

# Frequently Asked Questions about PERAPlus and PERAdvantage

## *What is PERAPlus?*

PERAPlus is the new name for the program that includes Colorado PERA's 401(k) and 457 Plans.

## *What is PERAdvantage?*

PERAdvantage is the new name for the investment options in PERA's DC, 401(k), and 457 Plans.

## *Why is PERA making these changes?*

Since 2009, the PERA 401(k)/DC and 457 Plans have been under separate recordkeepers. Consolidating all three plans under ING allows PERA a unique opportunity to fully evaluate all facets of the Plans and make improvements. In many cases, you'll have access to new Plan features that will help you invest to reach your retirement goal.

By changing the investment options, you'll now have simplified choices with increased diversification within the investment line-up. You will be able to easily identify investments based on how the fund invests the money, rather than on name familiarity. The new PERAdvantage line-up offers access to different market segments that have not been previously available.

## *What improvements are being made to the Plans?*

Effective October 1, 2011, participants in the 401(k), 457, and DC Plans will all have access to the following features:

- Comprehensive investment advice at no additional charge
- Improved cost structure for actively managed investment options
- Index-based Target Retirement Date funds
- Professional account management (for an additional fee)
- Expanded investment selection through a self-directed brokerage window (for an additional fee)
- Access to all PERA accounts by logging on through [www.copera.org](http://www.copera.org) or calling 1-800-759-7372

## *What investments are available in PERAPlus and the DC Plans?*

The Plans will offer the PERAdvantage line-up of investments. PERAdvantage helps you to pick your investments by choosing one of two paths below that best describe your level of investment knowledge:

**1** If you're unsure of how to invest, you can:

Choose one fund, based on your expected retirement date. This fund is designed to automatically grow more conservative as you reach your retirement date.

Choose to have an investment professional manage your account (for an additional fee). ING's managed account program will provide a personalized savings and investment plan, implement your plan, monitor your plan, and make ongoing changes.

*More information is available by clicking on the link on the home page of PERA's Web site at [www.copera.org](http://www.copera.org).*



**2** If you're comfortable making your own investment decisions, you can choose your investments from a group of primary funds and additional investment options (with investment advice at no additional charge), or through a self-directed brokerage account (for an additional fee).

*What primary investments will be available in PERAdvantage?*

The following primary funds will be available: PERAdvantage Capital Preservation Fund (a Stable Value Fund), PERAdvantage Fixed Income Fund, PERAdvantage Real Return Fund, PERAdvantage Large Cap Stock Fund, PERAdvantage International Stock Fund, and PERAdvantage Small and Mid Cap Stock Fund.

*Besides the target retirement date funds and primary investments, what other investments are available in PERAdvantage?*

You may also invest in the PERAdvantage SRI Fund that screens for various social causes. For an additional fee, you can choose investments beyond the primary funds through self-directed brokerage.

*How will my current investments change?*

You will not have to take any action. Your investments will automatically be moved to the new PERAdvantage funds that most closely match the investment style of your current funds. Details are available on the PERA Web site.

*What kinds of funds will be available in the self-directed brokerage account?*

You will have access to the full brokerage of TD Ameritrade (the current provider in the 457 Plan). Prohibited transactions and investments include: selling short, using margin, trading in options, foreign securities (stocks and bonds), currencies, limited partnerships, bulletin board stocks, pink sheets stocks, futures/commodities, promissory notes, real estate/property outside of a Real Estate Investment Trust ("REIT"), collectibles, and municipal bonds.

*Will there be a blackout period?*

Yes, there will be a brief period where you will be unable to move and change investments, request loans and withdrawals, or add contributions and rollovers to the Plan. PERA is still working out the details of when the blackout period will begin and end but will notify participants by mail well in advance of the blackout period.

*Will the way I access my account change?*

If you are a 401(k) or DC Plan participant, the way you access your account will stay the same.

If you are a 457 Plan participant, beginning October 1, you will no longer need to log on separately to your PERA account and your 457 account. Your PERA Personal Identification Number (PIN) will allow you to access both accounts through [www.copera.org](http://www.copera.org). (If you don't already have a PERA PIN you will receive one prior to October 1.)

After October 1, there will no longer be a separate telephone number for the 457 Plan, you should call PERA at 1-800-759-7372 and select the 457 option to access your account.

*Can I attend a meeting to learn more?*

Yes, PERA is hosting informational meetings on the transition throughout the State starting in August. To find a meeting near you, visit the Meeting and Appointment Scheduler on PERA's Web site. If you cannot attend a meeting near you, PERA will post a Webinar of a meeting on its Web site.

*Are my costs going to go up?*

PERA believes that the transition will allow for improved investment access at a lower overall cost.