



INVEST IN YOUR FUTURE



You should consider the investment objectives, risks, and charges and expenses of the investment options carefully before investing. The fund prospectuses and an information booklet containing this and other information are available by contacting your local Representative. Please read the information carefully before investing.

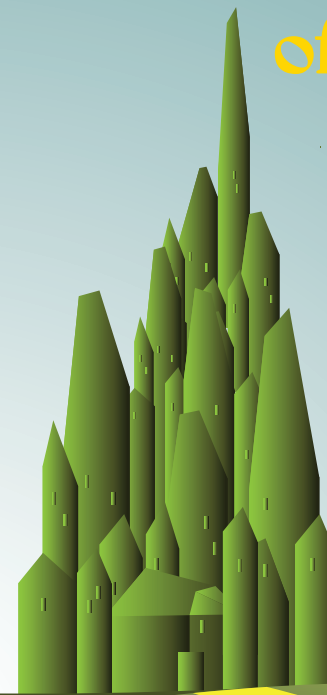
Insurance products are issued by ING Life Insurance and Annuity Company, One Orange Way, Windsor, CT 06095. Securities are distributed by ING Financial Advisers, LLC, (Member SIPC). Securities may also be distributed by other Broker-Dealers with which ING Financial Advisers, LLC has a selling agreement.

167290 3027105.G.P

THE COUNTY OF SAN BERNARDINO IS PLEASED TO PRESENT:

The Wonderful Wizard of Retirement Savings

Featuring a new Roth option on the Yellow Brick Road



Retirement planning can seem like a wild ride...
don't let your retirement goals get blown away.

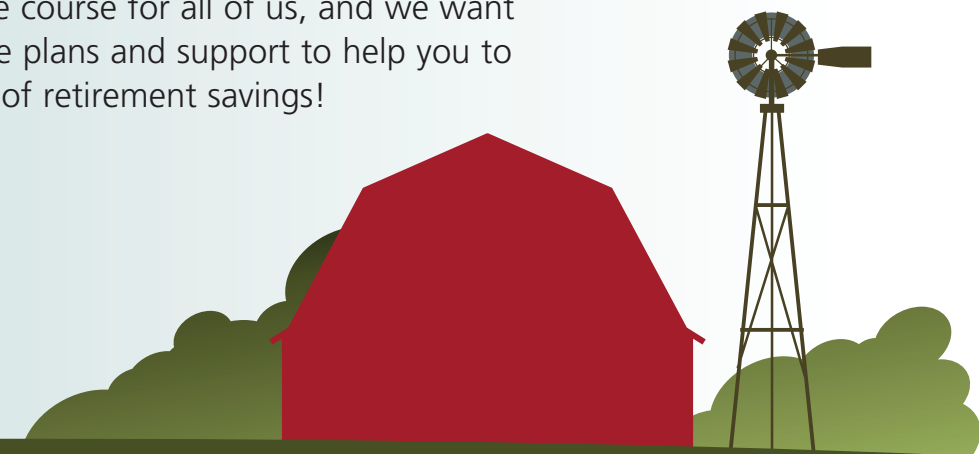
Saving for retirement has always presented challenges: how much should you save, when should you start, and how much income will you really need when you retire? And now most of us need to take an even more active role than in the past, because when it comes to saving for retirement, we have a greater share of the responsibility than ever.

The Yellow Brick Road — a consistent, disciplined way to save!

Though there's no guarantee that any savings plan can provide absolute protection against extraordinary financial challenges, the County of San Bernardino's 457(b) plan represents a consistent, disciplined and automatic way to save toward a more secure retirement.

This kind of saving is what we mean by "staying on the yellow brick road." We call it that because the County of San Bernardino believes each of us is on a journey to our own personal Emerald City, in other words, achieving the retirement goals and dreams that we set for ourselves.

Saving for retirement is a wise course for all of us, and we want to be the 'wizard' offering the plans and support to help you to stay on the yellow brick road of retirement savings!



So what is a Roth?

Unlike contributions to a traditional 457 plan, which are made on a pre-tax basis, contributions to a Roth 457 are made on an after-tax basis. What this means is that taxes are withheld from your Roth contributions before they're invested in your County of San Bernardino retirement account. In exchange, you can withdraw your contributions and any earnings on the account tax-free when you retire,* which may have the potential to add to your income in retirement.

Now you can choose: Compare the traditional 457(b) and the Roth 457(b).

	Traditional 457	Roth 457*
Money going in	Pre-tax contributions are deducted from your salary before taxes are taken out, which can reduce your current taxable income.	After-tax contributions are subject to federal, state and local income tax withholding.
Earnings, if any	Are tax-deferred until withdrawn.	Earnings are tax-free as long as qualifying conditions are met.*
Money coming out	Distributions are taxable as current income when withdrawn.	Distributions are tax-free, as long as qualifying conditions are met.*
Money moving on	Rollovers allowed to move to another traditional governmental 457(b), 403(b), 401(a)/(k), or traditional or Roth IRA.	Rollovers are allowed to move to another Roth account in a 457(b), 403(b), 401(k), or Roth IRA.**
Required minimum	The IRS requires distributions to begin at age 70½ or retirement, whichever is later. An IRS 50% penalty tax applies to any RMD amount not taken in a timely manner.	The IRS requires distributions to begin at age 70½ or retirement, whichever is later.

* The funds must have been held in the plan for a minimum of five years and satisfy one of the following qualifying events: you are at least 59½ and separated from service, you become disabled, or you die, in which case funds would be released to your beneficiaries.

** Rollovers to plans other than a governmental 457(b) Roth plan will be subject to the IRS 10% premature distribution penalty tax, unless an exemption applies.

Can't pick a Plan?

A combination of traditional pre-tax and Roth after-tax contributions may keep you on the yellow brick road, if you:

- Would like tax free retirement income, but also want the current tax deduction on your pre-tax contributions.
- Believe your taxes in retirement will be about the same or are unsure where taxes are headed in the future
- Would like the flexibility to hopefully optimize your tax strategy each year during retirement

So how do you get to your personal Emerald City?

How do you decide which savings option – traditional, Roth, or both – makes sense for you? It can depend on a number of factors. Let's consider a few others traveling down the yellow brick road and the different savings options they've chosen. Take a good look at their scenarios before you make up your own mind which way to go.

All three of the choices outlined below are different options available to you on the yellow brick road. No matter which option you choose, the important thing is to keep on saving!



Scarecrow (age 25) is a brainy guy who just started working for the County. He feels good about the fact that he's already starting to build up his savings.

Scarecrow:

- Isn't worried about the tax deduction now.
- Is confident his salary will increase over the years to come
- Expects to be in a higher tax bracket when he retires.

	Traditional Pre-tax 457	Roth after-tax 457
Gross Income	\$35,000	\$35,000
Annual Salary available to save	\$3,000	\$3,000
Less taxes at 15% ¹	\$0	-\$450
New yearly contributions	\$3,000	\$2,250
Total over 40 years	\$120,000	\$90,000
Value at retirement*	\$478,200	\$406,480
Less taxes at 33% ²	\$159,500	
After tax value	\$318,700	\$406,480

Conclusion: Consider Roth 457

*Assumes 40 years of contributions at 6%



Lion (age 45) is king of the forest and considers himself in his peak earning years. He knows he won't make this money forever, but wants to enjoy it while he can.

Lion:

- Doesn't think he can afford to lose another tax deduction at this point
- Doesn't really like change
- Expects to be in a lower tax bracket when he retires.

	Traditional Pre-tax 457	Roth after-tax 457
Gross Income	\$75,000	\$75,000
Annual Salary available to save	\$10,000	\$10,000
Less taxes at 25% ¹	\$0	\$2,500
New yearly contributions	\$10,000	\$7,500
Total over 20 years	\$200,000	\$150,000
Value at retirement*	\$378,900	\$284,200
Less taxes at 15% ²	\$56,800	\$0
After tax value	\$322,100	\$284,200

Conclusion: Consider Traditional 457

*Assumes 20 years of contributions at 6%



Tin Man (age 55) likes the idea of possible tax-free retirement income, but he also likes his current tax deduction. And he's a little rusty when it comes to deciding where tax rates may be headed.

Tin Man:

- Is getting close to retirement, but still has a few years to go
- Wants the flexibility to optimize his tax strategy from year to year, as he withdraws retirement income

	Traditional Pre-tax 457	Roth after-tax 457
Gross Income	\$60,000	\$60,000
Annual Salary available to save	\$6,000	\$6,000
Less taxes at 25% ¹	\$0	-\$1,500
New yearly contributions	\$6,000	\$4,500
Total over 10 years	\$60,000	\$45,000
Value at retirement*	\$81,500	\$61,100
Less taxes at 25% ²	\$20,400	\$0
After tax value	\$61,100	\$61,100

Conclusion: Consider Both

*Assumes 10 years of contributions at 6%

1 Based on 2012 federal tax rates
2 Assumed rates designed to illustrate impact of lower and higher tax rates in retirement

This illustration assumes a weekly pay period, with contributions made at the beginning of each pay period.

This chart does not reflect any record keeping, administrative or contract fees. Had they been reflected, the return of the variable annuity would be lower. Lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in the performance between the accounts posted above. Consider your personal investment horizon; current and anticipated income bracket when making an investment decision as those may further impact the results of this illustration. Bear in mind that changes in tax rates and tax treatment of investment earning may impact the comparative results. Income tax is due upon withdrawal of deferred compensation amounts. These returns are hypothetical, not guaranteed, and do not reflect the performance of any specific investment. Systematic investing does not assure a profit and does not protect against loss in declining markets. Investors should consider their financial ability to continue their purchases through periods of low price levels. Taxes on distribution reflect federal income taxes only. California state income taxes are not included in calculations. Your actual taxation will differ depending on your tax bracket when you receive the distribution. You may be in a lower tax bracket when you ultimately retire and begin taking benefits.

Is Roth the option that can help get you to the Emerald City? Find out below

Answer the questions in this chart to see if a Roth may be a good choice

Yes No

- Do you plan to work quite a few more years until you retire?
- Do you think your tax rate will be higher when you retire?
- Are you willing to swap a current tax break for a longer-term tax break?
- Can you afford to save more now, so you can contribute the same amount to your after-tax Roth 457(b) as you would to your pre-tax 457(b)?
- Do you Like the idea of diversifying your tax strategy, just as you diversify your investment strategy?
- Are you focused on passing as much as possible to your heirs?
- Do you currently max out your pre-tax contributions?

The more you answer

“Yes”

to these questions, the more you may want to consider the Roth 457(b) option

Whichever savings option you choose, traditional or Roth, your County of San Bernardino 457(b) plan will come with the following features:

- Investment flexibility – you can select from the same investment options
- Convenience – you can put money aside using automatic payroll deductions.
- Compound interest – works to your advantage when investing for the long term.
- Higher contributions limits – you can contribute more through the County of San Bernardino Retirement Plan than you can in an individual retirement account (IRA) that you set up on your own.



Don't ignore what's behind this curtain!

Here are answers to commonly asked questions

What is a Roth qualified distribution?

To be considered a Roth qualified distribution, and therefore tax free, there is a two-prong test that must be met:

- Five-year holding period, and
- Distribution on/after age 59½ (assuming you have separated from service), death, or disability.

What is the five-year holding period?

It determines when you can take tax-free distribution of your earnings. Subject to your plan's distribution rules, you can withdraw money from your Roth 457 tax-free – as long as you satisfy this five-year rule and meet certain events. To make a tax-free withdrawal from your Roth 457, your first Roth 457 contribution must have been made to your San Bernardino 457(b) retirement account at least five years ago and you must be at least age 59½ (assuming you have separated from service), become disabled, or die. Special rules apply to rollovers.

I'm young and currently in a low tax bracket, but I expect my earnings to grow. Is the Roth 457(b) right for me?

It could be. The longer you can leave your money in your Roth 457(b) and the higher you expect your taxes to be in the future, the more you may be able to benefit from the tax-free income a Roth 457 can provide in the future.

I may retire in a few years. Is the Roth 457 right for me?

That depends on when you plan to start withdrawing money from your 457 savings. To qualify for tax-free distribution of earnings from a Roth 457, you have to satisfy the five-year holding period. To make a tax-free withdrawal from your Roth 457, you have to be entitled to a distribution, and be 59½, disabled, or deceased and have made the initial Roth 457 contribution to your San Bernardino Retirement account at least five years ago.

What are the differences between a Roth 457 and a Roth IRA?

- Income limitations: The Roth 457 does not have the income limitations for eligibility that apply to a Roth IRA. You can defer taxes on more money with the Roth 457, with its basic contribution limit of \$17,500 in 2013, compared to the Roth IRA, which has a basic contribution limit of \$5,500 in 2013.

- Required minimum distributions: There are no required minimum distributions in the Roth IRA. However, Roth 457 distributions are required at the later of age 70½ or the date you stop working for your employer. If you do not take your required minimum distribution, a 50% penalty would apply to all amounts not taken from the Roth 457 Plan.

The Roth IRA does not have withdrawal restrictions (you can withdraw your Roth IRA funds at any time), while withdrawals from your Roth 457 are limited to severance of employment, unforeseeable emergency, death, disability, or attainment of age 70½.

- Rollovers: Roth 457 amounts may be rolled into another 401(k), 403(b), or governmental 457(b) plan that has a Roth feature or to a Roth IRA. However, if the amounts are rolled to a Roth IRA, the amounts are subject to the five-year holding period associated with that Roth IRA.

Does the 10% IRS penalty tax for distributions prior to age 59½ apply?

Typically, no; an IRS 10% premature distribution penalty tax could apply if you were to roll designated Roth amounts from an IRA, 401(k) or 403(b) plan into a governmental 457 plan with a Roth feature if, when withdrawn, those amounts were considered non-qualified Roth distributions.

What are the contribution limits?

Your combined pre-tax and Roth after-tax contributions can't exceed the IRS current annual limits for 457 plans.

How will contributing after-tax dollars affect my take-home pay?

Unlike traditional pre-tax contributions, Roth after-tax contributions won't reduce your current taxable income. So you'll actually be paying taxes on a higher amount, which could reduce your take-home pay.

How do I change my contributions to my San Bernardino 457(b) retirement account from pre-tax to after-tax?

You can change your contribution option online after you log into your account at www.ingretirementplans/custom/sanbern; by completing a Participant Agreement Amendment Form; or by calling (800) 452-5842 or (909) 748-6468 to discuss your enrollment and investment options.

And remember,
there's no place
like home...

Especially when it comes to getting more information about the County of San Bernardino Roth 457(b) plan. Visit the County's Retirement Web site or contact your local representative today!

- Go to www.ingretirementplans/custom/sanbern to download an Enrollment form, or
- Call (800) 452-5842 or (909) 748-6468 to speak with someone about your investment options