

Welcome

Congratulations! You are about to take an important step in planning for your future financial security. San Mateo County Community College District is pleased to offer you the San Mateo County Community College District Deferred Compensation Plan as a benefit to help you reach your financial goals for retirement.

This booklet describes the basics of San Mateo County Community College District Deferred Compensation Plan including the enrollment process and the array of available investment choices. It also explains the additional services and features available to plan participants.

Helping you save for a more financially secure retirement is one way that San Mateo County Community College District thanks you for your contribution to the organization's success. Please review the enclosed information carefully and complete the enrollment process to join the plan as soon as you are eligible.

If you have questions of a non-administrative nature regarding the plan, please contact the Plan Representative(s):

Benjamin Yohanan
Brecek & Young Advisors, Inc.
1650 Borel Place, Suite 227
San Mateo, CA 94402
(650) 573-9960

We hope you'll take advantage of this important benefit.

457 Plan Highlights & Program Overview

Welcome to your employer's retirement Plan! Whether you are considering enrolling in the Plan, or currently are a participant, it is worthwhile to invest a few minutes learning about the fundamentals of your employer's Plan and The Hartford's program. More detailed information about your Plan is available by contacting your Plan's administrator or your Hartford Representative.

457 Plan Overview

Your employer's 457 Plan may just be one of the easiest and most convenient ways to prepare for your retirement.

Under Section 457 of the Internal Revenue Code, Deferred Compensation Plans were established to permit you, on a voluntary basis, to authorize your employer to withhold a portion of your salary and invest it, on a tax-deferred basis, for payment to you at a later date. Neither your contributions nor any investment earnings are subject to current federal and (in most cases) state income taxes. Taxes become payable when your account assets are distributed to you, generally at retirement, when you may be in a lower income tax bracket. As you withdraw assets from the Plan, they will be taxed as ordinary income.

Currently, the Internal Revenue Service (IRS) does not impose a tax penalty on assets withdrawn from a 457 Plan regardless of your age, but certain withdrawal restrictions may apply.* Ask your Hartford Representative for details.

*Please note that the 10% premature withdrawal penalty applicable to IRAs and other retirement plans will continue to apply to these amounts when rolled into a governmental 457 plan.

Plan Highlights

Your employer offers a 457 Deferred Compensation program funded by a group variable annuity contract issued by Hartford Life Insurance Company, and underwritten and distributed by Hartford Securities Distribution Company, Inc., where applicable.

Eligibility

You are eligible to participate in the plan immediately upon employment.

Plan Entry Date

You are eligible to participate in the plan immediately, following completion of the plan's eligibility requirements.

Before-Tax Contributions

Through the convenience of payroll deductions, you can make pre-tax contributions up to the lesser of \$15,500 or 100% of includible compensation. Your pre-tax contributions – and any earnings – will accumulate tax deferred until withdrawn (generally at retirement), at which time withdrawals will be taxed as ordinary income.

Rollover Contributions

If you have an existing 457 deferred compensation or retirement plan account with a prior employer or a traditional IRA, you may be able to transfer (“rollover”) that account into the Plan at any time. However, you are not allowed to transfer after-tax contributions from a traditional IRA into the Plan. For more information about transferring an account into the Plan, please contact your Hartford Representative.

Social Security Benefits

Your contributions to, or withdrawals from, the Plan will not reduce your Social Security benefits.

Impact on Taxes

For federal income taxes, your current income is reduced by the amount you contribute on a pre-tax basis.

For example: If your annual salary is \$24,000 and you contribute \$2,000 to the Plan, your taxable income is shown as \$22,000 in box 1 of your W-2 form. These adjustments are made automatically, through San Mateo County Community College District's payroll system.

Contribution Changes

You may start, stop, increase or decrease your contribution as often as your employer allows. You may stop contributing at any time, and start again at a later date. This enables you to contribute at a pace that fits your budget. See your Hartford Representative for details.

Catch-Up Provision

Special “catch-up” rules may allow you to defer more than the normal maximum contributions.

Pre-Retirement Catch-Up - you may be able to defer up to twice the standard limit in effect for the applicable year. The limit in 2008 is \$31,000. The pre-retirement catch-up period runs for the three consecutive taxable years ending with the year before the year in which you reach your plan's normal retirement age.

Age 50+ Catch-Up – may allow for individuals age 50 and older to contribute an additional \$5,000 deferral to the plan in 2008.

Please note that the Age 50+ Catch-Up provision is not available for any year in which the Pre-Retirement Catch-Up provision is utilized.

For assistance in determining if you are eligible for either of the Catch-Up provisions, see your Hartford Representative.

Investment Choices

The contract offers a wide variety of investment options to meet your needs, including a General (Declared Rate) Account which provides a credited rate of interest. You can direct your contributions into one or more of the available investment options. See the Investment Section of this booklet for more information.

Charges for Transfers Between Investment Options

There are no additional charges for transfers between investment options.

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Submitting Transfers Between Investment Options

You are allowed to submit a total of 20 transfer requests each calendar year for your Participant Account by any permitted means. Once these 20 transfers have been requested, you may submit any additional transfer requests only in writing by U.S. Mail. Transfers as a result of Dollar Cost Averaging and Automatic Rebalancing programs do not count toward the 20 transfer limit.

Each calendar year, we reset your transfers to allow 20 new transfers by all approved methods.

For more information, visit our website:
<http://retire.hartfordlife.com>.

Continuous or periodic investment plans neither assure a profit nor protect against loss in declining markets. Because Dollar Cost Averaging involves continuous investing regardless of fluctuating price levels, you should carefully consider your financial ability to continue investing through periods of fluctuating prices.

Competing Investment Option Restrictions

You have the flexibility to transfer amounts from one investment option to another. However, you may not transfer amounts directly from the General (Declared Rate) Account or the Hartford Money Market HLS Inv Opt as competing investment option restrictions apply. An investment in the Hartford Money Market HLS Inv Opt (the 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 \$1.00 per share, it is possible to lose money by investment in the Fund. See your Hartford Representative for details.

Dollar Cost Averaging

You may participate in the Dollar Cost Averaging (DCA) program. Through DCA, you may transfer a specified amount at set intervals from either the General (Declared Rate) Account or the Hartford Money Market HLS Inv Opt into one or more investment options. This enables you to purchase more units when the price is lower and fewer units when the price is higher. DCA typically results in the average cost per unit being less than the average price per unit.

Please note: DCA requires continuous investing, regardless of fluctuating price levels. You should consider your financial ability to continue purchasing units especially in periods of fluctuating prices. While DCA cannot assure a profit or protect against loss in a declining market environment, it can be a sound investment strategy.

Online Retirement Planning and Advisory Services – Guidance:

Morningstar® Guidance Online™ is an Internet-based retirement planning and guidance service that provides asset allocation recommendations. This feature integrates investment research, education, asset allocation guidance and many other unique features to give you a comprehensive, web-based approach to investing for retirement from a trusted independent source—Morningstar Associates, LLC. You will have access to Morningstar Guidance Online through HartfordOnline once you enroll in the plan and receive both your HartfordOnline User Identification Number and Personal Identification Number.

Distributions

Your account assets may generally be withdrawn from your 457 Plan under the following qualifying circumstances:

- Attainment of age 70½
- Retirement
- Separation from service
- Unforeseeable emergency (“hardship”) withdrawal
- Death of Participant

Ordinary income taxes will apply to each withdrawal. Withdrawals are subject to the authorization of your employer.

Death Benefit

If you die on or after age 65, but prior to your annuity commencement date, your designated beneficiary(ies) will receive the current value of your account as of the date of due proof of death and claim for payment are received in good order.

If you die prior to age 65, your designated beneficiary(ies) will receive the greater of (1) the current value of your account as of the date The Hartford receives satisfactory written proof of your date of death and claim for payment or (2) 100% of the contributions made on your behalf, less any withdrawals.

Be sure to complete the Beneficiary Designation form when you enroll in the plan and make changes when necessary to

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keep the form current.

Unforeseeable Emergency ("Hardship Withdrawal")

Under Internal Revenue Code Section 457, an unforeseeable emergency is a severe financial hardship to the participant, resulting from a sudden and unexpected illness or accident of the participant or of a dependent of the participant. Foreseeable expenses such as transportation, education or the purchase of a new home are not considered unforeseeable emergencies. Your Hartford Representative can provide you with information regarding your employer's procedure for filing a hardship withdrawal.

Withdrawal/Surrender Charges

There are no withdrawal charges. However, should your employer allow Plan assets to be transferred to any additional program provider other than The Hartford, this provision may change. Contact your employer or a Hartford Representative for more information.

Payout Options

If you terminate employment, you currently have several options. You may choose to leave your account assets at The Hartford where they will remain invested in the investment options you selected. You may request a distribution and either liquidate your account (certain restrictions and surrender charges may apply) or you may transfer your account assets into another eligible retirement plan including a traditional Individual Retirement Account (IRA), 401 plan, 403(b) plan or governmental 457(b) plan.

Upon retirement or termination of employment you may select from a number of payout options. You may elect to receive a lump sum distribution. You may also elect a distribution plan under Installment Payments (Systematic Withdrawals). Installment Payments provide you flexibility in selecting the payment amount, timeframe and investment options. By choosing to take a distribution using an installment payment method, your account balances will continue to earn the General (Declared Rate) Account's competitive rate of return and/or participate in the performance of the variable investment options. Finally, you may select from several lifetime annuity payout options. For details, call (800) 243-1422 and speak to a Payout Options Representative.

How to Get Started

Simply complete the applicable enrollment forms and return them to your Hartford Representative or your Plan representative.

Choosing The Hartford

We will provide you with the tools and services that can help enable and empower you to manage your financial future with confidence. We have a strong history of experience in the retirement plan industry, and are committed to helping retirement dreams come true – one investor at a time.

The Hartford is here when and how you need us. Our goal is to make managing your financial future as convenient and comfortable as possible.

Quarterly Statement of Account

You will receive a comprehensive Statement of Account each quarter.

The statement will show your account balance at the beginning of the period, any activity in the account during the period, the amount of any earnings, account balance at the end of the period, contributions, historical investment option performance and more.

Included with your Statement of Account is an informative newsletter, written expressly for retirement investors like you.

Your Hartford Contacts

Your local Hartford Representative is a knowledgeable and valuable resource. He or she can provide you with information to help you make intelligent, informed decisions about your retirement planning strategy. Whether you choose to meet one-on-one or attend a variety of educational group meetings at your work site, you can feel confident that you'll receive personal, professional service. Call The Hartford at 1-800-528-9009 for more details.

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The Hartford is committed to helping you reach your retirement objectives with knowledge and confidence. See the possibilities with The Hartford ... and plan to succeed.