

2004

MARYLAND TEACHER'S & STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLAN'S ANNUAL REPORT

REACHING FOR NEW HEIGHTS



The CY2004 Annual Report is brought to you by the Maryland Teachers and State Employees Supplemental Retirement Plan's Board of Trustees.

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ABOUT THE BOARD

The Maryland Supplemental Retirement Plans are administered by a nine-member Board of Trustees whose members are appointed by the Governor of Maryland to staggered four-year terms.

The governor must select three members from any of the following departments, agencies or boards: the Department of Budget and Management, the Department of Education, the Comptroller of the Treasury, the State Treasurer's Office, the Maryland State Retirement and Pension Systems or the Maryland Higher Education Commission.

Three other members must be eligible to participate in one or more of the plans, provided that at least one is eligible for the 403(b) plan. Three additional members must represent the general public and must not be eligible to participate in the plans. One of these members must have experience with deferred compensation and salary reduction plans.

HISTORY OF PROGRAM

The Maryland Deferred Compensation Program was established for Maryland state employees in 1974 by Executive Order 01.01.1974.19 and under Chapter 433 of the Acts of 1974. In 1975, enrollment began and a seven-member Board of Trustees administered the plan. Subsequently, the U.S. Congress established the 457(b) Deferred Compensation Plan for public employees as part of the Internal Revenue Code in 1978.

Chapter 741 of the Acts of 1985 brought the 457(b) Deferred Compensation Plan under the direction of a nine-member Board of Trustees. The acts also gave the board authority to administer a 403(b) Tax-Deferred Annuity Plan and a 401(k) Savings and Investment Plan. The Maryland 403(b) plan became operational in 1985, and the Maryland 401(k) plan began in 1990. These three plans came to be known as the Maryland Teachers and State Employees Supplemental Retirement Plans.

In May of 1998, the governor signed legislation (HB 987/Chapter 530 of the Acts of 1998) passed by the Maryland General Assembly that in part provides for a match to the state's 457(b), 403(b) and 401(k) supplemental retirement plans. Effective July 1, 1999, a dollar for dollar match became operational at the statutory maximum of up to \$600 each fiscal year. Three years later, the maximum match was reduced by budget bill language to \$500 per participant for the 2003 fiscal year. Then in fiscal years 2004 and 2005, the match payment was suspended to reduce personnel expenses. According to the law, state employees who are members of the State Employees Contributory Pension System are eligible for the match. The state's contributions are immediately vested.

Title 35 of the State Personnel and Pensions Article authorizes the Board of Trustees to administer the Maryland plans and requires the board to pay all expenses from fees collected. A state general fund appropriation is not provided in this statute.

In addition to implementing, maintaining and administering the plans, the board is responsible for submitting progress and status reports to participants; submitting an annual report to the governor and General Assembly; appointing employees; and hiring consultants, administrators and other professional assistance. Each board member serves on at least one committee. The Audit committee reviews and assesses the annual financial statements prepared by the Board's independent auditor, including expanded procedures to test individual accounts and selected transactions to assure plan integrity. Other reviews such as periodic State legislative audits are also referred to the Audit committee. The Investment committee is charged with overseeing the investment performances of existing investment vehicles and acquiring and developing new products, while considering their appropriate number and implementation. The Investment committee works closely with the Board's selected investment advisor and pension consultant.

Sources:

1. Title 35 of the Personnel and Pensions Article
2. Chapter 741 of the Acts of 1985
3. Internal Revenue Service Private Letter Ruling
4. Presentation to the Joint Budget and Audit Committee by H. Louis Stettler, III, Ph.D., 1985.
5. Chapter 530 of the Acts of 1998
6. Chapter 439 of the Acts of 2002 (section 38 of the FY2003 Budget Bill)

BOARD OF TRUSTEES *as of December 31, 2004*

BOARD CHAIRPERSON

Mr. Frederick W. Puddester

Executive Director of Budget, Financial Planning and Analysis
- Johns Hopkins University Eligible-Participant Member

BOARD MEMBERS

Mr. Stephen M. Cordi

Deputy Comptroller - Office of the Comptroller
State of Maryland Agency Representative

Mr. Dennis J. Bell

Director, Office of Finance MTA/MDOT
Eligible Member

The Honorable Nancy K. Kopp

Treasurer - State of Maryland
State of Maryland Agency Representative

The Honorable Cecilia Januszkiewicz

Secretary, Department of Budget and Management
State of Maryland Agency Representative

Mr. Thomas D. Broadwater, Jr. Esq.

Public Member

Mr. William W. Whitescarver

Public Member

Ms. Marcia Zercoe

Public Member

BOARD COMMITTEES

Investment Committee

William Whitescarver - *Chairperson*
Marcia Zercoe
Nancy Kopp
Thomas Broadwater

Audit Committee

Dennis Bell - *Chairperson*
Cecilia Januszkiewicz
Stephen Cordi
Fred Puddester

BOARD ADVISORS

General Counsel

John K. Barry, Esquire
Assistant Attorney General, Office of the Comptroller

Independent Auditors

Clifton Gunderson, LLP
Certified Public Accountants & Consultants

Investment Contract Pool Manager

ING Financial Services

Third Party Administrator

Nationwide Retirement Solutions, Inc.

General Pension Consultant & Investment Advisor

The Segal Company/Segal Advisors, Inc.

BOARD STAFF

Michael T. Halpin, CRC, CRA
Executive Director

Roland L. Unger, CPA, CRC, CRA
Director of Finance

Bernice K. Weathers
Senior Accounting Specialist

Mirza C. Tumanon
Accounting Specialist

Lillie M. Jones
Accounting Assistant

Janet C. Wilt
Finance Secretary

Jennifer L. Kelley
Communications Specialist

Louis A. Holcomb, Jr., CRC
Director of Participant Services

Charles F. Meigs, Jr., CRC
Financial Field Representative

Joseph J. Bouffard, Jr.
Financial Field Representative

Valerie R. Schwaab, CRC
Financial Field Representative

Julia I. Graham, CRC
Financial Field Representative

Richard A. Arthur
Director of Technology

Anna Marie Smith
Executive Assistant

Dianne M. Raitzyk
Office Manager

Jacquetta L. Robinson
Receptionist

PROGRAM HIGHLIGHTS

- The number of participant accounts in the 457(b), 403(b) and 401(k) plans combined declined by 2.3%, or 148 accounts in 2004. The total participant accounts for all of the plans was 65,255.
- At year end, the net assets for all of the plans equaled \$1,987,003,962.
- The plans' mutual fund savings program returned \$1,968,713 to participants' accounts that were invested in the funds participating in the rebate program.
- Agency staff participated in 56 pre-retirement seminars and 30 life-planning seminars and conducted 10 financial seminars, 245 informational booths, 42 orientation/overview seminars, 40 sessions of one-on-one meetings, three financial workshops and three benefit coordinator academies during the year. About 18,740 state employees attended these seminars and booths. Nationwide Retirement Solutions conducted 1,849 group meetings across the state with 23,409 employees attending.

* *Participants are those who have account values, including those who are receiving systematic withdrawals*

INVESTED PLAN ASSETS

457(b) PLAN SUMMARY

	2004	2003
Participants	28,437	28,294
Total Net Assets	\$1,128,146,822	\$1,062,800,364
New Deferrals	\$55,252,547	\$53,138,993
Mutual Fund Savings	\$1,093,117	\$1,031,594
Net Investment Return*	\$86,020,363	\$149,196,288
Benefit Payments	(\$76,922,437)	(\$65,777,380)
Number of Loans / Loan Amount	756 / \$5,135,942	302 / \$2,284,823
Deferrals to Variable Options	64.8%	61.3%

403(b) PLAN SUMMARY

	2004	2003
Participants	1,217	1,242
Total Net Assets	\$67,323,565	\$62,962,338
New Deferrals	\$2,637,312	\$2,661,956
Mutual Fund Savings	\$122,028	\$83,478
Net Investment Return*	\$6,018,369	\$12,092,706
Benefit Payments	(\$4,416,482)	(\$3,513,266)
Number of Loans / Loan Amount	9 / \$185,200	8 / \$293,593
Deferrals to Variable Options	87.2%	83.9%

401(k) PLAN SUMMARY

	2004	2003
Participants	35,601	35,867
Total Net Assets	\$709,710,027	\$594,654,567
New Deferrals	\$84,646,299	\$85,530,045
Mutual Fund Savings	\$665,007	\$686,974
Net Investment Return*	\$59,055,221	\$101,035,710
Benefit Payments	(\$29,311,067)	(\$27,629,302)
Number of Loans / Loan Amount	1,140 / \$6,033,618	1,093 / \$4,950,601
Deferrals to Variable Options	74.7%	71.0%

401(a) PLAN SUMMARY

	2004	2003
Participants	37,452	38,506
Total Net Assets	\$81,823,548	\$76,781,081
New Deferrals	\$19,092	\$2,486,316
Mutual Fund Savings	\$88,561	\$172,182
Net Investment Return*	\$7,141,303	\$14,513,904
Benefit Payments	(\$2,206,489)	(\$1,786,887)
Number of Loans / Loan Amount	N/A	N/A
Deferrals to Variable Options	N/A	N/A

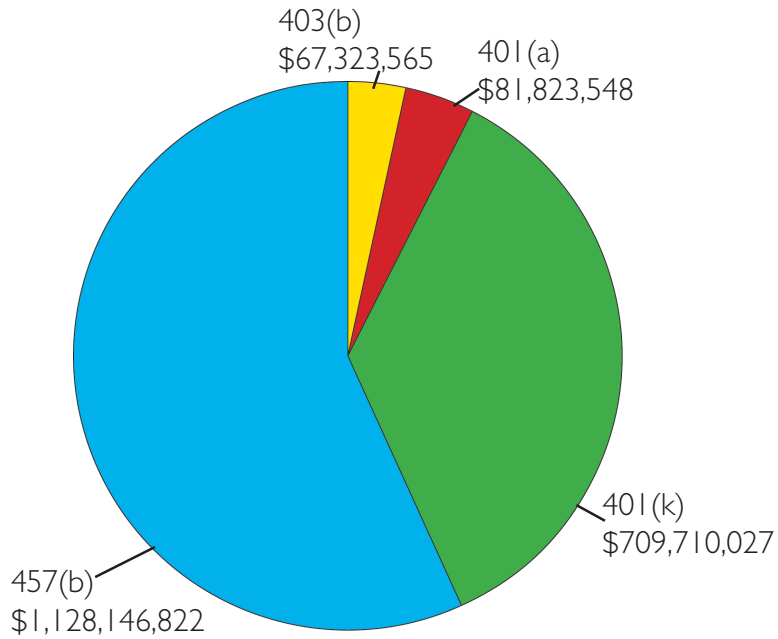
*Net investment return is gross investment return minus the 34 basis point (0.34%) asset fee.

Sources:

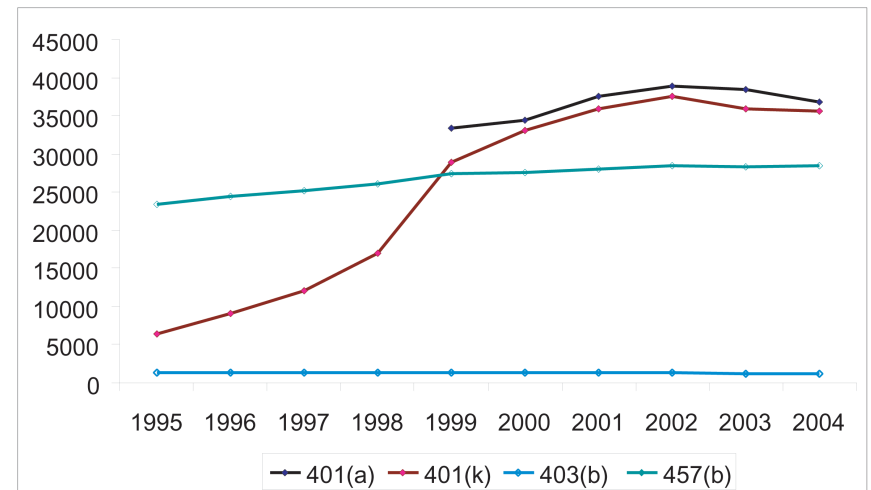
1. Clifton Gunderson LLP. Financial Statements.
2. Nationwide Retirement Solutions, Inc.
3. Maryland Teachers & State Employees Supplemental Retirement Plans.

SUMMARY OF PLAN ASSETS

At year-end, the net assets for all of the plans, including the 401(a) match plan, equaled \$1,987,003,962.



PARTICIPANT ACCOUNTS PER PLAN PLAN COMPARISON



PARTICIPANT ACCOUNTS PER PLAN

457(b) DEFERRED COMPENSATION PLAN

	2004	2003	2002	2001	2000	1999
Participants ¹	28,437	28,297	28,417	28,080	27,587	27,456
Deferring Participants ¹	16,496	16,461	15,647	14,505	13,417	14,901
New Enrollments ¹	356	1,408	2,025	1,172	815	1,971
Annuitants ²	2,545	2,607	2,929	6,174	3,740	3,626
Total Deferrals ³	\$55,252,547	\$53,138,993	\$45,324,247	\$33,658,564	\$33,867,423	\$33,950,589
Participants' Average Deferral ⁴	\$3,349	\$3,228	\$2,897	\$2,320	\$2,524	\$2,278

403(b) TAX DEFERRED ANNUITY PLAN

	2004	2003	2002	2001	2000	1999
Participants ¹	1,217	1,242	1,300	1,350	1,360	1,377
Deferring Participants ¹	405	446	476	525	518	592
New Enrollments ¹	0	9	30	28	34	128
Annuitants ²	66	60	51	57	60	51
Total Deferrals ³	\$2,637,312	\$2,661,956	\$3,120,051	\$2,859,098	\$2,887,189	\$2,821,354
Participants' Average Deferral ⁴	\$6,512	\$5,969	\$6,555	\$5,446	\$5,554	\$4,766

401(k) SAVINGS & INVESTMENT PLAN

	2004	2003	2002	2001	2000	1999
Participants ¹	35,601	35,867	36,974	35,909	33,096	28,911
Deferring Participants ¹	26,789	28,422	29,507	29,504	26,336	24,934
New Enrollments ¹	232	1,057	2,155	3,607	4,831	12,369
Annuitants ²	468	168	111	63	49	35
Total Deferrals ³	\$84,646,299	\$85,530,045	\$79,159,908	\$74,233,545	\$67,440,557	\$54,121,348
Participants' Average Deferral ⁴	\$3,160	\$3,009	\$2,683	\$2,516	\$2,561	\$2,171

PARTICIPANT ACCOUNTS PER PLAN

401(a) MATCH PLAN

	2004	2003	2002	2001	2000	7/1/99 – 12/31/99
Participants ¹	36,452	38,506	38,818	37,514	34,423	33,308
New Enrollments ¹	0	0	1,304	3,091	1,115	33,308
Annuitants ²	0	0	0	0	0	0
Total Employer Matching Contributions ³	\$19,092	\$2,486,316	\$18,384,375	\$20,570,151	\$19,916,744	\$14,546,456
Employer's Average Match Contribution ⁴	<\$1	\$65	\$474	\$548	\$578	\$437

DEFINITIONS

Participants. Those who have an account value, including those who are receiving systematic withdrawals and those who have recently enrolled in the plans and are awaiting their first deferral.

Deferring Participants. Those participating employees who made a contribution to the plan by payroll deduction at the end of the reporting period.

New Enrollments. State employees who opened up a new account.

Annuitants. Participants who are receiving systematic withdrawals or have purchased annuity contracts.

Participants' Average Deferral. Calculated by dividing the dollar value of "Total Deferrals" by the number of "Deferring Participants" at year-end.

Employer's Average Match Contribution. Calculated by dividing the dollar value of "Total Employer Matching Contributions" by the number of contributing "Match Plan Participants".

Sources:

1. Nationwide Retirement Solutions, Inc. Administrator's Report.
2. Nationwide Retirement Solutions, Inc.
3. Clifton Gunderson LLP. Financial Statements.
4. Maryland Teachers and State Employees Supplemental Retirement Plans.

BOARD INCOME & EXPENDITURES*

	2004	2003
Total Revenues	\$1,957,150	\$2,081,848**
Expenditures		
Salaries, Wages and Fringe Benefits	\$1,026,554	\$1,079,734
Technical and Special Fees	\$12,386	\$7,945
Communications	\$10,131	\$18,698
Travel (In-State and Out-of-State)	\$24,229	\$25,737
Contractual Services	\$229,405	\$221,068
Supplies and Materials	\$13,878	\$14,594
Fixed Charges	\$101,016	\$103,327
Equipment and Furnishings	<u>\$2,962</u>	<u>\$3,794</u>
Total Expenditures	\$1,420,561	\$1,474,897
Revenues Less Expenditures	\$536,589	\$606,951
Reserve Balance	\$887,759	

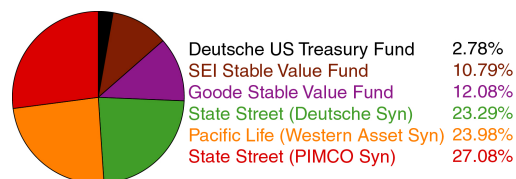
INVESTMENT CONTRACT POOL

[Available in the 457(b) plan, the 401(k) plan, and the 401(a) match plan]

Effective Periods

1st Quarter, 2004	4.3%
2nd Quarter, 2004	4.1%
3rd Quarter, 2004	4.0%
4th Quarter, 2004	4.0%

Participant Blended Rate



2004 Matured Contracts

Aegon Monumental GIC

NOTES:

* The Maryland Teachers & State Employees Supplemental Retirement Agency administers the Maryland plans with special funds only. The agency collects these funds as participant's fees. It does not use state general fund appropriations. The agency holds revenues in a board reserve account for unanticipated necessary expenses.

** Board revenues in 2003 were the result of an annualized asset fee of 0.11% plus a special fee of \$6 per plan account collected in March 2003.

Source: Maryland Teachers & State Employees Supplemental Retirement Plans.

DEFINITIONS

Participant Blended. These are the rates credited to participants' accounts before the deduction of asset fees. They are the blended rates of all contracts in effect during the quarter. As of January 1, 2004, the annual asset fee is 34 basis points (0.34%) for plan administration.

Sources:

ING Aetna Financial Services
 Maryland Teachers & State Employees Supplemental Retirement Plans.
 The Segal Company, Inc.

MUTUAL FUNDS

Percentage Rates of Return for Period Ending December 31, 2004

		1 YEAR	5 YEARS	10 YEARS	5-YEAR BETA
Money Market Fund	Vanguard Prime Money Market Fund				
	[403(b) plan only] INDEX: 91-Day Treasury Bill	1.1% 1.4%	2.8% 2.6%	4.1% N/A	N/A N/A
Bond Fund	Federated U.S. Government Securities Fund: 2-5 Years	1.6%	6.4%	6.3%	N/A
	INDEX: Lehman Bros. Interm. Govt. Bond	2.3%	6.6%	6.8%	N/A
Conservative: Balanced Funds	PIMCO Total Return Fund Institutional Shares	5.1%	8.5%	8.6%	N/A
	INDEX: Lehman Bros. Aggregate Bond	4.3%	7.7%	7.7%	N/A
	Fidelity Puritan Fund	9.3%	5.6%	10.4%	0.6%
	INDEX: 60% S&P/40%	8.3%	2.0%	10.7%	N/A
	Scudder Flag Investors Value Builder Fund – Institutional Shares	9.0%	3.6%	5.1% ⁽¹⁾	0.9%
	INDEX: 70% S&P/30%	9.0%	0.9%	11.1%	N/A
Moderate: Growth & Income Funds	Fidelity Growth & Income Portfolio	9.8%	-1.0%	11.1%	0.7%
	Legg Mason Value Trust Navigator Class	13.1%	2.9%	19.8%	1.1%
	Vanguard Institutional Index Fund	10.9%	-2.3%	12.1%	1.0%
	INDEX: Standard & Poors 500	10.9%	-2.3%	12.1%	1.0%
	Growth Fund of America Class A Shares	12.0%	1.8%	14.8%	1.1%
	INDEX: Russell 1000 Growth	6.3%	9.3%	9.6%	N/A
	Washington Mutual Investors	9.9%	5.4%	13.5%	0.7%
INDEX: Russell 1000 Value	16.5%	5.3%	13.8%	N/A	
Aggressive: Growth Funds	INVESCO Dynamics Fund	11.9%	-8.5%	10.4%	1.7%
	INDEX: Russell Mid Cap Growth	15.5%	-3.4%	11.2%	N/A
	Lord Abbett Mid Cap Value Fund	24.1%	18.3%	17.1%	0.7%
	Delaware Trend Fund – Institutional Class	12.6%	-0.8%	13.6%	1.5%
INDEX: Russell Mid Cap Value	23.7%	13.5%	15.7%	N/A	
More Aggressive: Small-Cap Funds	T. Rowe Price Small-Cap Stock Fund	18.8%	10.9%	14.5%	1.0%
	INDEX: Russell 2000	18.3%	6.6%	11.5%	N/A
International Funds	EuroPacific Growth Fund	19.7%	-0.5%	9.9%	N/A
	T. Rowe Price International Stock Fund	13.9%	-4.6%	5.1%	N/A
	INDEX: MSCI EAFE	20.3%	-1.1%	5.6%	N/A

(1) This is the rate of return since the Scudder Flag Investor Builders Fund's inception date of November 2, 1995.

DEFINITIONS

Rates of Returns

Rates of Returns. The rates of returns are net of the fund's annual operating expenses. They are before the deduction of asset fees.

Betas

Five-Year Beta. The beta coefficient is a statistical measure of a stock's relative volatility (or risk). For comparative purposes, the Fund's beta are measured relative to the S&P 500 Index, a measure of broad market activity. The Standard & Poors 500 Index (S&P 500) has a beta coefficient of 1.00. A stock with a higher beta is more volatile than the S&P 500. A stock with a lower beta is less volatile than the S&P 500. The five-year beta is representative of statistical data from January 1, 2000 through December 31, 2004.

Indices

91-Day Treasury Bill. A negotiable debt obligation issued by the U.S. government and backed by its full faith and credit, having a maturity of three months. Exempt from state and local taxes.

50% S&P/50% Lehman Bros. Aggregate Bond. This is the 50% S&P 500 and 50% Lehman Brothers Aggregate Bond Index. The Standard & Poor's 500 Index is a broad-based measurement of stock market conditions, as 70% of U.S. equity is tracked by the S&P 500. The index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighed index, with each stock's weight proportionate to its market value. The Lehman Brothers Aggregate Bond Index is a mix of government, corporate, mortgage-backed, asset-backed, and Yankee bonds.

MSCI EAFE Index. The Morgan Stanley Capital International (MSCI) Europe, Australia, and the Far East (EAFE) Index is an international equity index. It consists of 1,030 securities from the following 20 countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, the Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

Russell 2000 Index. This index is a small-capitalization index that consists of the 2,000 smallest stocks in the Russell 3000 Index, representing 10% of the total U.S. equity market.

60% S&P/40% Lehman Bros. Aggregate Bond. This is the 60% S&P 500 and 40% Lehman Brothers Aggregate Bond Index. The Standard & Poor's 500 Index is a broad-based measurement of stock market conditions, as 70% of U.S. equity is tracked by the S&P 500. The index consists of 500 stocks chosen for market size, liquidity, and industry group presentation. It is a market weighted index, with each stock's weight proportionate to its market size. The Lehman Brothers Aggregate Bond Index is a mix of government, corporate, mortgage-backed, asset-backed, and Yankee bonds.

Standard & Poor's 500 Index. This index is a broad-based measurement of stock market conditions, as 70% of U.S. equity is tracked by the S&P 500. The index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighed index, with each stock's weight proportionate to its market value.

S&P BARRA Growth Index. This index takes the stocks in the S&P 500 and then separates them into equal halves based on their price-to-book ratios.

Lehman Bros. Intermediate Gov't Bond Index. Includes Government Index Issues with a time to maturity between 1 and 10 years.

Medians

Fixed Income – Short Term. Median. This universe includes funds defined by Morningstar as Short-Term Bond. Short-Term Bond funds have an average duration of more than one but less than 3.5 years or an average effective maturity of more than one but less than four years.

Foreign Equity Non-U.S. Median. This universe includes funds defined by Morningstar as Foreign Stock funds which have no more than 10% of stocks invested in the United States. The median return represents the mid point of this universe.

Large Cap Blend Median. This universe includes funds defined by Morningstar as Large Blend. Large Blend funds invest in a combination of Large Cap Growth and Large Cap Value stocks. The return represents the mid point of this universe. Market caps greater than \$10 billion are considered large cap.

Managed Balanced Median. This universe includes funds defined by Morningstar as Balanced, which includes funds with stock holdings of greater than 20% but less than 70% of the portfolio. The return represents the mid-point of this universe.

Mid Cap Growth Median. This universe includes funds defined by Morningstar as Mid-Cap Growth. Mid-Cap Growth funds primarily invest in stocks of mid-sized companies which are growing at faster than average rates. The return represents the mid point of this universe. Market caps greater than or equal to \$2 billion but less than or equal to \$10 billion are considered mid-cap funds.

Small Cap Core Median. This universe includes funds defined by Morningstar as Small Blend. Small Blend funds invest in a combination of Small-Cap Growth and Small-Cap Value stocks. The return represents the mid point of this universe. All funds with market caps less than \$2 billion are considered small-cap funds.

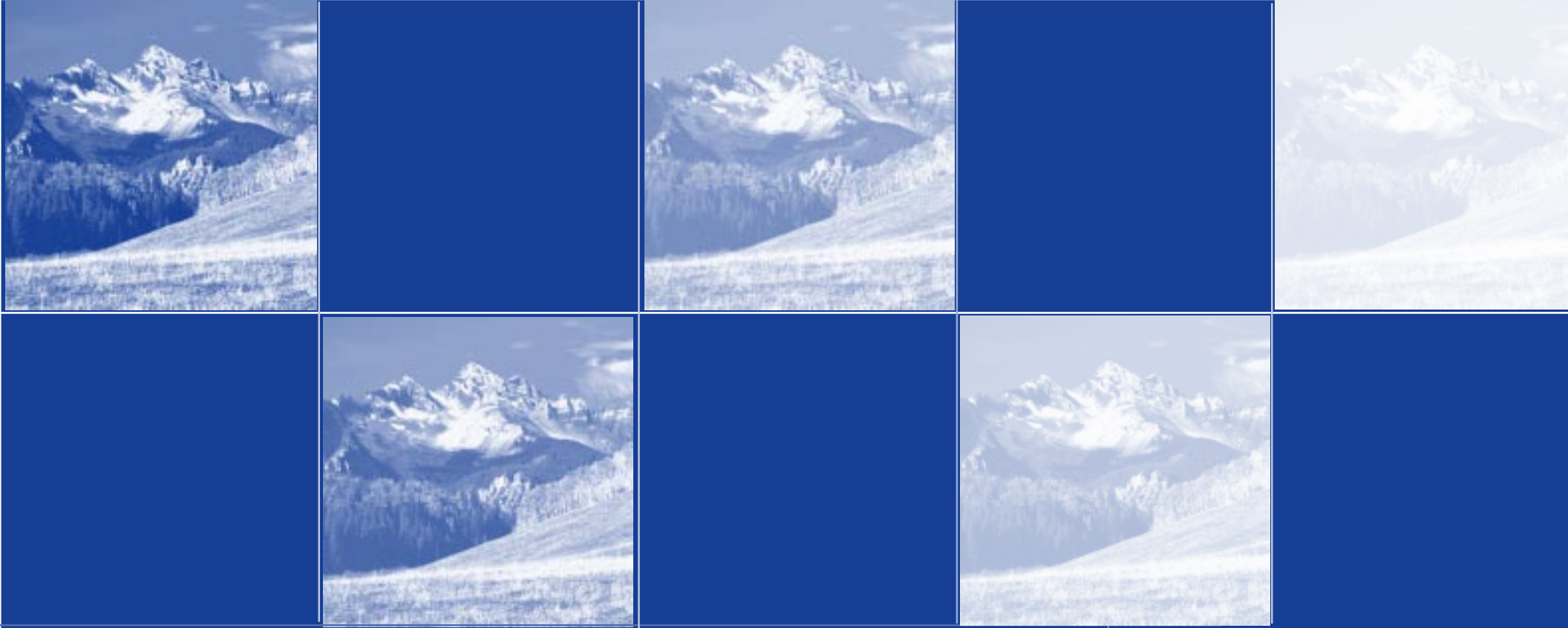
Sources:

1. Maryland Teachers and State Employees Supplemental Retirement Plans
2. The returns for the mutual funds were provided by The Segal Company, Inc.
3. The 5-Year Betas and definitions were provided by The Segal Company, Inc.

PLAN COMPARISON CHART

Questions	457(b) Deferred Compensation Plan	401(k) Savings & Investment Plan	403(b) Tax Deferred Annuity Plan
Who is eligible to participate?	All state employees.	All state employees.	State educational institution employees.
Are payroll deductions pre-tax?	Yes (but not for FICA).	Yes (but not for FICA).	Yes (but not for FICA).
What is the minimum I may contribute?	\$5 per biweekly pay.	\$5 per biweekly pay.	\$5 per biweekly pay.
What is the maximum contribution?	\$13,000	\$13,000	\$13,000
May I "catch-up" in a later year?	Yes, within limits.	Yes, within limits.	Yes, within limits.
How often may I change my contribution amount?	Unlimited.	Unlimited.	Unlimited.
What are the costs to participate?	0.34% of your account value, no more than \$1,700.	0.34% of your account value, no more than \$1,700.	0.34% of your account value, no more than \$1,700.
What are the current investment options?	Fixed - Investment Contract Pool Variable Mutual Funds	Fixed - Investment Contract Pool Variable Mutual Funds	Variable Mutual Funds
May I roll over money from other retirement accounts into my Maryland Supplemental Retirement account?	Yes - from a 457(b), 401(k), 403(b) or traditional IRA into your supplemental retirement account.	Yes - from a 457(b), 401(k), 403(b) or traditional IRA into your supplemental retirement account.	Yes - from a 457(b), 401(k), 403(b) or traditional IRA. 403(b) plans may be transferred in service.
May I roll over my supplemental retirement account to another type of retirement account, like an IRA?	Yes - to a 457(b), 403(b), 401(k) or traditional IRA, upon leaving state service.	Yes - to a 457(b), 403(b), 401(k) or traditional IRA, upon leaving state service.	Yes - to a 457(b), 403(b), 401(k) or traditional IRA, upon leaving state service.
May I withdrawal money from my account while employed?	Yes, but only if you are 70 1/2 or older, or qualify for an unforeseen emergency withdrawal.	Yes, but only if you are 59 1/2 or older, or qualify for a hardship withdrawal.	Yes, but only if you are 59 1/2 or older, or qualify for a hardship withdrawal.
When may I begin withdrawals from my account without penalty?	When you leave state employment, regardless of age.	If you leave state employment at age 55 or older, or at age 59 1/2.	If you leave state employment at age 55 or older, or at age 59 1/2.
May I change my withdraw options once I start my payout?	Yes.	Yes.	Yes.
Must I elect my payout date when I leave state employment?	No.	No.	No.
Is there a loan provision and a hardship/emergency provision?	Yes./Yes.	Yes./Yes.	Yes./Yes.

401(a) The rules are the same for the 401(a) and 401(k) plans except that in the 401(a) plan, distributions are not permitted until separation of state service.



Maryland *TEACHERS & STATE EMPLOYEES*
SUPPLEMENTAL RETIREMENT PLANS
WILLIAM DONALD SCHAEFER TOWER
6 SAINT PAUL STREET - SUITE 200
BALTIMORE, MD 21202-1608
1-800-543-5605
www.msrp.state.md.us

ROBERT L. EHRlich, JR.
GOVERNOR

MICHAEL S. STEELE
LT. GOVERNOR

FREDERICK W. PUDDESTER
CHAIRMAN of the BOARD of TRUSTEES

MICHAEL T. HALPIN, CRC, CRA
EXECUTIVE DIRECTOR