Data as of June 30, 2008

STATE OF
ALASKA

Deferred Compensation

Internal Revenue Code (IRC) Section 457

Investment Option Detail Sheet

Interest Income Fund

The Fund's longer-term performance can be compared against money market funds or intermediate-term bond funds. The Fund may be suitable for investors seeking an attractive rate of return over time, with relatively low risk.

Fund descriptions and the fund's top ten holdings are updated approximately every 6 months.

For information on available investment options, please visit our Web site at ***www.state.ak.us/drb.*** Under "Programs", click on the "Deferred Compensation Plan" line; then on the next page, under "Publications", click on "Investment Option Detail Sheets". Please Note: Adobe Acrobat Reader is required to download and view Investment Option Detail Sheets. You can print a copy of any sheet directly from your Web browser; if you are unable to do so, please call DRB at 1-800-821-2251 or 465-4460 from Juneau.

Interest Income Fund

Investment Objective

To maximize current income, while maintaining principal stability.

How The Fund Works

The Fund invests in a diversified portfolio of synthetic investment contracts (SICs). SICs are issued by banks and insurance companies that meet stringent credit standards. Supporting securities for SICs typically include US Treasury/Agency obligations, mortgage and asset-backed securities, as well as investment-grade corporate bonds.

Investor Profile

The Fund is geared toward investors who seek a steady, reliable, attractive rate of return with relatively low risk. The Fund may also be appropriate for investors who seek to balance out greater levels of risk that they have assumed elsewhere in their portfolios. An investment in the Fund can generally be expected to deliver a higher rate of return than a money market fund, and over time, is expected to deliver returns that are comparable to intermediate-term, investment-grade bond portfolios.

Fund Benchmark

Due to the unique structure of the Fund, a comparison benchmark does not exist. However, many investors in a stable value fund like the Fund will compare their longer-term performance against money market funds and/or intermediate-term bond funds.

Fund Management

Investment services for the Interest Income Fund are provided by T. Rowe Price Associates, Inc.

T. Rowe Price Associates, Inc. is registered as an investment adviser under the Investment Advisers Act of 1940.

For more information about the risks of investing, please read your "Plan Information" booklet.

State of Alaska Deferred Compensation Plan

Interest Income Fund

(managed by T. Rowe Price Associates, Inc.)

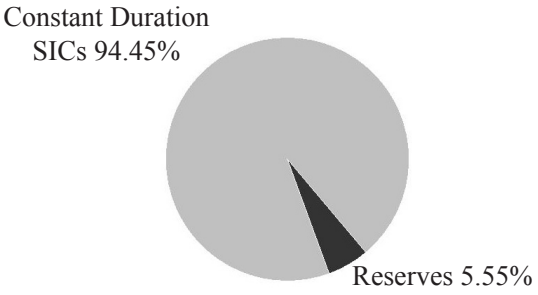
The Fund has 3 main components:

- The cash reserve segment provides liquidity for participant initiated withdrawals.
- The structured payout segment seeks to provide cash for continuous reinvestment at prevailing interest rate levels and maintains a relatively short average maturity.
- The constant duration segment has a longer average maturity and seeks to generate added return.

A Synthetic Investment Contract (SIC) consists of:

- A fixed-income portfolio managed within agreed-upon guidelines.
- A contract by an insurance company or bank called a "wrap". The wrap provides protection against market volatility by smoothing out the returns that investors experience.

Investment Allocation as of 03/31/2008



Contract Holdings and Reserve as of 03/31/2008

		% of portfolio
1.	Bank of America N.A.	15.74%
2.	Natixis Financial Products Inc	15.74
3.	Pacific Life Insurance Co	15.74
4.	Rabobank Nederland	15.74
5.	State Street Bank & Trust Co	15.74
6.	UBS AG	15.74
7.	Cash & Marketable Securities	5.55

While the information contained herein is believed to be reliable, it is not guaranteed as to completeness or accuracy.

Securities when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

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IMPORTANT NOTE: Whenever you initiate a trade, there is a possibility the fund company may reject or delay your trade due to a number of circumstances due to extreme market conditions. If a trade is rejected, then the dollar amount will be reinvested in the original fund at the next calculated unit/net asset value after the trade is rejected. This can cause a gain or loss to your account, when units/shares are repurchased on a different day.