your DROP/IBRP LA Account

Dear DROP/IBRP LA Participant:

The Louisiana School Employees' Retirement System (LSERS) is pleased to announce that, under the authority of La. R.S. 11:1152, we have selected Empower Retirement as the third-party administrator to provide administrative, recordkeeping, communication and investment education services for all Deferred Retirement Option Plan (DROP LA) participants and Initial Benefit Retirement Plan (IBRP LA) retirees with effective dates of January 1, 2004 and after, as well as for future accounts.

This change will be effective **January 1, 2020**. Below you will find more information regarding this transition.

Program Enhancements

Empower provides instant and user-friendly account management, withdrawals, and investment information at www.louisianadcp.com and through an interactive voice response system at 1.800.701.8255.

- More flexible withdrawal schedule.
- Access Empower website from your mobile device, to use the account management feature.
- Principal guaranteed after fee under the default fund: Great West Stable Value Fund for LSERS.
- Keep your Louisiana State Income Tax Exempt status while your plan is in an investment environment.
- Make transactions at any time you choose, 24 hours a day, seven days a week.
- Review your transaction history for specified periods of time.
- More choices for investment options using Investment advice (with consulting fee).

New Investment Options and Fund Mapping

During the transition, you will see changes to the investment options available to your DROP/IBRP LA account. The new investment options within the default fund were selected by LSERS.

Based on your current DROP/IBRP LA status as described on Pages 2 & 3, your account balance will be automatically transferred from the current investment location to the new investment location at Empower into the default fund (see chart below).

CURRENT Investment Location	NEW Investment Location
Capital One Money Market Fund	Great West Stable Value Fund for LSERS

Investment lineup after the transition

After the transition period, should you wish to invest in different investment options other than those in the default, guaranteed principal option, please visit the website at www.louisianadcp.com or contact Empower at 1.800.701.8255. LSERS will require that you **submit a signed Waiver Election** (see Page 4) to allow you to self-direct/move all or part of your account balance from the default option to other higher risk investment options.

Fund Name	Ticker
iShares MSCI Total Intl Idx Instl	BDOIX
iShares Russell Small/Mid-Cap Idx Instl	BSMIX
iShares S&P 500 Index Institutional	BSPIX
Vanguard Total Intl Bd Idx Admiral™	VTABX
iShares US Aggregate Bond Index Instl	BMOIX
Great-West Lifetime 2015 Index Trust	MXLYX
Great-West Lifetime 2020 Index Trust	MXAGX
Great-West Lifetime 2025 Index Trust	MXELX
Great-West Lifetime 2030 Index Trust	MXATX
Great-West Lifetime 2035 Index Trust	MXKLX
Great-West Lifetime 2040 Index Trust	MXBDX
Great-West Lifetime 2045 Index Trust	MXQLX
Great-West Lifetime 2050 Index Trust	MXBOX
Great-West Lifetime 2055 Index Trust	MXWLX
Great West Stable Value Fund for LSERS	N/A

Carefully consider the investment objectives, risks, fees and expenses of the investment options. Contact Empower for a prospectus, a summary prospectus and disclosure document, as available, containing this information; read them carefully before investing.

What Can I Expect during the Transition Period, December 5, 2019 to January 10, 2020?

If you are DROP/IBRP LA retiree and receiving periodic payments,

- During the transition, your funds will remain fully invested.
- December 5, 2019 will be the last payroll date issued from LSERS. In January 2020, you will receive the 2019 last quarterly statement and 1099R form directly from LSERS.
- On January 2, 2020, Empower Retirement begins managing your account.
- No later than close of business January 10, 2020, you will receive your regularly scheduled periodic payment directly from Empower and you will be able to fully access your Empower

account to make personal, beneficiary, payment, and investment (if signed the waiver election) changes.

- **If you need an additional withdrawal in preparation of the transition period, December 5, 2019 to January 10, 2020, please submit Form11D DROP or IBRP Account Withdrawal Selection to LSERS no later than 11/29/2019.**

If you are DROP/IBRP LA return to work,

- During the transition, your funds will remain fully invested.
- On January 2, 2020, Empower Retirement begins managing your account.
- If you retire during the transition period, no later than close of business January 10, 2020, your 1st payment (if requested) will be issued by Empower, and you will be able to fully access your Empower account to make personal, beneficiary, payment, and investment (if signed the waiver election) changes.

If you are DROP/IBRP LA active,

- LSERS will continue to manage deposits into your account until your DROP/IBRP LA period ends.
- If your DROP/IBRP LA period ends during the transition period, your funds will first be invested in the Capital One Money Market Fund and then transferred to the Empower default fund on January 2, 2020. If you retire and request a payment, your 1st payment will be issued by Empower no later than close of business January 10, 2020, and you will be able to fully access your Empower account to make personal, beneficiary, payment and investment (if signed the waiver election) changes.

Will I be charged any fees in this new investment location with Empower?

Yes. Beginning January 1, 2020, your administrative/recordkeeping fee will be 0.06% annually based on your account balance. The fee will be prorated and charged monthly to your account. The amount will be reflected on your quarterly statement.

Remember, after the transition period, the Empower website and voice response system will be fully operational for all transactions. You can access the website at www.louisianadcp.com and voice response system / call center at **1.800.701.8255**. Regularly scheduled periodic payments due to be paid in January will be sent out as soon as the transfer and setup is completed, but no later than close of business January 10, 2020.

We are committed to making this transition as simple and seamless as possible, and we think you'll be pleased with the resulting improvements. If you have any questions, please call us at 1.800.256.3718, extension 6.

Sincerely,

Louisiana School Employees' Retirement System



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LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

Waiver Election

This Waiver Election must be signed and returned to LSERS only if you wish to move any or all of your account balance from the default stable value fund selected by LSERS to another investment environment; otherwise no action is required.

If you allocate any portion of your funds to options other than the default fund selected by LSERS, you will be subject to the possibility of loss of value. The participant in the self-directed portion of this plan agrees that the benefits payable to the participant are not the obligations of the state or the system, and that any returns and other rights of the plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made. By participating in the self-directed portion of the plan, the participant agrees that he and the provider shall be responsible for complying with all applicable provisions of the Internal Revenue Code. The participant also agrees that if any violation of the Internal Revenue Code occurs as a result of the participant's participation in the self-directed portion of the plan, it shall be the sole responsibility and liability of the participant and the provider, not the state or the system. There shall be no liability on the part of and no cause of action of any nature shall arise against the state, the system, or its agents or employees, for any action taken by the participant for choices the participant makes in relationship to the funds in which he chooses to place his subaccount balance.

By my signature below, I understand the above Waiver Election description regarding my investment decisions related to my DROP/IBRP funds.

Member Name:	Member Last 4 SSN:
Signature:	Date Signed (MM/DD/YYYY)

RETURN to LSERS:

Mail: P.O. Box 44516, Baton Rouge, LA 70804-4516

Fax: 225.922.1001

Email: webmaster@lsers.net