



# Plan Update

## It Takes All Kinds Of Investments To Make A Portfolio Grow

Stocks. Bonds. Cash. You may invest in them all through your Oregon Savings Growth Plan (OSGP) and maximize your retirement savings potential. A diversified portfolio reduces your exposure to risk, and increases your chances of positive returns.

Stock options provide growth for long-term and important goals, like retirement.

Bond options are designed to earn you a regular stream of cash payments.

For short-term cash needs, you can invest in the stable value option.

The logic is simple:

- Different investments may respond differently to changes in the economy. When one investment is down, another may be up.
- With a combination of investments, there is a greater possibility that some high returns will offset some potential low returns.
- By dividing your investment portfolio among several asset classes, you can build the portfolio that is right for you, based on your goals, age, and tolerance for risk.

*Please note that this information is not intended to constitute investment advice. For specific investment advice regarding your account please consult with your investment advisor.*

## When Less Is More: Consider Consolidating Your Retirement Savings Into One Account

It is not uncommon to change jobs during your career. If you have worked for multiple employers and your retirement assets are still in your former employers' retirement plans, you could end up with retirement accounts at several investment companies—many of which assess a regular maintenance fee. Why not consolidate all your retirement accounts, including any traditional IRAs, into your OSGP account?

The chief advantages of consolidating your retirement savings into your OSGP account:

- Simplified recordkeeping—you receive only one statement.
- You can see your asset allocation and total accumulation at a glance. This helps you better manage your investment strategy and set up your preferred investment mix.

Important OSGP features:

- A broad range of professionally managed investment options diversified over multiple asset classes.
- A strong record of controlling expenses. Lower fees means more money into your account.
- A long history of helping people save for retirement.

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- Multiple ways to receive your retirement income. Examples—lump sum and partial lump sum, systematic withdrawals, and minimum distributions.

We have enclosed a rollover form for your convenience.

If you have any questions, please call Justin Naegle at 503-378-3730, ext. 223.

## Top Off Your Retirement Savings By Electing A Catch-Up Contribution

Feel like you're not saving as much as you would like for retirement? You are not alone. Luckily, OSGP has two types of catch-up provisions that allow participants to save even more for impending retirement.

### 50 PLUS CATCH-UP

Employees who are age 50 or older, and contribute at the maximum deferral rate, may also be eligible to contribute an additional amount of \$4,000 for the 2005 calendar year.

### TRADITIONAL CATCH-UP

Participants who are planning to retire with unreduced retirement benefits can save twice the normal deferral limit (an additional \$14,000) each year during the three calendar years before reaching the year of their projected retirement date.

**Some limitations and restrictions regarding catch-up contributions are as follows:**

1. You cannot participate in both the Age 50 Catch-Up and the Traditional Catch-Up in the same year.

2. You cannot participate in the Traditional Catch-Up in the year of your retirement.
3. Your total contribution limit will depend on which type of Catch-Up contribution you elect:

<b>Maximum Pre-Tax Contribution</b>	<b>\$14,000</b>
<b>Maximum 50 Plus Catch-up</b>	<b>\$ 4,000</b>
<b>Maximum Traditional Catch-up</b>	<b>\$14,000</b>
<b>Maximum Total Contribution</b>	<b>\$18,000 or \$28,000</b>

Don't miss this opportunity to save as much as you can for retirement. You can increase your contribution amount to reach both the pre-tax and catch-up contribution limits by obtaining a *Catch-Up Provision Worksheet* in the Forms section of the Web site at [osgp.csplans.com](http://osgp.csplans.com), or by calling the Information Line at 1-800-365-8494.

## Advisory Corner

OSGP received 20 applications for the open position on the Advisory Committee. A final decision will be announced at the next Advisory Committee meeting which will be held at 9:30 a.m. on August 10 at the Archives Building in Salem. Thanks to everyone who expressed interest in the committee!

## Quarterly Calendar

The New York Stock Exchange is closed on Labor Day, Monday, September 5, 2005. Transactions made on this day will be processed the following business day.



Use Quicken® or Microsoft Money® to download your OSGP account information and transaction history to one of these financial management software programs. With this feature, you have one more way to keep track of and reach your financial goals! For complete instructions, go to [osgp.csplans.com](http://osgp.csplans.com) under "What's New?"

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