

## A Small Step Goes a Long Way – Enroll Today!

This booklet contains important information you will need to enroll in your employer's 401 defined contribution plan, through which you can save and invest for your future with tax advantages.

Contributions from your paycheck go automatically to your retirement account.

As part of your enrollment, you will need to make three important decisions:

1. How much to contribute
2. How to invest
3. Who to designate as your beneficiary(ies)

As the financial provider that administers your plan, ICMA-RC can help you every step of the way.

Sincerely,  
ICMA-RC



## About ICMA-RC

Founded in 1972, ICMA-RC is a non-profit independent financial services corporation focused on providing retirement plans and related services for over a million public sector participant accounts and approximately 9,300 retirement plans. ICMA-RC's mission is to help build retirement security for local and state government employees. The organization's mission is delivered through our RealizeRetirement® approach in which ICMA-RC representatives actively engage participants in their retirement programs, help them build their assets base toward a stated objective, and help them realize their retirement goals through a comprehensive retirement planning strategy.

All of ICMA-RC's retirement programs, administrative services and educational tools have been developed specifically for public sector retirement plan administrators and participants. For more information, visit [www.icmarc.org](http://www.icmarc.org).

## WHAT YOU NEED TO DO:

Please complete and return the enrollment form. See the instructions and form section beginning on page 11.

See contact information on page 2 if you have questions.





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# Plan Highlights

Review this summary information to understand how your Supplemental Pension Plan works.

## ENROLLMENT

Simply complete the enclosed enrollment form and submit it to your employer. Participating in a retirement plan, such as your 401 plan, can have a significant positive impact on your future. Your plan offers the ability to enroll electronically. To enroll online, please read the enclosed direct self-enrollment instructions.

Please note that the decision to participate (or not participate) in the plan is irrevocable once made.

## CONTRIBUTIONS

Contribution methods for 401(a) plans can vary widely. In addition to any employer contributions that will be made to the plan, you may also be required to contribute, or you may have a one-time opportunity to make an election to contribute a percentage of your pay to the plan. Your employer or ICMA-RC plan representative can clarify the contribution options for your plan.

With the exception of voluntary after-tax contributions, which may be permitted in some plans, all elections you make with respect to contribution amounts must be made when you first become eligible to participate in the plan. This means that your initial contribution election is irrevocable and cannot be changed at a later date (i.e., you cannot increase or decrease your contribution amount after you enroll in the plan).

## VESTING

Vesting refers to your percentage ownership in employer contributions to the plan. Check with your employer to confirm the vesting schedule that applies to your plan. Note that you are always 100% vested for any contributions you make to the plan.

## INVESTMENTS

Your contributions will be invested in the funds that you select, and the value of your account will fluctuate based on the performance of the funds. Carefully review the enclosed information relating to your investment options before making your selections. You can make changes to your investments at any time.

## WITHDRAWALS

**After you separate from service with your employer,** you will be eligible to withdraw your money at any time. However, you will not be required to take any withdrawals until after age 70½ .

**While you are still employed,** your withdrawal options are limited to the following circumstances:

- Voluntary after-tax contributions.

## ACCOUNT INFORMATION

You can review your account information online by logging into your account at [www.icmarc.org](http://www.icmarc.org). Or, use ICMA-RC's self-service phone line at 800-669-7400.

You will receive quarterly account statements showing detailed information on your account, including your current balance and investment performance. Sign up for ICMA-RC's eDelivery services to receive email notifications when your quarterly statements and transaction confirmations are available online.

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*SUMMARY DESCRIPTION The actual rules governing your plan are contained in state retirement laws and the federal tax code. This publication provides a summary of the rules, and is not a complete description of the law. If there are any conflicts between what is written in this publication and what is contained in the law, the applicable law will govern.*

*This plan introduction is designed to provide you with general plan information. If there is a conflict between the information in this summary and the Plan document, the Plan document will be the controlling document.*



## ENROLLING IN YOUR 401 DEFINED CONTRIBUTION PLAN

Review this information to help guide your contribution and investment decisions.

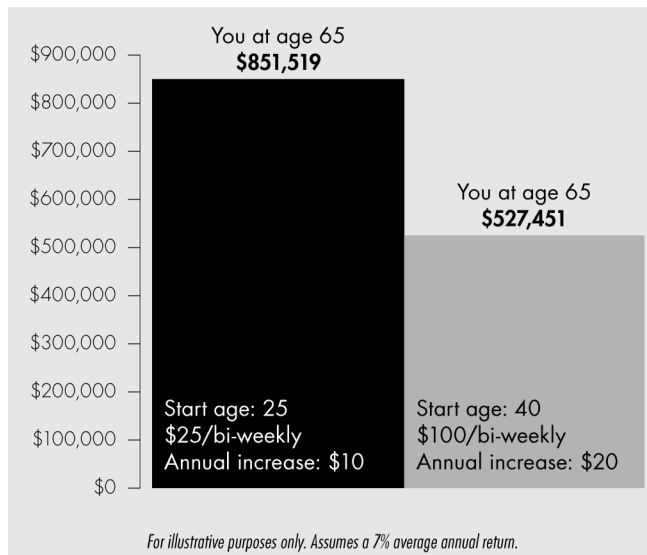
### DON'T DELAY – START SAVING NOW

Don't put off enrolling. Your 401 plan provides flexibility and control.

- Investment options can be changed at any time.
- Beneficiary designations can be changed at any time.

### BENEFITS OF SAVING

Although you cannot predict how the financial markets will perform or future inflation, tax rates, or other economic conditions, you can benefit from saving for retirement.



And starting earlier can give you a huge advantage. View the preceding chart — by starting to save at, say, age 25 instead of age 40, you can save a lot less each pay period and save about the same amount over your lifetime but come out way ahead. Of course, regardless of your current age, it's never too late to start.

### HOW MUCH TO CONTRIBUTE

The benefits you will receive from a pension or Social Security could go a long way to providing a comfortable retirement, but additional savings will likely be needed to help you live comfortably over a potentially long retirement.

- Visit [www.icmarc.org/learn](http://www.icmarc.org/learn) for a variety of resources designed to help you save.
- For a more in-depth and personalized recommendation, consider ICMA-RC's Guided Pathways® ([www.icmarc.org/guidedpathways](http://www.icmarc.org/guidedpathways)).
- Or, request a consultation with your ICMA-RC representative.

**Contribute What You Can.** Even small savings can really add up over time. In fact, starting out small, and then increasing how much you save by just a little each year could go a long way.

### HOW TO INVEST

As you choose your investments, consider the following:

**Determine your risk level** — how much investment risk you need to consider taking, and are comfortable taking. Use this to help you decide the approximate percentage of your money that should be in stock funds vs. bond funds vs. lower-risk options such as stable value funds, money market funds, and CDs.

Consider a level of risk that is most likely to allow you to meet your long-term goals but also that you can maintain, especially during rough stretches.

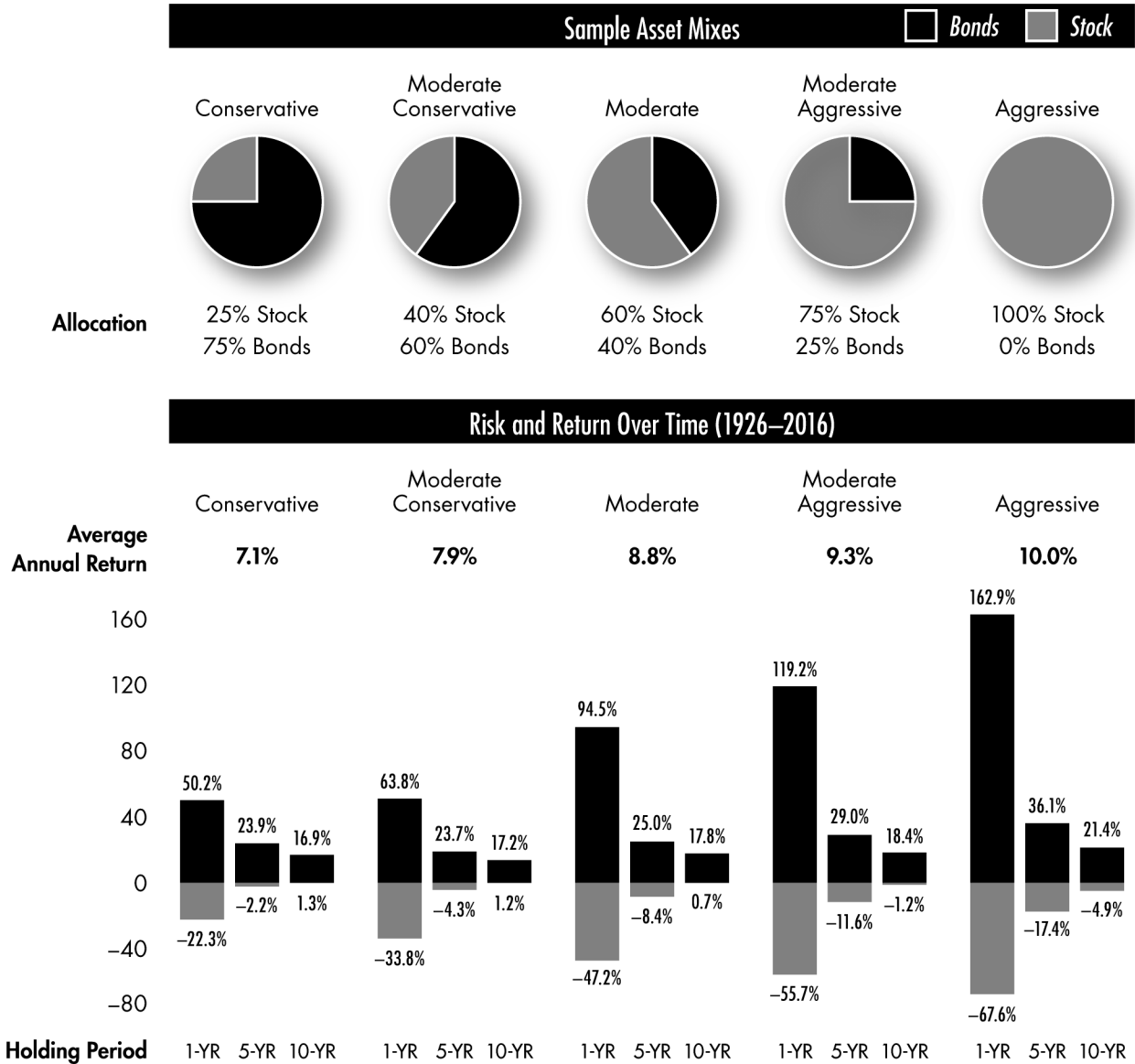
**Be diversified.** Own different types of investments. This does not ensure against losses, but can help you manage risk.

To help guide your risk and diversification decisions, see the following pages:

- Take a look at the historical risk and return of different mixes of stocks and bonds. Higher-risk options like stocks have provided higher returns but also much steeper losses during certain time periods. But even low-risk options still have risk; they will be more likely to lose money to inflation over time.
- Review the different investment options and services available to you.

## Asset Allocation

Use the chart below to help guide your asset allocation decisions. It shows the performance of different stock and bond portfolios since 1926, including ranges of annual returns over one, five, and 10 year periods. (For example, 10 year periods run from 1926 to 1935, 1927 to 1936, and so on.) Notice the tradeoff between potential risk and reward.



**Average Annual Returns and Range of Returns (1926–2016)**

*Source: Morningstar Direct*  
 Performance figures were calculated using historical returns of the Standard & Poor's 500 Index and U.S. Long-Term Government Bonds.  
 The past performance shown is no guarantee of future results.

## AVAILABLE INVESTMENT OPTIONS

Consider the following options to help you build a diversified portfolio with an appropriate overall level of risk.

**Simplify and diversify with one fund.** Target funds invest in a variety of individual stock and bond funds and may be appropriate if you are looking to simplify your investment decisions while still being diversified. Consider a:

- Target-date fund with the year in the fund name that closely matches the year you expect to begin withdrawals. Target-date funds are designed to gradually reduce risk over time.<sup>1</sup>

**Build your own investment portfolio.** If you are comfortable picking and choosing from different funds, this option provides the most flexibility and control.

And ICMA-RC has tools to help — Asset Class Guidance and Fund Advice, part of our Guided Pathways® service provide recommendations for you to follow.

**Ask ICMA-RC to invest and manage your account for you.** You will be enrolled in ICMA-RC's Managed Accounts service, which provides professional account management through each stage of your career and in retirement, from building up your savings to drawing them down. Managed Accounts:

- Recommends how much you need to contribute to reach a comfortable retirement
- Selects and manages your investments for you based on your personal and financial situation
- Makes periodic updates to help keep you on track
- Helps you transition from building up your savings to drawing them down

Managed Accounts helps you take the guesswork and complication out of these very important saving, investing, planning, and withdrawal decisions. It provides a strategy for you to follow and then manages your account for you, saving you time and minimizing the likelihood that you overreact to market upturns and downturns.

You are charged an asset-based fee for these services.<sup>2,3,4</sup>

**Be Smart about Investing.** Learn more about personal finances, including retirement planning, without being overwhelmed. Discover tools to help you plan, save, and invest for your future at [www.icmarc.org/realize](http://www.icmarc.org/realize).

## TAX ADVANTAGES

Let's say you are in the 25% federal income tax bracket, have a \$40,000 annual salary and determine you need to save 5% per paycheck, or \$77, for your future retirement.

When \$77 is saved pre-tax, it is not subject to tax until later when you withdraw, so it reduces your paycheck by only \$58.

### **Pre-tax contributions help you save.**

Investment earnings are tax-deferred so your account can grow for decades before being subject to tax.

## WHO TO DESIGNATE AS YOUR BENEFICIARY

It is important to designate the individuals who will receive your retirement account assets after you die.

Designating beneficiaries overrides your will. If you choose beneficiaries:

- Your assets will be paid out according to your wishes and will not be subject to the potential costs and delays of probate, as well as creditor claims.
- Your beneficiaries may receive more tax advantages.

<sup>1</sup> A target-date fund is not a complete solution for all of your retirement savings needs. An investment in the fund includes the risk of loss, including near, at or after the target date of the fund. There is no guarantee that the fund will provide adequate income at and through an investor's retirement. Selecting the fund does not guarantee that you will have adequate savings for retirement.

<sup>2</sup> Underlying mutual fund expenses and plan administration fees still apply. Please consult the applicable Fund Fact Sheet(s) and Funds' Disclosure Memorandum for a description of these fees and expenses.

<sup>3</sup> Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

<sup>4</sup> Managed Accounts is not suitable for all investors. Please contact our Guided Pathways® team or your ICMA-RC Retirement Plan Specialist and fully read the ICMA-RC Guided Pathways® Fund Advice and Managed Accounts Investment Advisory Agreement prior to enrolling in Managed Accounts to determine if this service is right for you.

## Next Steps

**Enroll today!** Take the first step to a secure retirement and enroll in the plan.

### Manage your account — conveniently

- Online — sign up for Account Access at **[www.icmarc.org](http://www.icmarc.org)**
- By phone — 24-hour access through ICMA-RC's self-service phone line at **800-669-7400**

**Go paperless.** Receive notifications that your transaction confirmations and quarterly statements are available online. Visit **[www.icmarc.org/paperless](http://www.icmarc.org/paperless)** to learn more.







Read these instructions to enroll in your retirement plan and create your Account Access profile.

Once you complete the enrollment process, we will be ready to accept contributions on your behalf from your employer.

## Express Online Enrollment

A fast, easy way to enroll in your plan! Download the ICMA-RC mobile app at <http://www.icmarc.org/mobile-app.html> and then go to "My Account." Or go to [m1.icmarc.org](http://m1.icmarc.org) and select the "Enroll Now" link if you are unable to download the app. After completing the steps below, you will be invested in your plan's default fund. You may then log in to Account Access to select investment options, designate beneficiaries, and make any necessary updates.

- 1:** Enter your Social Security number twice and enter your plan number. The employer plan number can be found in the enrollment kit, or can be obtained by contacting your employer, your ICMA-RC representative, or ICMA-RC at 800-669-7400.
- 2:** Enter your complete contact information and then confirm that the information you've entered is accurate.
- 3:** Check your email for a message confirming that you have been enrolled in the plan. Note: your account will register in 24 hours.
- 4:** **In order to begin contributing to your account, you will need to elect your contribution amount.** If your plan does not allow online contribution elections, please contact your employer. You may be instructed to use the print enrollment form feature at the end of your online enrollment process to print the form, or you may be instructed to complete the Contribution Form, and return it to your employer to designate your contributions.
- 5:** **After your account is registered, you will receive a welcome letter in the mail with additional information about how to manage your account.** Go to [www.icmarc.org](http://www.icmarc.org) and click on the **New User - Register Now** link to create a profile in Account Access and follow the prompts to create your account.

Read these instructions to enroll in your retirement plan and create your Account Access profile.

Once you complete the enrollment process, we will be ready to accept contributions on your behalf from your employer.

## Comprehensive Online Enrollment

A convenient, comprehensive way to enroll in your plan! While enrolling online, you may designate beneficiaries and select your investment options. You will also need to designate your contribution amount. If your plan does not include this in the online enrollment process, complete the Contribution Form and return to your employer.

- Thoroughly read these instructions to enroll or make changes to your retirement account.

Once you complete the enrollment process, we will be ready to accept contributions on your behalf from your employer.

To complete the enrollment process and create login credentials for Account Access, our online tool for managing your account, follow these steps:

- 1:** Log on to [www.icmarc.org](http://www.icmarc.org) and select the "Enroll Now" link located in the "Login" box.
- 2:** Enter your **6-digit plan number** and your Social Security number and hit "Next" to proceed through the enrollment process.
- 3:** After you enter all of your information and establish your Account Access credentials, be sure to review your information carefully when you get to the "Verification" page. You may edit information by selecting the "Edit" links.
- 4:** Enter your electronic signature and click "Submit." The confirmation page will be displayed. **In order to begin contributing to your account, you will need to elect your contribution amount.** If your plan does not allow online contribution elections, please contact your employer. You may be instructed to use the print enrollment form feature at the end of your online enrollment process to print the form, or you may be instructed to complete the Contribution Form, and return it to your employer to designate your contributions. If you enroll by 4:00 p.m. Eastern Time on a business day, your account will be established by the next business day.

Once your account is established, you will be able to log on to Account Access to view your account balance, submit transactions such as fund transfers and investment allocations and update your personal information.

To log on to Account Access, follow these steps:

- 5:** Go to [www.icmarc.org](http://www.icmarc.org).
- 6:** Enter your Account Access user ID and hit "Login."
- 7:** Enter your password and the answer to your security question and hit "Login."
- 8:** Select the "Manage My Account" tab to make changes to your account.

For assistance, select the "Contact Us" option from any page within Account Access.

## Completing the Enrollment Form

The most important step to begin achieving your retirement goals is to enroll. Please review the investment options information and remove the form pages from this enrollment book before completing the Enrollment Form.

**Section 1:** Complete all required personal information.

**Section 2:** Specify the total percentage or dollar amount you wish to contribute each pay period.

**Section 3:** Designate your beneficiaries.

**Section 4:** Choose one of the investment selections:

### SIMPLIFY AND DIVERSIFY WITH ONE FUND

#### Target-Date Fund

- If you select this option, you must select the Target-Date Fund, for the year that most closely matches when you expect to begin making gradual withdrawals, typically when or after you retire.
- Target-Date Fund are composed of portfolios of other funds.
- Underlying fund selection and asset mix of Target-Date Funds are intended to reflect time until you begin making gradual withdrawals, typically when or after you retire.
- Asset mix of each "dated" Target-Date Fund becomes increasingly conservative over time.
- Review and select the fund from the Balanced/Asset Allocation Funds list in the Investment Options section.

### BUILD YOUR OWN INVESTMENT PORTFOLIO — allows maximum flexibility.

- Review the funds listed in the Investment Options section.
- Select the funds and the desired allocation.

### ASK ICMA-RC TO INVEST AND MANAGE YOUR ACCOUNT FOR YOU

- If you select this option, you will be enrolled in ICMA-RC's Managed Accounts service.
- You are charged an ongoing asset-based fee for this service.
- All eligible funds in your plan are considered for inclusion in Managed Accounts.
- Provides savings rate and retirement age recommendations.
- Takes into consideration retirement age, current income, desired retirement income, ICMA-RC accounts, Social Security, and if you make available, pensions and other savings and investments.
- Monitors and reallocates your ICMA-RC account on an ongoing basis to account for provided changes in your personal and financial situation.

**Section 5:** Sign your completed form and submit to your employer for approval.

**Section 6–9:** If you selected *Managed Accounts* in Section 4, you must complete Sections 6–9.

For additional details and disclosure on the above steps, please refer to the enrollment form instructions on the back of the form.

## 1. REQUIRED PERSONAL INFORMATION

Employer Plan Number: 109521      Employer Plan Name: CITY OF MARIETTA

Social Security Number (for tax-reporting purposes): \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Full Name of Participant: \_\_\_\_\_  
Last First M.I.

Mailing Address/Street: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mm/dd/yyyy)      Date Employed/Rehired: \_\_\_\_/\_\_\_\_/\_\_\_\_ (mm/dd/yyyy)

Provide your email to be enrolled in e-Delivery automatically. You will receive email notification when your quarterly statements and transaction confirmations are available online. You may opt out by checking the box below. Email Address (required for e-Delivery): \_\_\_\_\_  No, I do not wish e-Delivery at this time.

Job Title: \_\_\_\_\_  
Preferred Phone Number: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ Gender:  Male  Female Marital Status:  Married  Single  
Area Code

**EMPLOYER USE ONLY** Complete this portion if the participant is rehired. Rehired?  Check if yes  
Date of Initial Employment \_\_\_\_/\_\_\_\_/\_\_\_\_ Date of Termination \_\_\_\_/\_\_\_\_/\_\_\_\_ Vesting Percentage \_\_\_\_\_ % Previous Months of Service \_\_\_\_\_

## 2. CONTRIBUTION AMOUNT

I authorize my employer to deduct: (check all that apply)  
 Mandatory pre-tax deferrals of \_\_\_\_\_ % or \$ \_\_\_\_\_ from my pay each pay period.  
 Voluntary after-tax deferrals of \_\_\_\_\_ % or \$ \_\_\_\_\_ from my pay each pay period.

For employer use: The employer will contribute \_\_\_\_\_ % or \$ \_\_\_\_\_. The employee will contribute \_\_\_\_\_ % or \$ \_\_\_\_\_.

## 3. BENEFICIARY DESIGNATION

- Update and designate additional beneficiaries at any time via Account Access at [www.icmarc.org](http://www.icmarc.org).
- Failure to indicate any percentage or failure to use whole percentages (e.g., enter 33%, not 33.33% or 33 1/3 %) that total 100% for your "Primary" beneficiary(ies) and 100% for your "Contingent" beneficiary(ies) may invalidate your beneficiary designation.
- Check one "Beneficiary Type" and one "Relationship" for each beneficiary. Failure to do so may result in your designation being invalid.
- **Married Participants - Some 401 plans require that you obtain consent from your spouse if you do not designate him/her as the primary beneficiary for 100% of your account. If you live in a community property state (AZ, CA, ID, LA, NV, NM, TX, WA, or WI), you must obtain consent from your spouse to designate a nonspouse beneficiary for greater than 50% of the account. Use the Beneficiary Designation Form, available online at [www.icmarc.org/forms](http://www.icmarc.org/forms), if spousal consent is required.**

Beneficiary Type:  Primary      Relationship (Check One):  Spouse  Non-Spouse  Trust\*  Charity

\_\_\_\_\_  
Name      \_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_ %  
Date of Birth      Social Security Number      % of Benefit  
(whole % only)

Beneficiary Type (Check One):  Primary  Contingent      Relationship (Check One):  Spouse  Non-Spouse  Trust\*  Charity

\_\_\_\_\_  
Name      \_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_ %  
Date of Birth      Social Security Number      % of Benefit  
(whole % only)





# Supplemental Pension Plan Employee Enrollment Form — Page 2

Employer Plan Number 109521 Social Security Number \_\_\_\_\_ Name (please print) \_\_\_\_\_

Beneficiary Type(Check One):  Primary  Contingent Relationship (Check One):  Spouse  Non-Spouse  Trust\*  Charity

Name \_\_\_\_\_ Date of Birth \_\_\_\_/\_\_\_\_/\_\_\_\_ Social Security Number \_\_\_\_\_ % of Benefit  
(whole % only)

Beneficiary Type(Check One):  Primary  Contingent Relationship (Check One):  Spouse  Non-Spouse  Trust\*  Charity

Name \_\_\_\_\_ Date of Birth \_\_\_\_/\_\_\_\_/\_\_\_\_ Social Security Number \_\_\_\_\_ % of Benefit  
(whole % only)

**\* Trust Beneficiaries** - You must submit a copy of your entire trust document with the enrollment form if you desire the beneficiaries of the trust to be treated as designated beneficiaries for the purpose of determining required minimum distributions.

Designate additional beneficiaries online after your account is established, or write "see attached sheet" and attach and sign a separate piece of paper with your name, plan number, Social Security number, and the additional beneficiary information.

## 4. INVESTMENT SELECTION

**Choose only one of the investment selections.** Your selection will determine how contributions to your account will be invested. If no allocation instructions are provided, the percentages do not total 100%, or the allocation instructions are invalid, assets will be allocated to the default investment selected by your employer until additional instructions are received from you. Review the **Notice Regarding Default Investments** included in the Enrollment Kit for more information. Note: The allocation instructions you provide will apply to payroll contributions only.

**Simplify and diversify with one fund** - Please refer to the *Investment Options Sheet* for a list of funds and codes.

Target Date Fund. Fund Code \_\_\_\_\_ = 100%

OR

**Build your own investment portfolio**

Input the fund codes and allocation percentages (must total 100%) to show how contributions to your account will be invested. A list of funds and codes can be found on the Investment Options Sheet.

**Note: Please use whole percentages only.**

EMPLOYER CONTRIBUTIONS			
Code	Percent	Code	Percent
TOTAL = 100%			

EMPLOYEE CONTRIBUTIONS			
Code	Percent	Code	Percent
TOTAL = 100%			

OR

**Ask ICMA-RC to invest and manage your account for you**

**Managed Accounts** - By electing this option, you agree to have your account professionally managed by ICMA-RC. If you elect this option, do not complete Option #2.

Annual Salary: \$ \_\_\_\_\_ Desired Retirement Age: \_\_\_\_\_ Your Annual Desired Retirement Income: \$ \_\_\_\_\_ or \_\_\_\_\_ %  
(100% of current after-tax salary is recommended)

Additional Employer Annual Contribution (if applicable) \_\_\_\_\_ % or \$ \_\_\_\_\_

Will you receive Social Security Retirement Benefits?  Yes  No Annual Social Security Retirement Benefit \$ \_\_\_\_\_ (Please see instructions for further details)

Number of Dependents \_\_\_\_\_

Will you receive Pension payments outside of Social Security or your 457 or 401 Plan retirement accounts?  Yes  No. If you select "Yes" please complete A, B and C below:

(A) Age at which Pension Begins \_\_\_\_\_ (B) Annual Pension Benefit Amount (choose only one) Option A: \$ \_\_\_\_\_ (In today's dollars) you expect to receive in retirement

Or

Option B: \_\_\_\_\_ % of your salary you expect to receive in retirement

(C) Is your Pension subject to a cost of living adjustment (COLA) in retirement?  Yes  No







# Supplemental Pension Plan Employee Enrollment Form — Page 3

Employer Plan Number  
109521

Social Security Number  
\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Name (please print)  
\_\_\_\_\_

## 5. AUTHORIZED SIGNATURES

Submit this form to your employer promptly to avoid investment delay. If this form is faxed to ICMA-RC please do not mail the original.

Note that by signing this form you acknowledge that you agree to the following disclosure: I understand that ICMA-RC has established required procedures for Internet and telephone transfers that include personal identification numbers, recording of instructions, and written confirmations. In the event I choose to transfer funds by Internet or telephone, I agree that neither the VantageTrust Company, ICMA-RC, ICMA-RC Services, LLC, nor Vantagepoint Transfer Agents, LLC, will be liable for any loss, cost, or expense for acting upon any Internet or telephone instructions believed by it to be genuine and in accordance with the required procedures.

You hereby verify that by signing this Enrollment Form you have read and understand: 1) *ICMA-RC Guided Pathways® Fund Advice and Managed Accounts Investment Advisory Agreement*, dated June 2017 (the "Investment Advisory Agreement"), including the information on Managed Accounts advisory fees and 2) *Part 2A of ICMA-RC's Form ADV for Guided Pathways® and Retirement Readiness Reports Advisory Services*.

By signing this Enrollment Form, you also certify that you agree to all the terms and conditions set forth on the enclosed Investment Advisory Agreement and that you are also executing the Investment Advisory Agreement as of the date you sign this Enrollment Form.

\_\_\_\_\_  
Participant's Signature

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Month Day Year

Employee ID \_\_\_\_\_  
For Employer Use Only

\_\_\_\_\_  
Authorized Employer Official's Signature

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Month Day Year





Employer Plan Number  
109521

Social Security Number  
\_\_\_\_\_

Name (please print)  
\_\_\_\_\_

## Additional Managed Accounts Information

Only complete and return this page if you selected Managed Accounts (Option 1) in the "Allocation of Contributions" section on Page this form, and wish to further personalize your enrollment in Managed Accounts.

### 6. RETIREMENT INFORMATION

**ONLY COMPLETE THIS SECTION IF YOU ARE WITHIN 10 YEARS OF YOUR DESIRED RETIREMENT AGE AND THE VT RETIREMENT INCOMEADVANTAGE FUND IS AN AVAILABLE INVESTMENT OPTION IN YOUR RETIREMENT PLAN**

- A. To what extent is this retirement account intended to be a source of ongoing income during your retirement years?  
 Extremely likely – Nearly 100% chance     Likely – 75% chance (default)     Not likely – Less than 50% chance
- B. Once you have reached age 65, on average you should expect to live an additional 20 to 25 years. Given your own health status and family history do you feel you will live?  
 Shorter than average     Near average (default)     Longer than average
- C. Bequest Amount \$ \_\_\_\_\_

### 7. YOUR SPOUSE OR PARTNER INFORMATION

Please read the instructions on the back for important information about including Spouse or Partner information.

Spouse or Partner Name \_\_\_\_\_

Last \_\_\_\_\_ First \_\_\_\_\_ MI \_\_\_\_\_  
**Date of Birth** \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_     Male     Female    **Desired Retirement Age:** \_\_\_\_\_  
**Current Annual Salary** \$ \_\_\_\_\_  
 Your Spouse's or Partner's Annual Desired Retirement Income: \$ \_\_\_\_\_ or \_\_\_\_\_ %  
*(100% of current after-tax salary is recommended)*

Will your Spouse or Partner receive Social Security Retirement Benefits?  Yes  No  
 Annual Social Security Retirement Benefit \$ \_\_\_\_\_ (Please see instructions for further details)

#### Spouse or Partner's Pension

- (A) Age at which Pension Begins \_\_\_\_\_  
 (B) Annual Pension Benefit Amount (choose only one): **Option #1:** \$ \_\_\_\_\_ *(In today's dollars) your spouse/partner expects to receive in retirement* **OR**  
**Option #2:** \_\_\_\_\_ % of your spouse/partner's salary he/she expects to receive in retirement  
 (C) Is this Pension subject to a cost of living adjustment (COLA) in retirement?  Yes  No

### 8. OUTSIDE ACCOUNT INFORMATION

**Outside Account 1:** Account Owner  You or  Your Spouse/Partner

Account Type (Check only one)  401(k)     401(a)     403(b)     457     Traditional IRA     Roth IRA     Taxable Savings     Taxable Brokerage

Account Name \_\_\_\_\_

Total Account Balance \$ \_\_\_\_\_    You or your Spouse/Partner Annual Contribution \$ \_\_\_\_\_    Employer Annual Contribution \*\$ \_\_\_\_\_ \* If applicable

#### Asset Allocation Details

US Stocks \_\_\_\_\_ %    Bonds \_\_\_\_\_ %  
 International Stocks \_\_\_\_\_ %    Cash \_\_\_\_\_ %  
**Total = 100%**

**Outside Account 2:** Account Owner  You or  Your Spouse/Partner

Account Type (Check only one)  401(k)     401(a)     403(b)     457     Traditional IRA     Roth IRA     Taxable Savings     Taxable Brokerage

Account Name \_\_\_\_\_

Total Account Balance \$ \_\_\_\_\_    You or your Spouse/Partner Annual Contribution \$ \_\_\_\_\_    Employer Annual Contribution \*\$ \_\_\_\_\_ \* If applicable

#### Asset Allocation Details

US Stocks \_\_\_\_\_ %    Bonds \_\_\_\_\_ %  
 International Stocks \_\_\_\_\_ %    Cash \_\_\_\_\_ %  
**Total = 100%**

### 9. SIGNATURE

Participant Signature \_\_\_\_\_    Date \_\_\_\_\_



## ADDITIONAL MANAGED ACCOUNTS INFORMATION INSTRUCTIONS

**Only complete and return this page if you selected Managed Accounts (Option #1) in the “Allocation of Contributions” section on Page 1 of this form and wish to further personalize your enrollment in Managed Accounts.**

Although this additional information is not required to enroll you in Managed Accounts, we strongly recommend you provide as much information about yourself as possible to help ICMA-RC provide you with a more personalized level of account management.

**Retirement Information:** Only complete this section if you are within 10 years of your desired retirement age and the VT Retirement Income Advantage Fund is an available investment option in your Retirement Plan. If you are within 10 years of your desired retirement age and the VT Retirement Income Advantage Fund is an available investment option in your Retirement Plan and you do not provide an answer, the second answer listed for both questions will be used (“Likely -75% chance” and “Near average”).

If the VT Retirement Income Advantage Fund is an option in your Retirement Plan, based on your overall situation and responses to the following questions, Managed Accounts may recommend that a portion of your assets be invested in the VT Retirement Income Advantage Fund, a Vantage Trust Fund that invests in a separate account under a group variable annuity issued by a third-party insurance company, based on your overall situation and responses to the following questions. A Guarantee Fee of 1.00% is assessed by the third-party insurance company for the VT Retirement Income Advantage Fund guarantees and is included along with other fund fees and expenses in the VT Retirement Income Advantage Fund’s net expense ratio. These guarantees are also subject to certain limitations, terms, and conditions. Please see the *VT Retirement Income Advantage Fund Summary Important Considerations* document for more information.

**Your Spouse or Partner Information provided in Section 6:** Including information on your Spouse’s or Partner’s salary will increase your household retirement income and retirement income goals, which has a direct impact on the advice you will receive. If you elect to include your spouse or partner, it is important that you provide information on his/her Social Security benefits, Pensions, and Outside Accounts.

**Social Security Retirement Benefits:** Please indicate whether your spouse or partner will expect to receive Social Security retirement benefits. If you select “Yes” or do not select either box, we will include an estimate of Social Security benefits.

**Annual Social Security Retirement Benefit:** If no Annual Social Security Retirement Benefit is provided, Managed Accounts will generate an estimated amount based on your spouse or partner’s current salary. If you wish to have Social Security benefits included in the account management for a retired spouse or partner, you must provide an estimated annual dollar amount.

Pension:

- **Annual Pension Benefit Amount**, please choose only one of the two below options:
  - Option #1 - Enter the annual benefit amount your spouse or partner expects to receive in retirement in today’s dollars.
  - OR**
  - Option #2 - Enter the percentage of salary your spouse or partner expects to receive in retirement.
- Select “Yes” to “Is their pension subject to a cost of living adjustment (COLA)?”, if your spouse or partner’s annual pension benefit will increase after retirement.

### **Outside Accounts Information provided in Section 8:**

- Annual Outside Account contributions will be considered as Pre-Tax for all account types except for Roth IRA, Taxable Savings, and Taxable Brokerage which will be considered Post-Tax.
- Please designate the asset allocation for the listed outside accounts. If no asset allocation is provided or if the asset allocation provided does not total 100%, the asset allocation will initially be designated as 55% U.S. Large Cap Stocks, 5% U.S. Small Cap Stocks, and 40% Bonds.
- To provide information on more than two outside accounts, (1) write “see attached sheet” in the section and (2) attach and sign a separate piece of paper with your name, plan number, Social Security Number, and additional outside account information.

Once you have completed this page, sign it and submit it to your employer along with Page 1 of the enrollment form.

A confirmation package will be mailed to you following receipt, in good order, of all necessary documentation. This package will confirm your personal and financial information and provide you with your wealth forecast and information on how ICMA-RC will be managing your account.

To update your information, including the asset allocation for your outside accounts, at any time after your Managed Accounts enrollment, go online to [www.icmarc.org](http://www.icmarc.org) or call Investor Services at 800-669-7400 to request a *Guided Pathways® Managed Accounts Update Form*.

# CITY OF MARIETTA Supplemental Pension Plan Investment Options

Stable Value/Cash Management	Ticker	Code
VT PLUS Fund <sup>1,2</sup>		7071
<b>Bond</b>		
Dodge & Cox Income <sup>3,4</sup>	DODIX	4581
<b>Balanced/Asset Allocation</b>		
Vanguard Target Retire Income <sup>3,5</sup>	VTINX	5500
Vanguard Target Retire 2015 <sup>3,5</sup>	VTXVX	5503
Vanguard Target Retire 2020 <sup>3,5</sup>	VTWNX	5504
Vanguard Target Retire 2025 <sup>3,5</sup>	VTTVX	5505
Vanguard Target Retire 2030 <sup>3,5</sup>	VTHRX	5506
Vanguard Target Retire 2035 <sup>3,5</sup>	VTTHX	5507
Vanguard Target Retire 2040 <sup>3,5</sup>	VFORX	5508
Vanguard Target Retire 2045 <sup>3,5</sup>	VTIVX	5509
Vanguard Target Retire 2050 <sup>3,5</sup>	VFIFX	5510
Vanguard Target Retire 2055 <sup>3,5</sup>	VFFVX	5511
Vanguard Target Retire 2060 <sup>3,5</sup>	VTTSX	5512
Vanguard Target Retire 2065 <sup>3,5</sup>	VLXVX	5529
Oakmark Equity & Income Inv <sup>3</sup>	OAKBX	5560
<b>U.S. Stock</b>		
MFS Value R4 <sup>3,6</sup>	MEIJX	5088
Vanguard 500 Index Admiral <sup>3</sup>	VFIAX	5404
T Rowe Price® Growth Stock <sup>3,6,7</sup>	TRSAX	5368
Wells Fargo Spec Mid-Cap Value <sup>3,6,8</sup>	WFMDX	5550
Vanguard Mid-Cap Index Admiral <sup>3,8</sup>	VIMAX	5436
American Beacon Small Cap Val <sup>3,6,9</sup>	AASSX	1592
Vanguard Small-Cap Index Adm <sup>3,9</sup>	VSMAX	5449
ClearBridge Small Cap Growth I <sup>3,6,9</sup>	SBPYX	5019
<b>International/Global Stock</b>		
American Funds EuroPacific Gr <sup>3,6,10</sup>	RERCX	4413

Some of the funds listed above may not be available to your Plan. To ensure that you have the most current list of available funds and/or to obtain additional fund information, please log on to Account Access at [www.icmarc.org](http://www.icmarc.org) or call ICMA-RC Investor Services at 800-669-7400.

- <sup>1</sup> Before investing in the Fund you should carefully consider your investment goals, tolerance for risk, investment time horizon, and personal circumstances. There is no guarantee that the Fund will meet its investment objective and you can lose money.
- <sup>2</sup> The Fund is an investment option of Vantage Trust, a group trust established and maintained by Vantage Trust Company, LLC, a wholly owned subsidiary of ICMA-RC. Vantage Trust provides for the commingling of assets of certain trusts and plans as described in its Declaration of Trust, and is only available for investment by such eligible trusts and plans. The Fund is not a mutual fund. Its units are not deposits of Vantage Trust Company and are not insured by the Federal Deposit Insurance Corporation or any other agency. The Fund is a security that has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Company Act of 1940. For additional information regarding the Fund, including a description of the principal risks, please consult the Vantage Trust Funds Disclosure Memorandum, which is available when plan administration clients log in at [www.icmarc.org](http://www.icmarc.org), at [www.vantagepointfunds.org](http://www.vantagepointfunds.org) for institutions, or upon request by calling 800-669-7400.

- <sup>3</sup> Please read the fund's prospectus or disclosure materials carefully for a complete summary of all fees, expenses, investment objectives and strategies, risks, financial highlights, and performance information. Investing involves risk, including possible loss of the amount invested. Investors should carefully consider the information contained in the prospectus or disclosure materials before investing. To request a prospectus or disclosure materials, you may contact us by calling 800-669-7400, emailing [investorservices@icmarc.org](mailto:investorservices@icmarc.org), or visiting [www.icmarc.org](http://www.icmarc.org).
- <sup>4</sup> A fixed income fund is subject to credit risk and interest rate risk. Credit risk is when an issuer of a fixed income security may be unable or unwilling to make payments of principal or interest to the holders of these securities or may declare bankruptcy. Fixed income securities fluctuate in value as interest rates change. When interest rates rise, the market prices of fixed income securities will usually decrease; when interest rates fall, the market prices of fixed income securities usually will increase.
- <sup>5</sup> The Fund is not a complete solution for all of your retirement savings needs. An investment in the Fund includes the risk of loss, including near, at or after the target date of the Fund. There is no guarantee that the Fund will provide adequate income at and through an investor's retirement.
- <sup>6</sup> Certain funds may be subject to style risk, which is the possibility that the investment style of its investment adviser will trail the returns of the overall market. In the past, different types of securities have experienced cycles of outperformance and underperformance in comparison to the market in general. For example, growth stocks have performed best during the later stages of economic expansion and value stocks have performed best during periods of economic recovery. Both styles may go in and out of favor. When the investing style used by a fund is out of favor, that fund is likely to underperform other funds that use investing styles that are in favor.
- <sup>7</sup> T. Rowe Price® is a registered trademark of T. Rowe Price Group, Inc. - all rights reserved.
- <sup>8</sup> Funds that invest primarily in mid-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of mid-capitalization companies generally trade in lower volume and are generally subject to greater and less predictable price changes than the securities of larger companies.
- <sup>9</sup> Funds that invest primarily in small-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of small-capitalization companies are generally subject to greater price volatility than those of larger companies due to less certain growth prospects, the lower degree of liquidity in the markets for their securities, and the greater sensitivity of smaller companies to changing economic conditions. Also, small-capitalization companies may have more limited product lines, fewer capital resources and less experienced management than larger companies.
- <sup>10</sup> Funds that invest in foreign securities are exposed to the risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency fluctuations; and higher transaction costs. Investments in foreign currencies or securities denominated in foreign currencies (including derivative instruments that provide exposure to foreign currencies) may experience gains or losses solely based on changes in the exchange rate between foreign currencies and the U.S. dollar. The risk of investing in foreign securities may be greater with respect to securities of companies located in emerging market countries. The value of developing or emerging market currencies may fluctuate more than the currencies of companies with more mature markets.

## CITY OF MARIETTA Investment Options (continued)

Fund Name	Investment Objective/Principal Investment Strategy/Principal Risks
<b>Stable Value/Cash Management</b>	
VT PLUS Fund	Please find information regarding this fund in the section titled "Additional Information About Your Investment Options."
<b>Bond</b>	
Dodge & Cox Income Fund Morningstar Category† ‡: Intermediate-Term Bond	<p><b>Objective†:</b> The investment seeks a high and stable rate of current income, consistent with long-term preservation of capital.</p> <p><b>Strategy†:</b> The fund invests in a diversified portfolio of bonds and other debt securities. Under normal circumstances, the fund will invest at least 80% of its total assets in (1) investment-grade debt securities and (2) cash equivalents. "Investment grade" means securities rated Baa3 or higher by Moody's Investors Service, or BBB- or higher by Standard &amp; Poor's Ratings Group or Fitch Ratings, or equivalently rated by any nationally recognized statistical rating organization, or, if unrated, deemed to be of similar quality by Dodge &amp; Cox.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Balanced/Asset Allocation</b>	
Vanguard Target Retirement Income Fund Morningstar Category† ‡: Target-Date Retirement	<p><b>Objective†:</b> The investment seeks to provide current income and some capital appreciation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors currently in retirement. Its indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
Vanguard Target Retirement 2015 Fund Morningstar Category† ‡: Target-Date 2015	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2015 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
Vanguard Target Retirement 2020 Fund Morningstar Category† ‡: Target-Date 2020	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2020 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
Vanguard Target Retirement 2025 Fund Morningstar Category† ‡: Target-Date 2025	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2025 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>

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‡ Morningstar places funds in certain categories based on the fund's historical portfolio holdings. Placement of a fund in a particular Morningstar category does not mean that the fund will remain in that category or that it will invest primarily in securities consistent with its Morningstar category. A fund's investment strategy and portfolio holdings are governed by its prospectus, guidelines or other governing documents, not its Morningstar category.

## CITY OF MARIETTA Investment Options (continued)

Fund Name	Investment Objective/Principal Investment Strategy/Principal Risks
<b>Vanguard Target Retirement 2030 Fund</b> Morningstar Category† ‡: Target-Date 2030	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2030 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2035 Fund</b> Morningstar Category† ‡: Target-Date 2035	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2035 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2040 Fund</b> Morningstar Category† ‡: Target-Date 2040	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2040 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2045 Fund</b> Morningstar Category† ‡: Target-Date 2045	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2045 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2050 Fund</b> Morningstar Category† ‡: Target-Date 2050	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2050 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2055 Fund</b> Morningstar Category† ‡: Target-Date 2055	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2055 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Target Retirement 2060 Fund</b> Morningstar Category† ‡: Target-Date 2060+	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2060 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>

## CITY OF MARIETTA Investment Options (continued)

Fund Name	Investment Objective/Principal Investment Strategy/Principal Risks
<b>Vanguard Target Retirement 2065 Fund</b> Morningstar Category† ‡: Target-Date 2060+	<p><b>Objective†:</b> The investment seeks to provide capital appreciation and current income consistent with its current asset allocation.</p> <p><b>Strategy†:</b> The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2065 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Oakmark Equity &amp; Income Fund</b> Morningstar Category† ‡: Allocation-50% to 70% Equity	<p><b>Objective†:</b> The investment seeks income and preservation and growth of capital.</p> <p><b>Strategy†:</b> The fund invests primarily in a diversified portfolio of U.S. equity and debt securities (although the fund may invest up to 35% of its total assets in equity and debt securities of non-U.S. issuers). It is intended to present a balanced investment program between growth and income by investing approximately 40-75% of its total assets in common stock, including securities convertible into common stock, and up to 60% of its total assets in debt securities issued by U.S. or non-U.S. governments and corporate entities rated at the time of purchase within the two highest grades.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>U.S. Stock</b>	
<b>MFS Value Fund</b> Morningstar Category† ‡: Large Value	<p><b>Objective†:</b> The investment seeks capital appreciation.</p> <p><b>Strategy†:</b> The fund normally invests the fund's assets primarily in equity securities. Equity securities include common stocks and other securities that represent an ownership interest (or right to acquire an ownership interest) in a company or other issuer. MFS focuses on investing the fund's assets in the stocks of companies it believes are undervalued compared to their perceived worth (value companies).</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard 500 Index Fund</b> Morningstar Category† ‡: Large Blend	<p><b>Objective†:</b> The investment seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.</p> <p><b>Strategy†:</b> The fund employs an indexing investment approach designed to track the performance of the Standard &amp; Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>T Rowe Price® Growth Stock Fund</b> Morningstar Category† ‡: Large Growth	<p><b>Objective†:</b> The investment seeks long-term capital growth through investments in stocks.</p> <p><b>Strategy†:</b> The fund will normally invest at least 80% of its net assets (including any borrowings for investment purposes) in the common stocks of a diversified group of growth companies. While most assets will typically be invested in U.S. common stocks, the fund may invest in foreign stocks in keeping with the fund's objectives.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Wells Fargo Special Mid-Cap Value Fund</b> Morningstar Category† ‡: Mid-Cap Value	<p><b>Objective†:</b> The investment seeks long-term capital appreciation.</p> <p><b>Strategy†:</b> The fund normally invests at least 80% of its net assets in equity securities of medium-capitalization companies. It invests principally in equity securities of medium-capitalization companies, which the managers define as securities of companies with market capitalizations within the range of the Russell Midcap Index at the time of purchase.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>



## CITY OF MARIETTA Investment Options (continued)

Fund Name	Investment Objective/Principal Investment Strategy/Principal Risks
<b>Vanguard Mid-Cap Index Fund</b> Morningstar Category† ‡: Mid-Cap Blend	<p><b>Objective†:</b> The investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks.</p> <p><b>Strategy†:</b> The fund employs an indexing investment approach designed to track the performance of the CRSP US Mid Cap Index, a broadly diversified index of stocks of mid-size U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>American Beacon Small Cap Value Fund</b> Morningstar Category† ‡: Small Value	<p><b>Objective†:</b> The investment seeks long-term capital appreciation and current income.</p> <p><b>Strategy†:</b> Under normal circumstances, at least 80% of the fund's net assets (plus the amount of any borrowings for investment purposes) are invested in equity securities of small market capitalization companies. These companies have market capitalizations of \$5 billion or less at the time of investment. The fund's investments may include common stocks, real estate investment trusts ("REITs"), American Depositary Receipts ("ADRs") and U.S. dollar-denominated foreign stocks traded on U.S. exchanges (collectively, "stocks").</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>Vanguard Small-Cap Index Fund</b> Morningstar Category† ‡: Small Blend	<p><b>Objective†:</b> The investment seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks.</p> <p><b>Strategy†:</b> The fund employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Index, a broadly diversified index of stocks of small U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>ClearBridge Small Cap Growth Fund</b> Morningstar Category† ‡: Small Growth	<p><b>Objective†:</b> The investment seeks long-term growth of capital.</p> <p><b>Strategy†:</b> The fund normally invests at least 80% of its assets in equity securities of companies with small market capitalizations and related investments. The portfolio managers use a growth-oriented investment style that emphasizes small U.S. companies.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>
<b>International/Global Stock</b>	
<b>American Funds EuroPacific Growth Fund</b> Morningstar Category† ‡: Foreign Large Growth	<p><b>Objective†:</b> The investment seeks long-term growth of capital.</p> <p><b>Strategy†:</b> The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation. It normally will invest at least 80% of its net assets in securities of issuers in Europe and the Pacific Basin. The fund may invest a portion of its assets in common stocks and other securities of companies in emerging markets.</p> <p><b>Principal Risks:</b> Please see the Fund's prospectus or other disclosure documents for information about the Fund's risks.</p>

# Additional Information About Your Investment Options

## VT PLUS Fund

### Objective

The PLUS Fund's investment objective is to seek to offer a competitive level of income consistent with providing capital preservation and meeting liquidity needs. Key goals are to seek to preserve capital, by limiting the risk of loss of principal and delivering stable returns, and to meet the liquidity needs of those who invest in the PLUS Fund.

### Principal Investment Strategies

The PLUS Fund seeks to maintain a stable net asset value. It invests primarily in a diversified portfolio of stable-value investments, including traditional guaranteed investment contracts (traditional "GICs"), separate account GICs, synthetic GICs backed by fixed income securities or investments, and cash and cash equivalents including, short-term investment funds, and money market funds.

### Principal Investment Risks

Different risks are associated with the different types of stable value investment contracts in which the PLUS Fund invests. Generally, stable value investment contracts are illiquid and may not be assigned, transferred or sold to someone else without the permission of the issuing insurance company or bank. These contracts often include non-standard negotiated terms and do not trade in a secondary market.

Additional risks of investing in the PLUS Fund include, but are not limited to: failure of the issuers of GICs, BICs, Separate Account GICs, or Synthetic GICs to meet their obligations to the PLUS Fund; failure of ICMA-RC to meet its objectives or obligations, as investment adviser for the PLUS Fund; default or downgrade of the fixed income assets that back Separate Account GICs and Synthetic GICs; failure of the third-party fixed income managers of the portfolios underlying the Separate Account GICs and Synthetic GICs to meet their investment objectives or their obligations to the PLUS Fund; loss of value or failure to redeem shares or allow withdrawals on a timely basis by one or more of the commingled investment vehicles in which the PLUS Fund invests, which may include short-term investment funds or other mutual funds.

There is no guarantee that the Fund will achieve its investment objective. You may lose money by investing in the Fund. The Fund's principal investment risks include: Interest Rate Risk, Credit Risk, Issuer Risk, Liquidity Risk, Reinvestment Risk, Call Risk, Mortgage-Backed Securities Risk, Asset-Backed Securities Risk, Securities Lending Risk, Derivative Instruments Risk, Large Investor Risk. Please see the Risk Glossary for additional information about the Fund's risks.

Please note that there are transfer restrictions that apply to the PLUS Fund.

### Management

Investment professionals from ICMA Retirement Corporation (ICMA-RC) serve as the portfolio management team for the PLUS Fund. This team is responsible for the investment and reinvestment of PLUS Fund assets and also conducts the day-to-day management of the Fund.

## ICMA-RC ANNUAL SERVICE AND FEE DISCLOSURE

ICMA-RC, a non-profit organization dedicated to serving public sector participants like you since 1972. ICMA-RC is proud to serve as your retirement plan provider.

ICMA-RC has provided industry-leading services to the public sector since 1972 and our sole mission is to help public employees build retirement security. The organization's mission is delivered through our RealizeRetirement® approach in which ICMA-RC actively engages participants in their retirement programs, educates them on how to build their asset base toward a stated objective, and provides participants the tools to build a comprehensive retirement plan.

All of ICMA-RC's retirement plan administrative services and educational tools are designed specifically for the public sector. We are focused on delivering the highest level of service, quality and value for our clients.

### ICMA-RC's Commitment

As part of our commitment to you, ICMA-RC provides access to comprehensive retirement plan services including:

- An array of educational seminars and one-on-one consultations provided by salaried ICMA-RC representatives dedicated to helping public employees and retirees meet retirement savings goals.
- Financial planning services provided at little or no cost by salaried ICMA-RC CERTIFIED FINANCIAL PLANNER™ professionals to help with strategies for preparing and investing for retirement.
- Associates available on our toll-free line.
- Comprehensive online financial information and educational tools and resources.
- Access to a wide range of investment alternatives which may include target-date and/or target-risk funds, stock/bond funds, a stable value fund and a guaranteed lifetime income fund.
- Guided Pathways® Advisory Services, ICMA-RC's comprehensive suite of investment advisory services.

Your retirement plan is a valuable asset, and an important part of your total employee benefits package. By sponsoring a retirement plan, your employer is providing an opportunity for you to reach your financial goals.

### Annual Service and Disclosure Statement

The annual service and disclosure statement outlines the cost of services in your plan. The amount you pay for your retirement plan is based on the available services, those you choose to use and the funds in which you invest. While retirement plan fees are important, they are only part of the story. The quality and value of the services you receive will assist you in saving for retirement and should also be considered.

The enclosed disclosure statement shows fees and fund costs. It is informational and requires no action on your part. It simply outlines the costs of the value-added services you receive. The disclosure statement includes:

- **Plan-Related Information:** A schedule of fees that may be deducted from your account, providing a clear view of the cost of services you may choose to use.
- **Performance:** Fund, index benchmark and peer average returns to provide comparative information on the performance of funds made available by your plan.
- **Fees and Expenses:** A schedule of the expenses of each fund made available by your plan, the annual cost of a \$1,000 investment in each fund, and fund redemption fees/trading restrictions.
- **Annuity Information:** For plans making the VT Retirement Income Advantage Fund available, additional information regarding the objectives, pricing factors and fees of this fund.

We are dedicated to providing information and education that supports informed decision making and is consistent with the best standards in the retirement plan industry. To find out more about our education and plan administration services, the investment alternatives made available by your plan, as well as fees, please talk to your local ICMA-RC representative or visit us online at [www.icmarc.org](http://www.icmarc.org).

ICMA-RC's services, combined with more than 45 years of experience, bring an extraordinary understanding and dedication to the retirement saving needs of the public sector. Our success is based on delivering the highest level of service, value and quality to our clients and we are committed to assisting you in building your retirement security.



**CITY OF MARIETTA**  
**Supplemental Pension Plan**  
**Fee and Investment Disclosure**  
**December 31, 2017**

This disclosure document includes important information to help you understand the fees associated with your plan and to compare the expenses and fees of the investment options made available in your retirement plan. If you have further questions regarding the plan’s investment options, would like to view the most recent monthly and quarterly performance, direct your contribution allocations, transfer from one investment option to another, or to request a printed copy of this disclosure you may log on to Account Access at [www.icmarc.org](http://www.icmarc.org) or contact us at 800-669-7400.

**I. Plan Related Information**

This section discusses fees that may be assessed to your account, either as a participant in the plan or for services made available by the plan that you may choose to use.

GUIDED PATHWAYS	
Fund Advice <sup>1,2,3</sup>	\$20 annual fee
Managed Accounts <sup>1,2,4</sup>	0.40% on first \$100,000 0.35% on next \$100,000 0.25% on next \$300,000 0.00% on All assets over \$500,000
EXPEDITED DISBURSEMENT	
Wire	\$15 per use
FedEx	varies by delivery address
LEGAL	
Domestic Relations Order Processing	\$250 per divorce

Some of the plan’s administrative expenses for the preceding quarter were paid from the total operating expenses of one or more of the plan’s investment options. The total operating expenses of each investment, which include any amount paid to offset administration, are shown in Section II Investment Related Information.

- 1 *Investment advice and analysis tools are offered to participants through ICMA-RC, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with ICMA-RC. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.*
- 2 *Underlying mutual fund expenses and plan administration fees still apply. Please consult the applicable Fund Fact Sheet(s) and Funds' Disclosure Memorandum for a description of these fees and expenses.*
- 3 *The annual Fund Advice fee may be waived for participants who qualify for ICMA-RC's Premier Program.*
- 4 *Managed Accounts is not suitable for all investors. Please contact our Guided Pathways® team or your ICMA-RC Retirement Plan Specialist and fully read the ICMA-RC Guided Pathways® Fund Advice and Managed Accounts Investment Advisory Agreement prior to enrolling in Managed Accounts to determine if this service is right for you.*



## VARIABLE RETURN INVESTMENTS

PERFORMANCE AS OF 12/31/2017

Investment Option / Benchmark / Peer Group	Type of Option*	1 yr	3 yr	5 yr	10 yr	Since Inception	Inception Date
<b>STABLE VALUE/CASH MANAGEMENT</b>							
<b>VT PLUS Fund<sup>1,2,3,4</sup></b>	Stable Value	1.87	1.79	1.84	2.61	—	4/1999
ICE BofAML US 3-Mo. T-Bill Index (Annualized) <sup>a</sup>		0.86	0.41	0.27	0.39		
<b>BOND</b>							
<b>Dodge &amp; Cox Income Fund<sup>5,6,7</sup></b>	Intermediate-Term Bond	4.36	3.09	3.07	5.01	6.80	1/1989
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Intermediate-Term Bond <sup>c,d</sup>		3.71	2.22	2.05	4.06		
<b>BALANCED/ASSET ALLOCATION</b>							
<b>Vanguard Target Retirement Income Fund<sup>5,6,8</sup></b>	Target-Date Retirement	8.47	4.46	4.95	4.91	5.38	10/2003
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date Retirement <sup>c,d</sup>		8.81	4.17	4.48	4.07		
<b>Vanguard Target Retirement 2015 Fund<sup>5,6,8</sup></b>	Target-Date 2015	11.50	5.62	7.25	5.23	6.35	10/2003
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Morningstar Target-Date 2015 <sup>c,d</sup>		11.29	5.36	6.47	4.44		
<b>Vanguard Target Retirement 2020 Fund<sup>5,6,8</sup></b>	Target-Date 2020	14.08	6.61	8.50	5.61	6.53	6/2006
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2020 <sup>c,d</sup>		12.46	5.67	6.76	4.54		
<b>Vanguard Target Retirement 2025 Fund<sup>5,6,8</sup></b>	Target-Date 2025	15.94	7.31	9.36	5.79	7.04	10/2003
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2025 <sup>c,d</sup>		14.67	6.50	7.93	4.94		
<b>Vanguard Target Retirement 2030 Fund<sup>5,6,8</sup></b>	Target-Date 2030	17.52	7.85	10.13	5.92	6.93	6/2006
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2030 <sup>c,d</sup>		16.57	7.22	8.74	5.12		
<b>Vanguard Target Retirement 2035 Fund<sup>5,6,8</sup></b>	Target-Date 2035	19.12	8.39	10.90	6.18	7.72	10/2003
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2035 <sup>c,d</sup>		18.43	7.87	9.66	5.40		
<b>Vanguard Target Retirement 2040 Fund<sup>5,6,8</sup></b>	Target-Date 2040	20.71	8.91	11.47	6.49	7.39	6/2006
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2040 <sup>c,d</sup>		19.52	8.23	10.03	5.49		
<b>Vanguard Target Retirement 2045 Fund<sup>5,6,8</sup></b>	Target-Date 2045	21.42	9.17	11.64	6.56	8.21	10/2003
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2045 <sup>c,d</sup>		20.51	8.55	10.45	5.66		

Investment Option / Benchmark / Peer Group	Type of Option*	1 yr	3 yr	5 yr	10 yr	Since Inception	Inception Date
<b>Vanguard Target Retirement 2050 Fund</b> <sup>5,6,8</sup>	Target-Date 2050	21.39	9.16	11.63	6.56	7.50	6/2006
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2050 <sup>c,d</sup>		20.67	8.62	10.48	5.68		
<b>Vanguard Target Retirement 2055 Fund</b> <sup>5,6,8</sup>	Target-Date 2055	21.38	9.11	11.60	—	11.62	8/2010
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Bloomberg Barclays U.S. Agg Bond Index <sup>b,c</sup>		3.54	2.24	2.10	4.01		
Morningstar Target-Date 2055 <sup>c,d</sup>		21.08	8.79	10.87	6.82		
<b>Vanguard Target Retirement 2060 Fund</b> <sup>5,6,8</sup>	Target-Date 2060+	21.36	9.10	11.59	—	11.54	1/2012
MSCI US Broad Market Index (Gross) <sup>c,e</sup>		21.21	11.15	15.63	8.75		
Morningstar Target-Date 2060+ <sup>c,d</sup>		21.27	9.24	11.59	—		
<b>Vanguard Target Retirement 2065 Fund</b> <sup>5,6,8</sup>	Target-Date 2060+	—	—	—	—	9.35	7/2017
S&P Target Date 2060+ Index <sup>c,f</sup>		20.75	9.71	11.75	—		
Morningstar Target-Date 2060+ <sup>c,d</sup>		21.27	9.24	11.59	—		
<b>Oakmark Equity &amp; Income Fund</b> <sup>5,6</sup>	Allocation-50% to 70% Equity	14.46	6.61	9.99	6.87	10.38	11/1995
60% S&P 500/40% Bloomberg Barclays Gov/Cr <sup>g,h</sup>		14.41	7.87	10.27	7.02		
Morningstar Allocation - 50% to 70% Equity <sup>c,d</sup>		13.21	5.91	8.03	5.53		
<b>U.S. STOCK</b>							
<b>MFS Value Fund</b> <sup>5,6,9</sup>	Large Value	17.74	10.16	14.95	7.82	8.80	4/2005
Russell 1000 Value Index <sup>c,i</sup>		13.66	8.65	14.04	7.10		
Morningstar Large Value <sup>c,d</sup>		15.94	8.65	13.33	6.92		
<b>Vanguard 500 Index Fund</b> <sup>5,6</sup>	Large Blend	21.79	11.38	15.75	8.49	6.12	11/2000
S&P 500 Index <sup>c,i</sup>		21.83	11.41	15.79	8.50		
Morningstar Large Blend <sup>c,d</sup>		20.44	9.70	14.24	7.61		
<b>T Rowe Price® Growth Stock Fund</b> <sup>5,6,9,10</sup>	Large Growth	33.31	14.24	17.59	9.74	8.59	12/2001
S&P 500 Index <sup>c,i</sup>		21.83	11.41	15.79	8.50		
Morningstar Large Growth <sup>c,d</sup>		27.67	11.06	15.29	8.31		
<b>Wells Fargo Special Mid-Cap Value Fund</b> <sup>5,6,9,11</sup>	Mid-Cap Value	10.90	9.27	15.14	10.23	9.77	4/2005
Russell Midcap Value Index <sup>c,k</sup>		13.34	9.00	14.68	9.10		
Morningstar Mid-Cap Value <sup>c,d</sup>		13.22	8.19	13.25	8.06		
<b>Vanguard Mid-Cap Index Fund</b> <sup>5,6,11</sup>	Mid-Cap Blend	19.25	9.38	15.01	8.92	10.25	11/2001
CRSP US Mid Cap Index <sup>c,l</sup>		19.30	9.42	15.07	8.79		
Morningstar Mid-Cap Blend <sup>c,d</sup>		15.93	8.16	13.28	7.86		
<b>American Beacon Small Cap Value Fund</b> <sup>5,6,9,12</sup>	Small Value	8.17	8.84	13.36	9.03	11.21	5/2003
Russell 2000 Value Index <sup>c,m</sup>		7.84	9.55	13.01	8.17		
Morningstar Small Value <sup>c,d</sup>		8.54	8.25	12.23	8.22		
<b>Vanguard Small-Cap Index Fund</b> <sup>5,6,12</sup>	Small Blend	16.24	9.84	14.44	9.68	9.41	11/2000
CRSP US Small Cap Index <sup>c,n</sup>		16.24	9.81	14.54	10.03		
Morningstar Small Blend <sup>c,d</sup>		12.28	8.71	12.99	8.13		
<b>ClearBridge Small Cap Growth Fund</b> <sup>5,6,9,12</sup>	Small Growth	25.28	8.29	13.89	9.48	10.17	11/2004
Russell 2000 Growth Index <sup>c,o</sup>		22.17	10.28	15.21	9.19		
Morningstar Small Growth <sup>c,d</sup>		21.50	9.97	13.96	8.42		

Investment Option / Benchmark / Peer Group	Type of Option*	1 yr	3 yr	5 yr	10 yr	Since Inception	Inception Date
<b>INTERNATIONAL/GLOBAL STOCK</b>							
American Funds EuroPacific Growth Fund <sup>5,6,9,13</sup>	Foreign Large Growth	30.32	8.96	8.51	3.29	7.68	5/2002
MSCI ACWI ex USA Index (Net) <sup>c,p</sup>		27.19	7.83	6.80	1.84		
Morningstar Foreign Large Growth <sup>c,d</sup>		30.87	9.04	8.51	2.75		

\* Morningstar places funds in certain categories based on the fund's historical portfolio holdings. Placement of a fund in a particular Morningstar category does not mean that the fund will remain in that category or that it will invest primarily in securities consistent with its Morningstar category. A fund's investment strategy and portfolio holdings are governed by its prospectus, guidelines or other governing documents, not its Morningstar category.

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- 1 Before investing in the Fund you should carefully consider your investment goals, tolerance for risk, investment time horizon, and personal circumstances. There is no guarantee that the Fund will meet its investment objective and you can lose money.
- 2 The Fund is an investment option of VantageTrust, a group trust established and maintained by VantageTrust Company, LLC, a wholly owned subsidiary of ICMA-RC. VantageTrust provides for the commingling of assets of certain trusts and plans as described in its Declaration of Trust, and is only available for investment by such eligible trusts and plans. The Fund is not a mutual fund. Its units are not deposits of VantageTrust Company and are not insured by the Federal Deposit Insurance Corporation or any other agency. The Fund is a security that has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Company Act of 1940. For additional information regarding the Fund, including a description of the principal risks, please consult the VantageTrust Funds Disclosure Memorandum, which is available when plan administration clients log in at [www.icmarc.org](http://www.icmarc.org), at [www.vantagepointfunds.org](http://www.vantagepointfunds.org) for institutions, or upon request by calling 800-669-7400.
- 3 VT PLUS Fund return is annualized for all periods.
- 4 ICMA-RC and your employer may negotiate a different fund management or service fee for your Plan that would lower the total expense ratio. The performance and total expense ratio shown do not reflect any such alternative fee arrangements.
- 5 Please read the fund's prospectus or disclosure materials carefully for a complete summary of all fees, expenses, investment objectives and strategies, risks, financial highlights, and performance information. Investing involves risk, including possible loss of the amount invested. Investors should carefully consider the information contained in the prospectus or disclosure materials before investing. To request a prospectus or disclosure materials, you may contact us by calling 800-669-7400, emailing [investorservices@icmarc.org](mailto:investorservices@icmarc.org), or visiting [www.icmarc.org](http://www.icmarc.org).
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- 7 A fixed income fund is subject to credit risk and interest rate risk. Credit risk is when an issuer of a fixed income security may be unable or unwilling to make payments of principal or interest to the holders of these securities or may declare bankruptcy. Fixed income securities fluctuate in value as interest rates change. When interest rates rise, the market prices of fixed income securities will usually decrease; when interest rates fall, the market prices of fixed income securities usually will increase.
- 8 The Fund is not a complete solution for all of your retirement savings needs. An investment in the Fund includes the risk of loss, including near, at or after the target date of the Fund. There is no guarantee that the Fund will provide adequate income at and through an investor's retirement.
- 9 Certain funds may be subject to style risk, which is the possibility that the investment style of its investment adviser will trail the returns of the overall market. In the past, different types of securities have experienced cycles of outperformance and underperformance in comparison to the market in general. For example, growth stocks have performed best during the later stages of economic expansion and value stocks have performed best during periods of economic recovery. Both styles may go in and out of favor. When the investing style used by a fund is out of favor, that fund is likely to underperform other funds that use investing styles that are in favor.
- 10 T. Rowe Price® is a registered trademark of T. Rowe Price Group, Inc. - all rights reserved.



- 11 *Funds that invest primarily in mid-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of mid-capitalization companies generally trade in lower volume and are generally subject to greater and less predictable price changes than the securities of larger companies.*
- 12 *Funds that invest primarily in small-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of small-capitalization companies are generally subject to greater price volatility than those of larger companies due to less certain growth prospects, the lower degree of liquidity in the markets for their securities, and the greater sensitivity of smaller companies to changing economic conditions. Also, small-capitalization companies may have more limited product lines, fewer capital resources and less experienced management than larger companies.*
- 13 *Funds that invest in foreign securities are exposed to the risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency fluctuations; and higher transaction costs. Investments in foreign currencies or securities denominated in foreign currencies (including derivative instruments that provide exposure to foreign currencies) may experience gains or losses solely based on changes in the exchange rate between foreign currencies and the U.S. dollar. The risk of investing in foreign securities may be greater with respect to securities of companies located in emerging market countries. The value of developing or emerging market currencies may fluctuate more than the currencies of companies with more mature markets.*
- a *The Intercontinental Exchange Bank of America Merrill Lynch ("ICE BofAML") US 3-Month Treasury Bill Index is comprised of a single U.S. Treasury Bill issue purchased at the beginning of each month and held for a full month, at which time that issue is sold and rolled into a newly selected issue. The issue selected each month is that having a maturity date closest to, but not beyond, 90 days from the rebalance date.*
- b *The Bloomberg Barclays U.S. Aggregate Bond Index consists of investment-grade U.S. fixed income securities.*
- c *Certain information including, but not limited to, benchmark performance or other performance and/or fee information, is provided by Morningstar, Inc., © 2017 All rights reserved. This information: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed and (3) is not warranted to be accurate, complete or timely. Neither Morningstar and/or its content providers are responsible for any damages or losses arising from any use of information. Morningstar is a registered trademark of Morningstar, Inc.*
- d *The Morningstar category represents the average return for a category of funds with similar investment objectives and strategies. The average is calculated and funds are assigned to a category by Morningstar.*
- e *The MSCI US Broad Market Index (Gross) represents the universe of companies in the U.S. equity market, including large, mid, small and micro cap companies. This index targets for inclusion 99.5% of the capitalization of the U.S. equity market. Gross total return indexes reinvest as much as possible of a company's dividend distributions. The reinvested amount is equal to the total dividend amount distributed to persons residing in the country of the dividend-paying company. Gross total return indexes do not, however, include any tax credits.*
- f *The S&P Target Date Indexes reflect exposure to various asset classes included in target date funds driven by a survey of such funds for each particular target date.*
- g *The custom benchmark is comprised of market indexes that reflect the general performance of the primary asset classes in which the Fund invests. It is weighted 60% S&P 500 Index and 40% Bloomberg Barclays U.S. Government/Credit Index. The S&P 500 Index consists of 500 companies representing larger capitalization stocks traded in the U.S. The Bloomberg Barclays U.S. Government/Credit Index includes treasuries, agencies, quasi-federal corporations, and corporate or foreign debt.*
- h *The custom benchmark is comprised of market indexes that reflect the general performance of the primary asset classes in which the Fund invests. It is weighted 60% S&P 500 Index and 40% Bloomberg Barclays U.S. Government/Credit Index. The S&P 500 Index consists of 500 companies representing larger capitalization stocks traded in the U.S. The Bloomberg Barclays U.S. Government/Credit Index includes treasuries, agencies, quasi-federal corporations, and corporate or foreign debt. The Bloomberg Barclays U.S. Government/Credit Index also includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.*
- i *The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® Index companies with lower price-to-book ratios and lower expected growth values.*
- j *The S&P 500 Index consists of 500 companies representing larger capitalization stocks traded in the U.S.*
- k *The Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values.*
- l *The CRSP US Mid Cap Index consists of companies representing medium capitalization stocks traded in the U.S. on the NYSE, NYSE Market, NASDAQ or ARCA.*
- m *The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.*

- n* The CRSP US Small Cap Index consists of companies representing small capitalization stocks traded in the U.S. on the NYSE, NYSE Market, NASDAQ or ARCA.
- o* The Russell 2000® Growth Index measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values.
- p* The MSCI All Country World ex USA Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of large and mid cap segments of developed and emerging markets, excluding the U.S. The net version of this index reinvests dividends after the deduction of withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

## Fees and Expenses

The fees and expenses table below discloses total annual operating expenses for the plan's investment options as well as any shareholder-type fees or trading restrictions. The total annual operating expenses of these investment options reduce their rate of return.

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

Investment Option	Type of Option*	Gross Expense Ratio	Net Expense Ratio	Total Annual Operating Expense ( per \$1000)	Other fees or restrictions <sup>i</sup>
<b>STABLE VALUE/CASH MANAGEMENT</b>					
VT PLUS Fund <sup>1,2</sup>	Stable Value	0.82	0.82	\$8.20	90 day equity wash <sup>ii</sup>
<b>BOND</b>					
Dodge & Cox Income Fund <sup>3,4,5</sup>	Intermediate-Term Bond	0.43	0.43	\$4.30	
<b>BALANCED/ASSET ALLOCATION</b>					
Vanguard Target Retirement Income Fund <sup>3,4,6</sup>	Target-Date Retirement	0.13	0.13	\$1.30	
Vanguard Target Retirement 2015 Fund <sup>3,4,6</sup>	Target-Date 2015	0.13	0.13	\$1.30	
Vanguard Target Retirement 2020 Fund <sup>3,4,6</sup>	Target-Date 2020	0.13	0.13	\$1.30	
Vanguard Target Retirement 2025 Fund <sup>3,4,6</sup>	Target-Date 2025	0.14	0.14	\$1.40	
Vanguard Target Retirement 2030 Fund <sup>3,4,6</sup>	Target-Date 2030	0.14	0.14	\$1.40	
Vanguard Target Retirement 2035 Fund <sup>3,4,6</sup>	Target-Date 2035	0.14	0.14	\$1.40	
Vanguard Target Retirement 2040 Fund <sup>3,4,6</sup>	Target-Date 2040	0.15	0.15	\$1.50	
Vanguard Target Retirement 2045 Fund <sup>3,4,6</sup>	Target-Date 2045	0.15	0.15	\$1.50	
Vanguard Target Retirement 2050 Fund <sup>3,4,6</sup>	Target-Date 2050	0.15	0.15	\$1.50	
Vanguard Target Retirement 2055 Fund <sup>3,4,6</sup>	Target-Date 2055	0.15	0.15	\$1.50	
Vanguard Target Retirement 2060 Fund <sup>3,4,6</sup>	Target-Date 2060+	0.15	0.15	\$1.50	
Vanguard Target Retirement 2065 Fund <sup>3,4,6</sup>	Target-Date 2060+	0.15	0.15	\$1.50	
Oakmark Equity & Income Fund <sup>3,4,7</sup>	Allocation-50% to 70% Equity	0.88	0.78	\$7.80	
<b>U.S. STOCK</b>					
MFS Value Fund <sup>3,4,8</sup>	Large Value	0.59	0.59	\$5.90	\$15,000.00 / 30 days
Vanguard 500 Index Fund <sup>3,4</sup>	Large Blend	0.04	0.04	\$0.40	
T Rowe Price® Growth Stock Fund <sup>3,4,8,9</sup>	Large Growth	0.93	0.93	\$9.30	Any \$/ 30 days
Wells Fargo Special Mid-Cap Value Fund <sup>3,4,8,10</sup>	Mid-Cap Value	1.10	1.10	\$11.00	\$5,000.00 / 30 days

Investment Option	Type of Option*	Gross Expense Ratio	Net Expense Ratio	Total Annual Operating Expense ( per \$1000)	Other fees or restrictions <sup>i</sup>
Vanguard Mid-Cap Index Fund <sup>3,4,10</sup>	Mid-Cap Blend	0.06	0.06	\$0.60	
American Beacon Small Cap Value Fund <sup>3,4,8,11</sup>	Small Value	1.32	1.32	\$13.20	
Vanguard Small-Cap Index Fund <sup>3,4,11</sup>	Small Blend	0.06	0.06	\$0.60	
ClearBridge Small Cap Growth Fund <sup>3,4,8,11</sup>	Small Growth	0.90	0.90	\$9.00	
<b>INTERNATIONAL/GLOBAL STOCK</b>					
American Funds EuroPacific Growth Fund <sup>3,4,8,12</sup>	Foreign Large Growth	1.14	1.14	\$11.40	\$5,000.00 / 30 days

\* Morningstar places funds in certain categories based on the fund's historical portfolio holdings. Placement of a fund in a particular Morningstar category does not mean that the fund will remain in that category or that it will invest primarily in securities consistent with its Morningstar category. A fund's investment strategy and portfolio holdings are governed by its prospectus, guidelines or other governing documents, not its Morningstar category.

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i Frequent trading rules are designed to detect and discourage trading activities that may increase costs to all investors. All funds or underlying funds are monitored for frequent trading. Certain funds or underlying funds may impose fees or restrictions to deter frequent trading. Current information about these fees or restrictions can be found in a fund's or underlying fund's prospectus. You may contact us to obtain a prospectus or to answer questions by calling 800-669-7400, emailing [investorservices@icmarc.org](mailto:investorservices@icmarc.org), or visiting [www.icmarc.org](http://www.icmarc.org). You can obtain information about ICMA-RC's Frequent Trading Policy at [www.icmarc.org/frequenttrading](http://www.icmarc.org/frequenttrading).

ii Direct transfers from a stable value fund to competing funds are restricted. Competing funds may include, but are not limited to money market mutual funds, certificates of deposit, stable value funds, investment options that offer guarantees of principal or income, certain short-term bond funds and self-directed brokerage accounts. Certain restrictions may apply when you want to transfer money from a stable value fund to a competing fund. These restrictions generally include waiting periods before transfers can be made back into a stable value fund. For additional information on the VT PLUS Fund restrictions on transfers to competing funds, please refer to the Fund's Fact Sheet and Funds' Disclosure Memorandum.

1 Before investing in the Fund you should carefully consider your investment goals, tolerance for risk, investment time horizon, and personal circumstances. There is no guarantee that the Fund will meet its investment objective and you can lose money.

2 The Fund is an investment option of VantageTrust, a group trust established and maintained by VantageTrust Company, LLC, a wholly owned subsidiary of ICMA-RC. VantageTrust provides for the commingling of assets of certain trusts and plans as described in its Declaration of Trust, and is only available for investment by such eligible trusts and plans. The Fund is not a mutual fund. Its units are not deposits of VantageTrust Company and are not insured by the Federal Deposit Insurance Corporation or any other agency. The Fund is a security that has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Company Act of 1940. For additional information regarding the Fund, including a description of the principal risks, please consult the VantageTrust Funds Disclosure Memorandum, which is available when plan administration clients log in at [www.icmarc.org](http://www.icmarc.org), at [www.vantagepointfunds.org](http://www.vantagepointfunds.org) for institutions, or upon request by calling 800-669-7400.

3 Certain information including, but not limited to, benchmark performance or other performance and/or fee information, is provided by Morningstar, Inc., © 2017 All rights reserved. This information: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed and (3) is not warranted to be accurate, complete or timely. Neither Morningstar and/or its content providers are responsible for any damages or losses arising from any use of information. Morningstar is a registered trademark of Morningstar, Inc.

4 Please read the fund's prospectus or disclosure materials carefully for a complete summary of all fees, expenses, investment objectives and strategies, risks, financial highlights, and performance information. Investing involves risk, including possible loss of the amount invested. Investors should carefully consider the information contained in the prospectus or disclosure materials before investing. To request a prospectus or disclosure materials, you may contact us by calling 800-669-7400, emailing [investorservices@icmarc.org](mailto:investorservices@icmarc.org), or visiting [www.icmarc.org](http://www.icmarc.org).

5 A fixed income fund is subject to credit risk and interest rate risk. Credit risk is when an issuer of a fixed income security may be unable or unwilling to make payments of principal or interest to the holders of these securities or may declare bankruptcy. Fixed income securities fluctuate in value as interest rates change. When interest rates rise, the market prices of fixed income securities will usually decrease; when interest rates fall, the market prices of fixed income securities usually will increase.

6 The Fund is not a complete solution for all of your retirement savings needs. An investment in the Fund includes the risk of loss, including near, at or after the target date of the Fund. There is no guarantee that the Fund will provide adequate income at and through an investor's retirement.

- 7 *Differences between the net expense ratio and gross expense ratio of a fund are typically due to fee waivers, expense reimbursements, expense limits, and/or the reimbursement of fees to the fund.*
- 8 *Certain funds may be subject to style risk, which is the possibility that the investment style of its investment adviser will trail the returns of the overall market. In the past, different types of securities have experienced cycles of outperformance and underperformance in comparison to the market in general. For example, growth stocks have performed best during the later stages of economic expansion and value stocks have performed best during periods of economic recovery. Both styles may go in and out of favor. When the investing style used by a fund is out of favor, that fund is likely to underperform other funds that use investing styles that are in favor.*
- 9 *T. Rowe Price® is a registered trademark of T. Rowe Price Group, Inc. - all rights reserved.*
- 10 *Funds that invest primarily in mid-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of mid-capitalization companies generally trade in lower volume and are generally subject to greater and less predictable price changes than the securities of larger companies.*
- 11 *Funds that invest primarily in small-capitalization companies involve greater risk than is customarily associated with investments in larger, more established companies. Equity securities of small-capitalization companies are generally subject to greater price volatility than those of larger companies due to less certain growth prospects, the lower degree of liquidity in the markets for their securities, and the greater sensitivity of smaller companies to changing economic conditions. Also, small-capitalization companies may have more limited product lines, fewer capital resources and less experienced management than larger companies.*
- 12 *Funds that invest in foreign securities are exposed to the risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency fluctuations; and higher transaction costs. Investments in foreign currencies or securities denominated in foreign currencies (including derivative instruments that provide exposure to foreign currencies) may experience gains or losses solely based on changes in the exchange rate between foreign currencies and the U.S. dollar. The risk of investing in foreign securities may be greater with respect to securities of companies located in emerging market countries. The value of developing or emerging market currencies may fluctuate more than the currencies of companies with more mature markets.*

## Glossary

Please refer to <http://www.icmarc.org/for-individuals/plansmart/glossary.html> for a glossary of investment and fee related terms.



## Notice Regarding Default Investments

You have the right to direct the investment of assets in your account to any of the investments offered under your plan, at no additional cost to you. Use your plan's enrollment form to provide allocation instructions for the investment of contributions to your account. After completing the enrollment process, you may provide allocation instructions, or change the election made on your enrollment form, by contacting ICMA-RC's Investor Services toll-free at 800-669-7400, or online using Account Access at [www.icmarc.org](http://www.icmarc.org).

In the absence of valid allocation instructions for your account, all assets will be invested in the default fund selected by your employer until additional instructions are received from you. More information regarding the default fund selected by your employer is available by contacting ICMA-RC's Investor Services.

Increase your chances of achieving your retirement savings goals by giving careful consideration to the benefits of a well-balanced and diversified portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing the risk of losing money in your retirement account. Although diversification is not a guarantee against loss, it can be an effective strategy to help manage investment risk.

Additional information regarding the investment options available to your plan, including the default fund chosen by your employer, is available by contacting ICMA-RC's Investor Services.

# Privacy Policy Notice

ICMA Retirement Corporation  
ICMA Retirement Trust  
ICMA-RC Services, LLC

VantageTrust Company, LLC  
VantageTrust  
VantageTrust II Multiple Collective  
Investment Funds Trust ("VantageTrust II")

VantageTrust III Master Collective  
Investment Funds Trust ("Vantage Trust III")  
Vantagepoint Investment Advisers, LLC  
Vantagepoint Transfer Agents, LLC

**Our Privacy Policy.** Protecting your privacy is important to us. In providing financial services and investment products to you, we collect certain nonpublic personal information about you. Our policy generally is to keep this information strictly confidential, and to use or disclose it as needed to provide services to you, or as permitted or required by law or by you. Our privacy policy applies equally to our former customers and investors, as well as individuals who simply inquire about the services or investments we offer. We may change this privacy policy in the future upon notification to you.

**Information We Collect.** The nonpublic personal information we have about you includes information you give us when you open an account, invest in the VantageTrust Funds, or VantageTrust II Funds, or write or call us, such as your name, address, social security number, employment, investment objectives and experience, financial circumstances, and investment transactions and holdings.

**Information We Disclose.** We disclose nonpublic personal information about you to our affiliates, and to outside firms that help us provide services to you, for use only for that purpose. If you elect to invest in ICMA-RC's Managed Accounts Program or in the VantageTrust Retirement IncomeAdvantage Fund, ICMA-RC will share information necessary to make these products and services available to you with Morningsar Investment Management LLC, a registered investment adviser and a subsidiary of Morningstar, Inc. and Prudential Retirement Insurance and Annuity Company, the third party firms with which ICMA Retirement Corporation has contracted in connection with these products and services, respectively.

[Note: The following applies to all states except California and New York State.] We may also disclose nonpublic personal information to nonaffiliated third party financial institutions with which we have established, or may in the future establish, relationships in order to offer select financial products of interest to our customers. Currently, ICMA Retirement Corporation has established a relationship with M&T Bank for enrollment and information services in connection with ICMA Retirement Corporation's 457 Deferred Compensation Program in certain jurisdictions [applicable for participants in plans located in Maryland (excluding the metropolitan DC area), Pennsylvania and West Virginia]. ICMA Retirement Corporation also has contracted with Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar, Inc to make available a Retirement Readiness Report to employees of 401 and 457 plan sponsors that elect this optional service for their employees. Before any additional third party relationships are added, they must be approved by the Board of Directors of the ICMA Retirement Corporation. Once approved, ICMA Retirement Corporation will notify you of any additional third party relationships in future publications of this privacy policy.

You have the right to stop us from disclosing nonpublic personal information about you to these parties, except as permitted or required by law. To do so, call us at 800-827-2710. If you do not notify us that you wish to block disclosure of this nonpublic personal information, we will allow information to be sent to you from all third party financial institutions with which we have established relationships.

**How We Safeguard Your Information.** We restrict access to nonpublic personal information about you to those persons who need to know it or who are permitted or required by law or by you to receive it. We maintain physical, electronic and procedural safeguards to protect the confidentiality of your information.

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*Some of the funds, services, or products described in this Privacy Policy may not be available to your Plan, and all are subject to change.*



## Disaster Recovery Plan

ICMA Retirement Corporation (ICMA-RC) and its subsidiaries, including ICMA-RC Services, LLC and VantageTrust Transfer Agents, LLC (collectively, "ICMA-RC") are committed to protecting the assets of our customers and being prepared to quickly recover and resume operations in the event of a significant business interruption. We have always regarded this as an obligation to our customers and have allocated resources to ensure our ability to meet this commitment. These capabilities are designed to:

- Provide for the complete recovery of our technology infrastructure and data.
- Consider the impact of various types of potential interruptions and prepare an appropriate strategy for each.
- Enable ICMA-RC to continue to perform our critical business functions and minimize the impact to our customers.

The goal of our Disaster Recovery Plan is to be able to recover and resume business operations within 24 hours after the onset of a situation that warrants a disaster declaration. To accomplish this we have:

- Detailed plans for every division across our corporation that identify specific actions to be taken, personnel requirements to meet those actions, and other resources necessary to restore critical processes and resume business operations. Keep in mind that the ability to conduct trading and other transactional activity is dependent on the stock market being open and the availability of telecommunications to perform the trade.
- Contracted with a national information availability provider for alternative workspace for our personnel, network infrastructure and telecommunications infrastructure, in the event that our facility is unusable because of an incident. This enables ICMA-RC to respond to your inquiries and provide information regarding your accounts during an incident.
- Established processes for the backup of data. Complete copies of production data are backed up at the completion of a daily processing cycle and are stored offsite at multiple secure locations. For critical data, backups are sent periodically throughout the day to a remote server. In addition, information required by regulatory agencies is archived and stored offsite at secure locations.
- Tested the effectiveness of our Disaster Recovery Plan to ensure that we have the ability to continue to operate in the event of an incident. Semi-annual exercises are conducted, with active annual participation of over 20% of ICMA-RC employees, to test the recovery of the network infrastructure and the functionality of all critical applications and processes.

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*If you have any questions about this plan or ICMA-RC please contact an Investor Services Representative at 800-669-7400.*





## ICMA-RC GUIDED PATHWAYS® FUND ADVICE AND MANAGED ACCOUNTS INVESTMENT ADVISORY AGREEMENT

June 2017

This investment advisory agreement (“Agreement”) describes the terms and conditions under which ICMA Retirement Corporation (“ICMA-RC”), a Delaware corporation registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”), will operate the Fund Advice service (“Fund Advice”) or Managed Accounts service (“Managed Accounts”). By entering into this Agreement, you have elected to participate in a voluntary investment advisory service program offered by ICMA-RC for your designated retirement plan (“Plan”) assets or Vantagepoint Individual Retirement Account (“IRA”) assets (collectively, “Account(s”).

### RESPONSIBILITIES

Under **Fund Advice**, ICMA-RC may provide “point-in-time” individual investment advice (e.g., fund specific investment recommendations) developed from the eligible investment options made available through your Plan or through ICMA-RC’s Vantagepoint IRA (“Eligible Investment Options”) and in accordance with objective, independent, third-party investment recommendations.

Under **Managed Accounts**, in accordance with guidelines established by the United States Department of Labor under its Advisory Opinion No. 2001-09A, ICMA-RC may provide ongoing management of your Account(s) by investing and reinvesting assets in your Account(s) in Eligible Investment Options in accordance with objective, independent, third-party investment recommendations.

**Managed Accounts** is a discretionary, asset allocation investment management service.

ICMA-RC has hired Morningstar Investment Management LLC (“Morningstar Investment Management”), an SEC-registered investment adviser and a subsidiary of Morningstar, Inc. to serve as the Independent Financial Expert (“IFE”) for **Fund Advice** and **Managed Accounts** to provide investment recommendations to ICMA-RC which are used in advising or managing your Account(s). Both **Fund Advice** and **Managed Accounts** are offered through Guided Pathways®, ICMA-RC’s platform for the delivery of a suite of services for participants of Public Employer retirement plans and ICMA-RC’s Vantagepoint IRA (collectively, “Participants”).

Our ability to advise or manage your Account(s) or provide fund recommendations properly depends on you providing us with as much current personal and financial information as possible.

### FUND ADVICE AND MANAGED ACCOUNTS AUTHORIZATION AND APPOINTMENT

#### Fund Advice

Under **Fund Advice**, you request that ICMA-RC provide “point-in-time” individual investment advice (e.g., fund specific investment recommendations) developed from Eligible Investment Options and in accordance with objective, independent, third-party investment recommendations developed by Morningstar Investment Management, acting as the IFE. Under **Fund Advice**, you acknowledge and understand that you must pay an annual fee to continue to obtain this advice and, if the fee is not paid, the contract terminates and a new contract would have to be entered in order to obtain additional advice. Applicable fees are described more fully below. You also understand and acknowledge that this advice

provided is based on the Eligible Investment Options and will also take into account other personal and financial information that you provide to ICMA-RC, including information regarding your income or other investments that you may have outside of your Account(s). You further acknowledge and understand that under **Fund Advice**, you are responsible for implementing any advice or fund specific recommendation using the ordinary means available to your Account(s) (e.g., transfer of account balances), and for subsequent monitoring or review of the Account(s) and of the information utilized in arriving at the **Fund Advice** recommendations and that you remain responsible for making any future or further changes to your Account(s) investment allocations. In addition, you remain responsible for implementing any recommended changes to your Plan or IRA savings rates.

#### Managed Accounts

Under **Managed Accounts**, you request that ICMA-RC exercise discretionary authority to allocate and reallocate your Account(s) and to implement individualized advice generated by Morningstar Investment Management, acting as the IFE. ICMA-RC is authorized to exercise the investment discretion described below with respect to the assets in the Account(s), including such additional assets as may result from transactions in, contributions to and transfers of assets into the Account(s).

Under **Managed Accounts**, you agree to provide personal, financial and other information as reasonably requested by ICMA-RC and to inform ICMA-RC promptly of any changes in your circumstances in order to assist ICMA-RC in the development and management of an investment strategy that is suitable and appropriate for you. You understand that ICMA-RC will notify you annually to contact ICMA-RC regarding any changes in your personal and financial situation or investment objections to determine whether any such changes have occurred or whether you wish to impose any reasonable restriction on the Account(s) that is not fundamentally inconsistent with your investment objective or the nature or operation of **Managed Accounts**. You further understand that ICMA-RC personnel who are knowledgeable about the management of the Account(s) will be reasonably available to respond to your inquiries. You will receive a quarterly statement consisting of all activity in the Account(s), including fees and expenses and confirmations of any transactions in the Account(s).

Under **Managed Accounts**, you acknowledge that initially, and at least once each year thereafter during which you are still enrolled, you will be asked to review and confirm the accuracy and completeness of the information upon which **Managed Accounts** advice is based. Because you are directing ICMA-RC to manage the Account(s) on

your behalf, certain individually requested financial transactions otherwise available under the Account(s), such as contribution allocations and reallocations and fund transfers, either systematic or otherwise, will not be processed until you have terminated participation in **Managed Accounts**. Your request for any allocation, reallocation or fund transfer will be interpreted as a direction to terminate **Managed Accounts** for your Account(s).

Under **Managed Accounts**, you remain responsible for implementing any recommended changes to your Plan or IRA savings rates and, for notifying ICMA-RC of any savings rate changes.

Under **Managed Accounts**, ICMA-RC accepts its appointment as investment manager for the Account(s) pursuant to the terms and conditions set forth in this Agreement. The rights, powers, authorities and duties of ICMA-RC shall be solely and exclusively as provided in this Agreement and under applicable law.

Under this Agreement, ICMA-RC will provide you with the advisory services described below.

## SERVICES

**Fund Advice** provides “point-in-time” individualized investment advice to Participants seeking assistance in selecting specific investments. Fund specific recommendations are constructed by the IFE from among the Eligible Investment Options. You are responsible for implementing any advice or fund specific recommendation using the ordinary means available to your Account(s) (e.g., transfer of account balances), and for subsequent monitoring or review of the Account(s) and of the information utilized in arriving at the **Fund Advice** recommendations.

Under **Fund Advice**, a model advice portfolio will be recommended to you based on your financial situation, time horizon and other personal and financial information that you have provided to ICMA-RC. Your financial situation incorporates information about your income and assets; your investment time horizon reflects when you may need access to assets in your Account(s).

In determining an appropriate target asset mix for your Account(s) under **Fund Advice**, ICMA-RC also considers all non-ICMA-RC retirement assets you have provided to ICMA-RC. While ICMA-RC will not provide investment advice on these assets, they will be taken into consideration in providing your investment advice. For example, if your other assets are invested more in equity, the assets in your Account(s) may be invested more conservatively. Conversely, if your other assets are invested more in cash or bonds or if you have provided information on a pension/defined benefit plan, the assets in your Account(s) may be invested more aggressively.

Under **Fund Advice**, you are responsible for the accuracy and completeness of the information provided to ICMA-RC. You understand that we will rely on this information in making fund specific recommendations. Again, you are responsible for implementing any advice or fund specific recommendation using the ordinary means available to your Account(s) (i.e., transfer of account balances), and for subsequent monitoring or review of the Account(s) and of the information utilized in arriving at the Fund Advice recommendations and that you remain responsible for making any future or further changes to your Account(s) investment allocations. In addition, you remain responsible for implementing any recommended changes to your Plan or IRA savings rates.

**Managed Accounts** is a discretionary asset allocation and management service that invests assets in one of a number of model advice portfolios created by the IFE based on the Eligible Investment Options and selected according to the investment methodology utilized by the IFE. Once you enroll, ICMA-RC will manage eligible assets, including future contributions, in your Account on a discretionary basis, and you will not be able to make any exchanges of such eligible assets among investment options within the Account(s) or otherwise direct or further restrict the management of assets while enrolled in **Managed Accounts**. Eligible assets in your Account(s) will be allocated to a portfolio of investment options managed in accordance with an IFE-recommended model advice portfolio. When appropriate, eligible assets in your Account(s) will be reallocated among various investment options chosen from the universe of Eligible Investment Options.

In exercising our discretion under this Agreement, ICMA-RC may take any and all actions necessary to allocate, reallocate or rebalance investments in your Account(s) in accordance with the model advice portfolio recommendations of the IFE and may execute such instruments, orders or agreements as may be necessary or proper in connection with providing advice to the Account(s).

Under **Managed Accounts**, you will be assigned to a model advice portfolio based on your financial situation, time horizon and other personal and financial information that you have provided to ICMA-RC. Your financial situation incorporates information about your income and assets; your investment time horizon reflects when you may need access to assets in your Account(s). In determining an appropriate target asset mix for your Account(s), either when you initially elect **Managed Accounts** or during a quarterly review of your Account(s), **Managed Accounts** also considers all non-managed retirement assets you have provided to ICMA-RC. While these assets are not managed by ICMA-RC, they will be taken into consideration in managing your Account(s). For example, if your other assets are invested more in equity, your Account(s) assets may be invested more conservatively. Conversely, if your other assets are invested more in cash or bonds, your Account(s) assets may be invested more aggressively.

Under **Managed Accounts**, you are responsible for the accuracy and completeness of the information provided to ICMA-RC. You understand that we will rely on the information in making an initial recommendation and in the ongoing management of your Account(s). It is your responsibility to notify ICMA-RC promptly of any change that may affect the manner in which we should allocate or invest the eligible assets in your Account(s). At least annually, ICMA-RC will remind you to verify or update your personal and financial information. It is essential that your personal and financial information be kept current and accurate. Based on the information you provide, the IFE may change the target asset mix and the model advice portfolio to which **Managed Accounts** manages your Account(s). You will continue to receive all reports with respect to your Account(s) that you would receive if you were not enrolled in **Managed Accounts**.

Under **Managed Accounts**, you remain responsible for implementing any recommended changes to Plan or IRA savings rates. In addition, you should notify ICMA-RC of any savings rate changes.

## ALTERNATE PORTFOLIO SELECTION

You acknowledge that if you are enrolled in **Managed Accounts** and personally select an alternate model advice portfolio as opposed to the

model advice portfolio recommended by **Managed Accounts**, you will remain in this alternate portfolio until you instruct us otherwise. As a participant in **Managed Accounts**, we will continue to monitor and rebalance your chosen alternate portfolio. However, selection of an alternative portfolio may decrease the likelihood of achieving your retirement goals as calculated by Morningstar Investment Management. We will also communicate our recommended model advice portfolio at least annually.

## YOUR RESPONSIBILITIES

You are responsible for providing correct and complete information to ICMA-RC, and under **Managed Accounts**, for notifying ICMA-RC of any change that affects your participation. This includes any event or change in circumstances that may impact your investment time horizon or financial situation. For example, you should inform ICMA-RC of any:

- Change to your employment status or annual income;
- Change in your contribution rate;
- Change to your desired retirement age;
- Other events that may cause a re-evaluation of target asset mix and model advice portfolio assignment.

## INVESTMENT APPROACH

In creating model advice portfolios, Morningstar Investment Management uses a quantitative approach to determine Eligible Investment Options that have demonstrated, over time, consistency in risk characteristics and security selection capabilities. The investment options eligible for inclusion in the recommended asset allocation and fund specific advice are limited to only Eligible Investment Options.

Morningstar Investment Management follows a three-step approach to create a model advice portfolio from all your eligible investment options.

**Analyze Investments:** Morningstar Investment Management performs investment analysis to narrow the universe of investment options to form a select list of investments. They apply returns-based style analysis to monitor historical performance and estimate style exposure. Rigorous quantitative analysis is then used to validate the selected list of investment options.

**Construct Portfolio:** Once the investment options are analyzed, Morningstar Investment Management determines the appropriate combination of investment options. This approach, which includes a proprietary alpha-tracking error optimization, can incorporate a balanced core group of investments combined with select active investments to create a portfolio that is unique and goal-specific. By using alpha, tracking error and investment styles, an optimal mix of investment options is determined and the target strategic asset allocations are implemented.

**Monitor Portfolio:** Finally, Morningstar Investment Management monitors and reviews each model advice portfolio to ensure that it stays in line with its stated strategic asset allocation target and continues to meet Morningstar Investment Management's investment criteria.

## TERMS AND CONDITIONS

**Binding Agreement.** This is a legal and binding Agreement governing your use of **Fund Advice**, a "point-in-time" investment advisory

service or **Managed Accounts**, a discretionary asset allocation investment advisory service provided by ICMA-RC with the IFE services of Morningstar Investment Management.

**Scope of Managed Accounts.** **Managed Accounts** will provide asset allocation and rebalancing of all eligible assets in your Account(s), including future contributions, on a discretionary basis. You will not be able to make any exchanges of eligible assets among investment options within the Account(s) or otherwise direct or further restrict the management of those assets while enrolled in **Managed Accounts**.

**Eligibility.** To be eligible to participate in **Fund Advice** or **Managed Accounts**, you must be enrolled in an eligible ICMA-RC administered 457(b), 401(a), 401(k) Plan, or the Vantagepoint IRA.

**Under Managed Accounts or Fund Advice,** if you are subject to any imposed frequent trading restrictions, you are not eligible to participate in **Managed Accounts** or **Fund Advice**. You are eligible to enroll in **Managed Accounts** or **Fund Advice** at any time, except as may be restricted by your Plan for your Plan account. However, if you previously terminated participation in **Managed Accounts** with respect to any account with ICMA-RC, you must wait at least until the next calendar quarter before re-enrolling in **Managed Accounts** for any account with ICMA-RC and may not enroll more than two times in any 12-month period. If you hold non-traditional investment options that cannot be purchased or sold without restriction through your Plan (such as self-directed brokerage assets or assets in Certificates of Deposit) or if you hold assets in a VantageBroker IRA account, these investments are ineligible for management by ICMA-RC, but will be taken into consideration by **Managed Accounts** when determining your asset allocation portfolio.

**Accuracy of Information.** You are responsible for the accuracy and completeness of the information provided to ICMA-RC for the initial recommendation and under **Managed Accounts**, for the ongoing management of your Account(s). Under **Managed Accounts**, it is your responsibility to notify ICMA-RC promptly of any change that may affect the manner in which we should allocate or invest the eligible assets in your Account(s).

### Eligible Investment Options.

**For Retirement Plans:** The investment options eligible for inclusion in **Fund Advice** or **Managed Accounts** are limited to those chosen for your Plan by your employer sponsoring your Plan, or the Plan's named fiduciary, and that can be purchased and sold without restriction by you within your Plan.

The IFE may recommend that a portion of your assets be invested in the VT Retirement Income Advantage Fund, a VantageTrust Fund that invests in a separate account under a group variable annuity issued by a third-party insurance company. A Guarantee Fee of 1.00% is assessed by the third-party insurance company for the VT Retirement Income Advantage Fund guarantees and is included along with other fund fees and expenses in the VT Retirement Income Advantage Fund's net expense ratio. Guarantees are based on the claims-paying ability of the third-party insurance company. These guarantees are also subject to certain limitations, terms, and conditions. Your rights to these guarantees may be impacted if (1) you make any transfers, exchanges or withdrawals from the Fund (other than guaranteed withdrawals after you lock-in), (2) your Plan Sponsor switches retirement plan providers or removes the VT Retirement

IncomeAdvantage Fund from the plan lineup, or (3) the VT Retirement IncomeAdvantage Fund or the group annuity contract in which it invests is terminated. For additional information about the VT Retirement IncomeAdvantage Fund, please review these three documents: 1) *VT Retirement IncomeAdvantage Fund Important Considerations*, 2) the Fund's Fact Sheet and the Fund's Disclosure Memorandum. These documents are available online via Account Access (www.icmarc.org) or by contacting ICMA-RC Investor Services at 1-800-669-7400.

**For IRA Owners:** The investment options eligible for inclusion in **Fund Advice** or **Managed Accounts** are those permitted by the Vantagepoint IRA. You should know that while ICMA-RC selects the investment options for the Vantagepoint IRA, ICMA-RC does not select those options in the capacity of a fiduciary for your IRA account or for the Vantagepoint IRA. When making the Vantagepoint IRA investment options available to IRA owners, ICMA-RC is in no way recommending the selection of any particular investment option for inclusion in **Fund Advice** or **Managed Accounts**. The decision to include a particular investment option in **Fund Advice** or **Managed Accounts** and whether such fund will be part of a model advice portfolio is made by Morningstar Investment Management as the IFE.

**Custody.** For **Managed Accounts**, the assets in the Account(s) shall be held in your name at a "qualified custodian" ("Custodian"), as defined by Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended ("Advisers Act"). ICMA-RC will open a custodial account on your behalf with the Custodian, and you will receive written notice of the name and address of the Custodian upon enrollment in **Managed Accounts**. You understand that the Custodian will, at a minimum, provide you with quarterly statements with respect to the Account(s). Statements shall include the securities and cash, if any, in the Account(s) at the end of the applicable period and all transactions in the Account(s) during that period. You further understand that ICMA-RC will not be liable for any act or omission of the Custodian. Nothing in this Section shall prohibit ICMA-RC from directly billing the Account(s) for fees incurred under this Agreement in accordance with Advisers Act Rule 206(4)-2, or other applicable law.

**Fund Advice Annual Fee.** An annual standard fee of \$20 will be charged to your Account(s) for participating in **Fund Advice**. You understand that the **Fund Advice** fee does not cover any other fees or expenses associated with your Account(s). For retirement plan accounts, the actual fee you are charged depends on the Plan you participate in and may be lower than \$20 but not higher. The fixed annual fee will be charged to your Account(s) following enrollment and will entitle you to use the service for a twelve-month period. For each succeeding twelve-month period for which the **Fund Advice** service is initiated or continued, you will be required to pay the annual fee in order to continue receiving the service. If this fee is not paid, the contract terminates automatically and a new contract must be entered into in order to re-access **Fund Advice**.

**Managed Accounts Advisory Fee.** An annual advisory fee will be charged to your Account(s) based on a percentage of the average daily balance of eligible assets in your Account(s). The advisory fee will be charged to cover ongoing management of the eligible assets in your Account(s), the communications ICMA-RC sends to keep you informed about your Account(s), and the related service you

receive. The fee is payable in arrears in monthly increments as of the last day of each calendar month. In the event your participation in **Managed Accounts** terminates before the end of the month, the fee will be prorated based on the number of days the Account(s) was managed during the calendar month, unless ICMA-RC chooses to waive the fee for that period.

You will have six calendar days after enrolling in **Managed Accounts** to terminate the service without incurring the Managed Accounts fee.

The **Managed Accounts** fee will be calculated as a percentage of the Account(s)' value and applied to the Account(s) as a fixed dollar amount. If you receive **Managed Accounts** advice on multiple accounts, account balances for all accounts enrolled in **Managed Accounts** are aggregated for the purpose of calculating fees. The standard **Managed Accounts** fee schedule is:

Account Balance	Annual Fee
First \$100,000	0.40%
Next \$100,000	0.35%
Next \$300,000	0.25%
Over \$500,000	0.00% (no additional fee charged)

For retirement plan accounts, the actual fee you are charged depends on the Plan(s) you participate in and may be lower than what is listed above. An example of the Managed Accounts fee charged under the standard schedule is as follows: if your Account(s) balance is \$500,000, the first \$100,000 will be charged a fee of 0.40%, the next \$100,000 will be charged a fee of 0.35%, and the next \$300,000 will be charged a fee of 0.25%. Any assets over \$500,000 would be charged a fee of 0.00% (no additional fee charged).

The **Managed Accounts** fee will be deducted pro-rata against all investments in any Account(s) included in **Managed Accounts** and will be assessed on a pro-rata basis among your eligible investments. This Agreement constitutes authorization for the Custodian to pay fees to ICMA-RC directly from the Account(s), in accordance with Advisers Act Rule 206(4)-2. The fee will be deducted directly from your Account(s) and will be reflected as a fee charge on your quarterly statement.

Certain Eligible Investment Options may charge a redemption fee on specific transactions. Transactions initiated under **Managed Accounts** may result in such redemption fees being charged to you. Any applicable redemption fees will be deducted directly from your Account(s).

You understand that the **Managed Accounts** fee covers only our advisory fee for allocating and reallocating assets in your Account(s) and does not cover any other fees or expenses associated with your Account(s).

**Risks of Investing.** Investments in your retirement savings Account(s) are subject to the risks associated with investing in mutual funds and other securities, and will not always be profitable. Although each Eligible Investment Option is subject to a degree of risk that could affect their performance, certain investment options entail additional risk specific to their asset class. For example, high yield bond investments are subject to increased risk of default, compared to higher rated securities. Foreign investments are subject to greater risks of currency fluctuations and political uncertainty. Equity

securities of companies with relatively small market capitalization may be more volatile than securities of larger, more established companies. Specialty funds invest in a limited number of companies and are generally non-diversified.

The advice provided under **Fund Advice** or **Managed Accounts** does not take into account your personal risk tolerance with respect to your investment objectives. Moreover, the Morningstar Investment Management process used to generate the advice under **Fund Advice** or **Managed Accounts** may involve investment risk that exceeds your acceptable risk tolerance level.

For retirement plan accounts, you agree to release, hold harmless and indemnify your sponsoring employer or other sponsoring entity, from and against any and all liability, loss, cost or expense arising out of any action or decision you make in reliance upon information provided through **Fund Advice** or allocations made through **Managed Accounts**. ICMA-RC does not guarantee the results or timing of any recommendations, or that the objectives of the funds or your Account(s) will be met. Except as otherwise required by law, ICMA-RC will not be liable for:

- Any loss resulting from following your instructions or using inaccurate, outdated or incomplete information you provide;
- Any act or failure to act by a fund or any of its agents or any other third party; and
- Any loss in the market value of your Account(s), except for losses resulting from our breach of fiduciary duty, bad faith, or gross negligence.

However, nothing in this Agreement shall constitute a waiver of, or limitation on, any rights you have under federal and state laws to the extent such rights may not be waived or limited.

### Changes in Managed Accounts

**For Retirement Plan Accounts, Managed Accounts** has been made available for you to invest your eligible Plan assets under arrangements with your employer sponsoring your Plan or the Plan's named fiduciary, including an investment management services agreement between your employer sponsoring your Plan or the Plan's named fiduciary and ICMA-RC. The employer sponsoring your Plan or the Plan's named fiduciary may modify or terminate this arrangement at any time. See Termination, below, for more details. **Managed Accounts** and the terms under which it is made available to you are subject to material change only by agreement between your employer sponsoring your Plan or the Plan's named fiduciary and ICMA-RC.

**For Vantagepoint IRA Owners.** Changes to the terms and conditions of **Managed Accounts** may be made by ICMA-RC. You will be provided thirty (30) days notice of any change in the terms and conditions of the service. See Termination, below, for additional details.

**Account Activity and Timing.** Under **Managed Accounts**, ICMA-RC will manage the eligible assets in your Account(s) so that they generally align with the appropriate model advice portfolio. Due to activity you may initiate, such as loans, withdrawals and market activity in the Account(s), your investments may deviate from the associated model advice portfolio. Quarterly, or as you notify ICMA-RC of changes to your personal and financial information, Morningstar Investment Management re-examines the model advice portfolio to determine if a reallocation to a different model advice portfolio is needed. If a new model advice portfolio is needed, your Account(s) assets will be reallocated and rebalanced to the new model's target asset allocation.

Quarterly, assuming a new model advice portfolio is not needed, Morningstar Investment Management reviews the allocation of your current Account to determine if any fund deviates from the recommended model advice portfolio by more than a pre-specified minimum percentage, which would at no time be greater than 3%. If it does, ICMA-RC will transfer assets among the currently designated funds to ensure your Account remains consistent with the target allocation of the model advice portfolio

During the time you are enrolled in **Managed Accounts**, you are prohibited from initiating exchanges of eligible assets and directing how new contributions are allocated in your Account(s).

For retirement plan accounts, in-service distributions, withdrawals, and loans will be satisfied according to Plan rules, and may temporarily impact our ability to closely track the model advice portfolio. Transfers to an alternate payee pursuant to a qualified domestic relations order ("QDRO") will be governed by court order and Plan rules, but such a transfer will immediately terminate our obligation to manage the portion of the Account(s) transferred, unless the alternate payee is eligible and separately elects to participate in **Managed Accounts**. On rare occasions due to: market conditions, such as fund closure, system availability, fund restrictions, Plan rules, Plan sponsor action, or other circumstances ICMA-RC may be prevented or delayed from processing transactions in accordance with your direction or the direction of **Managed Accounts**. Certain Plan rules or restrictions may not be applicable while you are enrolled in **Managed Accounts**. We, our affiliates, the Plan, and your employer sponsoring the plan will not be responsible for any losses, damages, or missed price opportunities in these circumstances. As we manage the eligible assets in your Account(s), we will consider the effect of any corrections applied to your Account(s), but we will not attempt to make any retroactive changes to management decisions that were previously made.

Any pending fund transfer requests and pending future contribution allocation requests you may have initiated will be cancelled upon your enrollment in **Managed Accounts**.

All rollover or transfer assets or maturing Certificates of Deposit will be allocated according to the contribution allocation assigned to your Account(s) under **Managed Accounts**.

**Termination.** You may choose to terminate your participation in **Managed Accounts** at any time, with no additional charge. Advisory fee charges will be prorated based on the number of days your Account(s) was managed during the month unless waived. Your termination election will be effective upon confirmation of receipt of your termination request. Participation in **Managed Accounts** will terminate automatically: (i) if you initiate a fund transfer or asset reallocation while in **Managed Accounts**; or (ii) for that portion of your Account(s) transferred to an alternate payee pursuant to a QDRO. Upon notification of your death, participation will also terminate and your Account(s) will remain in the then-current investments until alternate direction from an authorized party is provided. Termination will not affect: (i) the validity of any action previously taken, (ii) any liabilities or obligations for transactions initiated before termination, and (iii) our right to charge and retain fees for services rendered. We will have no obligation to recommend or take any action with regard to assets in your Account(s) after termination of **Managed Accounts**.

**Reports.** You will receive confirmations of all transactions in your Account(s). In addition, you will receive quarterly statements consisting of all activity in the Account(s), all fees and expenses, and the beginning and ending value of the Account(s) for the period.

**Shareholder and Other Rights.** You are responsible for exercising any applicable shareholder and other rights with respect to investment options in your Account(s). ICMA-RC will not exercise any shareholder rights on your behalf unless required by law. ICMA-RC will not advise you on the voting of proxies for fund shares held in your Account(s). In addition, ICMA-RC will not advise you on legal proceedings, including bankruptcies and class actions, involving investment options.

**Additional Information and Acknowledgements.** **Fund Advice** and **Managed Accounts** rely on historical performance and other data all of which have limitations. Past performance of investments is no guarantee of future results. **Fund Advice** and **Managed Accounts** depend upon a number of factors, including the information you provide to us, information which is provided to us on your behalf by your Employer or Plan, various assumptions, and estimates, and other considerations. As a result, the forecast developed, and the analysis and actions taken by ICMA-RC are not guarantees that you will achieve your retirement goals. You acknowledge that we are basing our actions with respect to your Account(s) on the information you provide to us, or information which is provided to us on your behalf by your Employer or Plan, and agree that if you participate in **Managed Accounts** you will provide updated personal and financial information as necessary. We shall not be liable to you for any misstatement or omission contained in personal and financial information we receive from you, your Employer, or your Plan, or any loss, liability, claim damage or expense whatsoever arising out of or attributable to such misstatement or omission. Some of the information provided in conjunction with **Fund Advice** and **Managed Accounts** is provided by independent third parties and not by ICMA-RC or its IFE. We do not make any guarantees or warranties, express or implied, as to the accuracy, timeliness or completeness of such information. You understand and agree that **Fund Advice** and **Managed Accounts** do not recommend investments with respect to any individual stocks or bonds, other than shares or units of Eligible Investment Options and also may not consider all investment alternatives available under your Plan or through the Vantagepoint IRA, either with the understanding of your employer sponsoring your plan or because either ICMA-RC or its IFE has determined that adequate data does not exist for us to appropriately consider such alternatives.

You understand that our providing **Fund Advice** or **Managed Accounts** should not be considered to be our approval or endorsement of the available alternatives in your Plan or in the Vantagepoint IRA.

You further understand that we provide advisory services and manage accounts for other investors, including: participants in your Plan, participants in other plans, Vantagepoint IRA owners, and other investors. The advisory services, advice or actions we take or provide to such other individuals and entities may differ from those provided to you. We are not obligated to recommend or disclose to you any investment recommendations or actions we provide or take on behalf of such other individuals or entities.

**Eligible Participants.** **Fund Advice** and **Managed Accounts** are offered only to persons residing in the United States and nothing

herein shall be construed as an offer of this service in other jurisdictions.

**Non-Solicitation.** No part of **Fund Advice** or **Managed Accounts** should be construed as an offer to sell or buy the securities mentioned. The advice provided reflects the deduction of taxes based on the information we know about you. It is not intended to provide legal, accounting or tax advice and should not be relied upon in that regard. If desired, you should obtain advice specific to your circumstances from your own legal, accounting, or tax advisors.

**Interest in Client Transactions.** **Fund Advice** and **Managed Accounts** may recommend mutual funds or other investments available under your Plan or through the Vantagepoint IRA, some or all of which may be managed by ICMA-RC or an affiliate, or with respect to which ICMA-RC or one of its affiliates receives administrative or record keeping fees. When investing in any investment alternatives or any other security whether through **Fund Advice** or **Managed Accounts** or otherwise, please obtain and read a copy of the current prospectus or other available descriptions of the investment alternative, which contains more complete information, including sales charges and expenses.

**Personal Information.** The use and storage of any information including, without limitation, your account number, password, identification, portfolio information, account balances and any other information available on your personal computer is your sole risk and responsibility. You are responsible for providing and maintaining the communications and equipment (including personal computers and modems) and telephone or alternative services required for accessing and utilizing electronic or automated services, and for all communications service fees and charges incurred by you in accessing these services. For retirement plan accounts only: You consent to the sharing of personal data about you with any of your employers, Plans, administrators, record keepers, custodians or other person necessary for us to provide **Fund Advice** or **Managed Accounts** to you.

**Agreement to Arbitrate.** You acknowledge and agree that any controversy or claim arising out of or relating to this Agreement or the breach thereof, or relating to ICMA-RC's investment advisory business, as described herein, shall be submitted to arbitration administered by the American Arbitration Association. Arbitration is final and binding on the parties and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Arbitration must be commenced by service upon the other party of a written demand for arbitration or a written notice of intention to arbitrate. By agreeing to this arbitration agreement, you do not waive any rights you may have under any applicable state and federal securities laws.

In agreeing to arbitration, you understand that:

- Arbitration is final and binding on the parties
- The parties are waiving their right to seek remedies in court, including the right to jury trial
- Pre-arbitration discovery is generally more limited than and different from court procedures
- The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appear or to seek modifications of rulings by the arbitrator is strictly limited

- Where more than one arbitrator is appointed, the panel of arbitrators typically may include a minority of arbitrators who are or were affiliated with the securities industry
- Fees, costs and expenses in connection with an arbitration shall be paid by customer

The arbitration shall be conducted in Washington, DC, pursuant to the Commercial Arbitration Form Rules of the American Arbitration Association, then in effect, and may occur before a panel of one or three arbitrators in accordance with the rules of the organization administering the arbitration.

**Rights Under ERISA and Advisers Act.** Nothing in this Agreement should be construed to mean you are waiving any rights to which you are statutorily qualified under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) or the Advisers Act. The federal securities laws and ERISA impose liabilities under certain circumstances on persons who act in good faith; thus, nothing in this Agreement shall in any way constitute a waiver or limitation on any rights which the undersigned may have under federal securities laws or ERISA.

**Governing Law.** This Agreement shall be governed by the Advisers Act, to the extent applicable, by ERISA, and to the extent not preempted, by the laws of the State of Delaware, without giving effect to the choice of law provisions contained therein.

**Contact and Communications.** Any notices required or desired to be sent to ICMA-RC may be delivered in person, by registered or certified U.S. mail, postage paid, return receipt requested, overnight courier or confirmed facsimile to Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240. You understand and agree that, for our mutual protection, we may monitor any or all your communications with us, including keeping copies of all written correspondence and e-mails. Any notices or materials required or desired to be sent to you shall be sent to your most recent address received by ICMA-RC until such time as ICMA-RC receives an amended address.

**Extraordinary Events.** We shall not be liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes, pandemic flu or other conditions beyond our control. We shall not be responsible for damages caused by equipment failure, communications line failure, unauthorized access, theft, systems failure, and other occurrences beyond our control.

**Additional Provisions.** You agree not to assign this Agreement, and we agree not to assign this Agreement (within the meaning of the Advisers Act) without your consent. If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any court or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition.

The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

**Form ADV Part 2A.** Part 2A of ICMA-RC’s Form ADV (“Brochure”), contains additional information about ICMA-RC and our advisory services and is available on our web site at [www.icmarc.org](http://www.icmarc.org), on the SEC’s web site at [www.sec.gov](http://www.sec.gov), or by contacting ICMA-

RC Investor Services at 800-669-7400. By entering into this Agreement, you represent that you have received and reviewed a copy of the Brochure.

## PRIVACY

**Protection of Nonpublic Personal Information.** ICMA-RC is subject to various privacy requirements for the protection of its clients under the Gramm-Leach-Bliley Act (“GLBA”) and regulations promulgated pursuant to GLBA.

**Definition of Nonpublic Personal Information.** Nonpublic personal information of customers or consumers (“NPI”) includes, but is not limited to, names, addresses, account balances, account numbers, account activity, Social Security numbers, taxpayer identification numbers, and sensitive financial and health information. NPI includes information on our forms or in a database of any kind, information created by us, information collected by or on behalf of us and personally identifiable information derived from NPI.

**Disclosure and Use of NPI.** All NPI that ICMA-RC obtains as a result of offering these services to you shall not be used, disclosed, reused, or redisclosed to any unaffiliated third party, except to carry out the purposes for which the information was disclosed.

ICMA-RC shall be permitted to disclose relevant aspects of the NPI to its officers, agents, subcontractors, employees, and the IFE only to the extent that such disclosure is reasonably necessary for the performance of its duties and obligations under the Agreement.

The obligations of this Section shall not restrict any disclosure by ICMA-RC pursuant to any applicable state or federal laws or regulations, or by request or order of any court or government agency.

**Security of NPI.** ICMA-RC further agrees that it has established and maintains policies and procedures designed to ensure the confidentiality and security of NPI. This shall include procedures to protect against anticipated threats or hazards to the security or integrity of the information and unauthorized access to or use of the information.

## ACCEPTANCE

*You acknowledge that by enrolling in either Fund Advice or Managed Accounts you have read and understand: 1) the Fund Advice annual fee and the Managed Accounts advisory fees explained in this Agreement; 2) the possibility of allocation to the VT Retirement Income Advantage Fund explained in this agreement; 3) ICMA-RC’s Brochure (Form ADV Part 2A) further describing Managed Accounts and Fund Advice; and 4) this Agreement.*

*Further, your use of the Fund Advice or Managed Accounts services will signify your consent to be bound by all the terms and conditions stated in this Agreement.*

Under **Managed Accounts**, a confirmation package will be generated following receipt in good order of all necessary documentation. This package will confirm your personal and financial information, and it will provide the results of your wealth forecast and the investment advice pertaining to it.



**ICMA RETIREMENT CORPORATION  
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WWW.ICMARC.ORG**

**BRC000-168-33931-0815-7861-497**

**REVISED 06/2017**





**Part 2A of Form ADV: Firm Brochure**

*For Guided Pathways® and Retirement Readiness Reports  
Advisory Services*

March 31, 2017

## **ICMA Retirement Corporation**

777 North Capitol Street, N.E.  
Washington, DC 20002-4240  
800-669-7400  
[www.icmarc.org](http://www.icmarc.org)

This brochure provides information about the qualifications and business practices of ICMA Retirement Corporation (“ICMA-RC”). If you have any questions about the contents of this brochure, please contact us at 800-669-7400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about ICMA-RC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 Material Changes**

No material changes since the March 30, 2016 amendment to this brochure.



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### **Item 4 Advisory Business**

ICMA-RC is a Delaware non-profit corporation established in 1972 to assist state and local governments and their agencies and instrumentalities (“Plan Sponsors”) in the establishment and maintenance of deferred compensation and qualified retirement plans (“Retirement Plans”) for their public sector employees. ICMA-RC offers a full range of retirement plan administration services to Plan Sponsors, including administration, recordkeeping, and education services. ICMA-RC has been an SEC registered investment adviser since 1983 and provides a number of different investment advisory services, including the following:

#### **Guided Pathways Advisory Services**

Since March 2007, ICMA-RC has offered educational and advisory services to Retirement Plan participants enrolled in Guided Pathways Advisory Services. In March 2013, ICMA-RC began offering Guided Pathways Advisory Services to investors in the



Vantagepoint IRA administered by ICMA-RC (Vantagepoint IRA investors and Retirement Plan participants referred to collectively as, “Participants”). Guided Pathways Advisory Services include:

**Managed Accounts** – discretionary, on-going investment management for allocation of invested assets among mutual funds and other pooled investment vehicles available within an ICMA-RC administered Retirement Plan or Vantagepoint IRA;

**Fund Advice** – nondiscretionary, point-in-time, individualized fund specific investment portfolio recommendations to Participants looking for help in selecting specific fund investments for their accounts from among the investment options made available through their Retirement Plan or the Vantagepoint IRA; and

**Asset Class Guidance** – nondiscretionary, point-in-time, individualized asset allocation recommendations for Participants looking for assistance in selecting Retirement Plan or Vantagepoint IRA investments at the asset class level such as large-cap, small cap or international equities. Asset Class Guidance does not provide advice on specific investment options.

Fund Advice and Asset Class Guidance are generally available to Participants in Retirement Plans administered by ICMA-RC, unless expressly prohibited by the Retirement Plan sponsor. For Managed Accounts, the Plan Sponsor must expressly adopt that service before it is made available to the Retirement Plan’s participants. Unlike Fund Advice and Managed Accounts, Asset Class Guidance is provided to Participants at no cost and is for educational purposes only. Asset Class Guidance is not intended to be investment advice or serve as the sole or primary basis for a Participant’s investment decisions.

ICMA-RC delivers Guided Pathways Advisory Services via a combination of online, mail, and telephone media as well as in-person meetings. Individual ICMA-RC associates with Series 65 licenses deliver or facilitate the delivery of the Guided Pathways Advisory Services to the investor.

As part of Guided Pathways Advisory Services, ICMA-RC has entered into a contract with Morningstar Investment Management LLC (“Morningstar Investment Management”) to serve as the Independent Financial Expert (“IFE”). Morningstar Investment Management is an SEC registered investment adviser and wholly owned subsidiary of Morningstar, Inc. In its role as IFE, Morningstar Investment Management first develops overall asset class allocation models. It then develops a fund-specific investment portfolio for each of the asset class allocation models. For Retirement Plan participants, the investment options eligible for inclusion in the portfolios are limited to only those funds chosen for the Retirement Plan by the Plan Sponsor. For Vantagepoint IRA investors, the investment options eligible for inclusion in the portfolios are limited to those funds permitted by the Vantagepoint IRA.



For Participants who select Managed Accounts discretionary management, Morningstar Investment Management determines the fund-specific investment portfolio that it determines is most appropriate based on the Participant's financial situation, investment time horizon, sustainable retirement income, and other relevant factors. ICMA-RC then allocates the assets of the Participant's account in accordance with the Morningstar Investment Management recommended portfolio. Quarterly, or as a Participant notifies ICMA-RC of changes to his or her personal and financial information, Morningstar Investment Management re-examines the investment portfolio to determine if a reallocation to a different investment portfolio is needed. If a new investment portfolio is needed, the Participant's assets will be reallocated and rebalanced to the new target asset allocation.

For those opting for the nondiscretionary Fund Advice, Morningstar Investment Management recommends the appropriate fund-specific investment portfolio, ICMA-RC delivers the recommendation to the Participants, and Participants choose whether to implement the recommendation.

For Asset Class Guidance, Morningstar Investment Management recommends the appropriate asset class allocation model, ICMA-RC delivers the recommendation to the Participants, and Participants choose: (1) whether to implement the recommended asset class allocation model; and (2) which specific investment options to populate the recommended asset classes.

Under the Guided Pathways Advisory Services, Morningstar Investment Management's recommendations are based on a Participant's financial situation, investment time horizon, sustainable retirement income, and other personal and financial information provided to ICMA-RC by the Plan Sponsor or Participant. "Financial situation" incorporates information about Participants' income and assets, and "investment time horizon" reflects when Participants expect to begin withdrawing assets from their account.

Morningstar Investment Management employs Monte Carlo simulations to determine the likely annual retirement income that a participant will be able to sustain, through depletion of retirement savings, over a period greater than normal life expectancy. Morningstar Investment Management provides a recommended withdrawal plan designed to optimize the tax efficiency of withdrawals from each available income source.

In determining an appropriate target asset mix for retirement accounts in Guided Pathways Advisory Services, Morningstar Investment Management also considers information about all non-Retirement Plan assets of the Participant that has been provided to ICMA-RC. While ICMA-RC will not provide investment advice with respect to assets outside of a Retirement Plan or Vantagepoint IRA, Morningstar Investment Management will take those outside assets into consideration in the advice process. For example, if the outside assets are invested more in equity, Morningstar Investment Management may recommend a more conservative investment portfolio. Conversely, if the outside assets



are invested more in cash or bonds or if information is provided on a pension/defined benefit plan, Morningstar Investment Management may recommend a more aggressive investment portfolio.

Under Asset Class Guidance and Fund Advice, Participants may elect to implement some or all of the advice provided, including electing to not invest in certain asset classes or specific funds. Under the discretionary Managed Accounts service, Participants may select an alternate investment portfolio as opposed to the recommended investment portfolio, and will remain in this alternate portfolio until they instruct ICMA-RC otherwise. When an account is allocated in accordance with an alternate portfolio selected by the Participant, Morningstar Investment Management will continue to rebalance the account to align it with the alternate portfolio; however, Morningstar Investment Management will not reallocate the account to a different portfolio, even if the Participant notifies ICMA-RC of changes to his or her personal or financial information. Selection of an alternate portfolio may decrease the likelihood of achieving the Participant's retirement goals as calculated by Morningstar Investment Management.

The investment advice and asset allocation guidance provided under Guided Pathways Advisory Services does not take into account nor does it make any assumption related to a Participant's personal risk tolerance with respect to their investment objectives. As a result, the forecast and recommendations may involve investment risk that exceeds a Participant's acceptable risk tolerance level.

As of December 31, 2016, ICMA-RC managed \$1,529,199,268 under the discretionary Managed Accounts service. ICMA-RC does not manage Managed Accounts client assets on a non-discretionary basis. As of December 31, 2016 accounts with a total of \$44,379,126 were enrolled in the non-discretionary Fund Advice service.

### **Retirement Readiness Reports**

As an added feature of the Guided Pathways Advisory Services platform, and at the request of a Plan Sponsor, ICMA-RC may provide Retirement Readiness Reports ("Reports") to full-time employees of a Plan Sponsor (both existing Retirement Plan participants and non-participant employees). These Reports include: (1) a forecast of the individual employee's income at retirement in relation to a retirement income objective provided by the Plan Sponsor; (2) a set of recommendations (including potential changes in savings rate) to help the employee reach this retirement income objective; and (3) an asset allocation and fund specific recommendations based on certain employee specific data and available investment options in the Retirement Plan. ICMA-RC has engaged Morningstar Investment Management to generate the investment recommendations in the Reports. Morningstar Investment Management uses the same investment methodologies and software to generate the Reports that it uses for the Guided Pathways Advisory Services program described above.

Once a Plan Sponsor requests a Report, it is generated based on Plan Sponsor-provided personal and financial status information and assumptions (e.g., target annual retirement income and retirement age) for each employee. If any of the information or assumptions



are inaccurate, an employee should not rely on the recommendations provided in the Report. Existing Retirement Plan participants may contact ICMA-RC to correct any information that is inaccurate or does not apply to their personal situation or to provide additional information not depicted in the Report.

Employees may or may not elect to implement some or all of the advice provided, including electing to not invest in certain asset classes or specific funds.

## **Item 5 Fees and Compensation**

### **Guided Pathways Advisory Services**

*Managed Accounts* – Participants who enroll in Managed Accounts are assessed an asset based fee that is charged on a monthly basis. Managed Accounts fees are calculated as a percentage of the average daily account value at the end of each month. For Retirement Plan participants, the standard Managed Accounts Fee Schedule may be waived or discounted by agreement with the Plan Sponsor. However, the fees for Managed Accounts services are non-negotiable at the Participant level.

For Participants receiving Managed Accounts advice on multiple accounts, the asset based fee is calculated based on the aggregate account balances for all accounts the Participant has enrolled in Managed Accounts. The standard Managed Accounts Fee Schedule is shown below:

<b>Account Balance</b>	<b>Annual Fee</b>
First \$100,000	0.40%
Next \$100,000	0.35%
Next \$300,000	0.25%
Over \$500,000	0.00% (no additional fee charged)

On a monthly basis, the Managed Accounts Fee will be deducted pro-rata in arrears against all investments in any account enrolled in Managed Accounts. If participation in Managed Accounts terminates before the end of any month, the fee will be based on the number of days the account was managed during the calendar month.

*Fund Advice* – Fund Advice is provided to Participants for a fixed annual fee of \$20. The fee is charged to the account following enrollment and entitles Participants to use the service for a twelve-month period. For each succeeding twelve-month period for which the Fund Advice service is initiated or continued, Participants are required to pay the annual fee. If this fee is not paid, the Fund Advice service terminates automatically and a new contract must be entered in order to re-access Fund Advice. This fee may be waived for certain Retirement Plan participants with high account balances and/or who are enrolled in selected Retirement Plans.

*Asset Class Guidance* – No fee is assessed for Asset Class Guidance.



Participants that invest in the collective funds and mutual funds made available to their Retirement Plans or through the Vantagepoint IRA will indirectly bear their proportionate share of the fees and expenses that are paid at the fund level and borne by all shareholders or unit holders. These fees and expenses typically include, among others, investment advisory, transfer agent, custodial and distribution fees and portfolio brokerage costs that are paid by each fund and/or its underlying fund. The above fund fees and expenses are in addition to the advisory fees charged to Participants in the Guided Pathways Advisory Services program.

### **Retirement Readiness Reports**

ICMA-RC does not charge recipients for their Retirement Readiness Reports. The costs for the Reports are included in the fees paid by a Retirement Plan to ICMA-RC for providing Retirement Plan recordkeeping, administrative, and educational services.

### **Other Compensation – Guided Pathways Advisory Services**

While ICMA-RC makes available no-load funds or funds that have agreed to waive loads for Participants, ICMA-RC or one of its affiliates typically receive asset-based fees for providing investment advisory, recordkeeping, administrative and/or retirement plan administration services with respect to the funds in which Participants invest. Please see the response to Item 11, under Participation or Interest in Client Transactions, for a description of any potential conflict of interest from ICMA-RC's receipt of these fees.

Within their ICMA-RC-administered Retirement Plan accounts or Vantagepoint IRA accounts, Participants *do not* have the option to purchase funds recommended in the Guided Pathways Advisory Services program and Retirement Readiness Reports through other brokers or agents. However, Participants *do* have the option to purchase some of the funds recommended in the Guided Pathways Advisory Services program and Retirement Readiness Reports *outside of* their ICMA-RC-administered Retirement Plan or Vantagepoint IRA accounts through other brokers or agents.

### **Item 6 Performance-Based Fees and Side-By-Side Management**

Not applicable.

### **Item 7 Types of Clients**

#### **Guided Pathways Advisory Services**

Guided Pathways Advisory Services are available to individual participants in employer-sponsored state and local Retirement Plans administered by ICMA-RC and to Vantagepoint IRA investors. There is no minimum account size required to participate in any of the Guided Pathways Advisory Services.





While Fund Advice and Asset Class Guidance are generally available to all Retirement Plan participants, the Plan Sponsor must expressly adopt Managed Accounts before it is made available to the Retirement Plan's participants.

### **Retirement Readiness Reports**

At the request of a Plan Sponsor, ICMA-RC may provide Retirement Readiness Reports to all full-time employees of the Plan Sponsor (both existing Retirement Plan participants and non-participants).

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **Guided Pathways Advisory Services and Retirement Readiness Reports**

In making investment recommendations under Guided Pathways Advisory Services and Retirement Readiness Reports, Morningstar Investment Management first constructs asset class allocation models. These are constructed to provide a spectrum of risk/reward choices appropriate for a broad range of Participants. The allocation among asset classes is based on historic and projected returns and return patterns (standard deviations and correlations) for the asset classes.

After the asset class allocation models are established, Morningstar Investment Management then constructs fund-specific investment portfolios for each of the asset class allocation models. Morningstar Investment Management uses various quantitative criteria including style-based returns and tracking error, fund expense levels, and alpha. In addition, Morningstar Investment Management conducts a qualitative review and assessment for each fund-specific investment portfolio prior to its recommendation.

Morningstar Investment Management's investment portfolios are based on and specific to the investment options available for each Retirement Plan or the Vantagepoint IRA. Morningstar Investment Management, however, does not determine the Retirement Plan or Vantagepoint IRA investment options upon which the investment portfolios are based. For Retirement Plans, the Plan Sponsor has exclusive responsibility for selecting the Plan's investment options, and those selections are made independent of Guided Pathways Advisory Services. For the Vantagepoint IRA, ICMA-RC selects the available investment options. While ICMA-RC selects the overall investment options for the Vantagepoint IRA, it does not recommend the selection of any particular investment option for inclusion in Fund Advice or Managed Accounts.

Investments in funds recommended by Morningstar Investment Management are subject to the risks associated with investing in mutual funds, collective funds, and other securities, and will not always be profitable. Although each investment option available through the Retirement Plan or Vantagepoint IRA is subject to a degree of risk that could affect their performance, certain investment options entail additional risk specific to their asset class. For example, high yield bond investments are subject to increased risk of default, compared to higher rated securities. Foreign investments are subject to greater



risks of currency fluctuations and political uncertainty. Equity securities of companies with relatively small market capitalization may be more volatile than securities of larger, more established companies. Specialty funds invest in a limited number of companies and are generally non-diversified.

Based on the information provided by the Participant, Morningstar Investment Management may recommend that a portion of the Participant's assets be invested in the VT Retirement Income Advantage Fund, a Vantage Trust Fund that invests in a separate account under a group variable annuity issued by a third-party insurance company. The separate account, in turn, invests in underlying collective trust funds that are subject to the risks associated with investing in those vehicles, such as stock market risk, preferred stock risk, inflation-adjusted securities risk, emerging market securities risk, interest rate risk, equity income/interest rate risk, credit risk, foreign securities risk, foreign currency risk, mid-cap securities risk, small-cap securities risk, indexing risk, U.S. government agencies securities risk, call risk, mortgage backed securities risk, asset-backed securities risk, active trading risk, derivative instruments risk, convertible securities risk and multi-manager risk.

Insurance guarantees (i.e., the ability of the VT Retirement Income Advantage Fund to allow participants to make periodic withdrawals after the account balance has been depleted) are provided by the third-party insurance company and are based on that company's claims paying ability. Further, investments in the VT Retirement Income Advantage Fund involve the risk that the insurance guarantees may terminate under certain conditions, such as when: Participants may leave their Retirement Plan; the Plan Sponsor may switch Retirement Plan providers; the Plan Sponsor may remove the fund from the Retirement Plan's investment lineup; and the fund and/or the group annuity contract in which it invests may terminate.

The advice provided does not take into account nor does it make any assumption related to a Participant's personal risk tolerance with respect to their investment objectives. As a result, the forecast and recommendations may involve investment risk that exceeds a Participant's acceptable risk tolerance level.

### **Item 9 Disciplinary Information**

Not Applicable.

### **Item 10 Other Financial Industry Activities and Affiliations**

#### **Broker-Dealer**

ICMA-RC Services, LLC ("RC Services"), a wholly owned subsidiary of ICMA-RC, is a broker-dealer registered with the SEC and is a member of FINRA. Certain management persons of ICMA-RC are registered representatives of RC Services.



## **Investment Adviser**

Vantagepoint Investment Advisers, LLC (“VIA”), a wholly owned subsidiary of ICMA-RC and an SEC registered investment adviser, served as the investment adviser to The Vantagepoint Funds prior to those funds being terminated and liquidated in 2016. VIA’s investment advisory business is in the process of being revised.

## **Banking Institution**

VantageTrust Company, LLC (“VTC”) is a New Hampshire non-depository trust company and a wholly owned subsidiary of ICMA-RC. VTC is the sole trustee of VantageTrust (“VT”), VantageTrust II (“VT II”) and VantageTrust III (“VT III”) (collectively, the “VT Trusts”), trusts established and maintained by VTC for the purpose of the collective investment and reinvestment of assets of certain tax-exempt, governmental pension and profit-sharing plans, retiree welfare plans, related trusts and certain other eligible investors. ICMA-RC provides, for a negotiated fee, certain recordkeeping, management, and administrative services to VTC for the benefit of the eligible investors within the VT Trusts.

## **Collective Trust Funds**

Investment options are offered to Retirement Plans and their participants through VantageTrust and VantageTrust II. Certain VT, VT II and VT III Funds invest in other funds of the VT Trusts. ICMA-RC receives asset based fees for investment advice and administrative services provided to VTC with respect to the VT, VT II and VT III Funds. ICMA-RC has entered into agreements with subadvisers for the performance of some or all of ICMA-RC’s duties and responsibilities relating to certain Funds. ICMA-RC retains the responsibility and authority to monitor and review the performance of each subadviser, and VTC retains oversight of ICMA-RC’s advisory responsibilities. ICMA-RC’s investment advisory fees are in addition to any fees paid to the subadvisers.

## **Conflicts**

Please see the response to Item 11, under Participation or Interest in Client Transactions, for a description of any potential conflict of interest from the above financial industry affiliations.

### **Item 11 Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading**

#### **Code of Ethics**

ICMA-RC adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1 to help ICMA-RC meet its fiduciary obligations to its clients to act in the clients’ best interests and to subordinate ICMA-RC and its associates’ interests to the interests of ICMA-RC’s clients. The Code of Ethics helps to ensure that ICMA-RC associates avoid or

appropriately manage conflicts with the interests of clients. Under the Code of Ethics, all ICMA-RC associates are required to comply with ethical restraints relating to clients, including restrictions on giving gifts to, and receiving gifts from, clients in violation of ICMA-RC's gift policy.

ICMA-RC's Code of Ethics also addresses the SEC's "pay-to-play" rule, which is designed to prevent investment advisers from making political contributions or hidden payments in an effort to influence their selection by government officials to provide advisory services to government entities. ICMA-RC's Code of Ethics prohibits political contributions to certain state and local government officials, restricts using third party solicitors for potential clients unless those solicitors are subject to the pay to play rule, and implements a ban on engaging in fundraising activities for certain officials, political action committees, as well as state and local political parties. ICMA-RC's Political Contributions Policy contained in the Code of Ethics applies to all officers and employees of ICMA-RC and its affiliated entities regardless of position, responsibility or title. Exceptions to the political contribution prohibition are possible only upon approval of ICMA-RC's Chief Compliance Officer and only if, among other things, the amount of the contribution is the lesser of \$150 per year or per election.

Also as part of the Code of Ethics, ICMA-RC has adopted procedures to control the use of material, non-public information. These procedures take into account that ICMA-RC and its related persons may, from time to time, come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, ICMA-RC and its related persons are prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether such other person is an advisory client of ICMA-RC. Accordingly, should such persons come into possession of material non-public or other confidential information with respect to any company, they may be prohibited from communicating such information to, or using such information for the benefit of, their respective clients, and have no obligation or responsibility to disclose such information to, nor responsibility to use such information for the benefit of, their clients when following policies and procedures designed to comply with law.

A copy of the Code of Ethics is available to any client or prospective client upon request.

### **Participation or Interest in Client Transactions**

ICMA-RC makes available to Retirement Plans and their participants investment options in VantageTrust and VantageTrust II as well as third-party funds. With respect to Vantagepoint IRA accounts, ICMA-RC makes available third-party funds. As noted above in Item 10, ICMA-RC is affiliated with VantageTrust Company, LLC, the trustee for the VT Trusts. Certain VT, VT II and VT III Funds, including the VT Retirement IncomeAdvantage Fund, invest in other funds of the VT Trusts. When ICMA-RC makes available to participants investments through VT and VT II, a conflict of interest exists because ICMA-RC receives compensation in the form of advisory and/or administrative fees based on the assets invested in the VT, VT II and VT III Funds.



Additionally, ICMA-RC receives administrative fees from its third-party fund settlement and clearing agent (“Clearing Agent”) for providing administrative and other services based on Retirement Plan assets invested in third-party funds; such administrative fees come from payments made by third-party funds to the Clearing Agent. ICMA-RC may credit or make payments to certain Retirement Plans or employers based, in part, on anticipated administrative fee income from its Clearing Agent or may reduce the fees charged to Retirement Plans or employers for plan administration or other services based on such anticipated fee income to ICMA-RC (“administrative allowances”). These administrative allowances are negotiated, may not be directly tied to the payments received by ICMA-RC, and may be more or less than actual payments received. Any such crediting, allowance, or fee reduction arrangement is described in the Administrative Services Agreement with each Retirement Plan.

With respect to the VT Retirement Income Advantage Fund, ICMA-RC receives an advisory fee and a services fee from the third-party insurance company for managing the separate account in which the Fund invests.

ICMA-RC selects the Vantagepoint IRA investment options. However, ICMA-RC does not recommend the selection of any particular investment option for inclusion in Fund Advice or Managed Accounts. ICMA-RC is not acting as a fiduciary when it selects the Vantagepoint IRA investment options. As described above, ICMA-RC will receive compensation based on an investor’s allocation of assets among investment options within the Vantagepoint IRA.

Because of the above, a potential conflict of interest exists when ICMA-RC makes available the Guided Pathways Advisory Services program, either through Managed Accounts or Fund Advice, or Retirement Readiness Reports, because ICMA-RC also receives the additional compensation described above. In handling this potential conflict, ICMA-RC has designed Guided Pathways Advisory Services and its component Managed Accounts and Fund Advice services in accordance with the United States Department of Labor Advisory Opinion 2001-091A (the “Advisory Opinion”). The Advisory Opinion provides an authorization for retirement plan and IRA providers to offer investment advice to their participants provided, among other things, that the advice is generated by an Independent Financial Expert (“IFE”). ICMA-RC has selected Morningstar Investment Management to act as the IFE for Guided Pathways Advisory Services. Under the Advisory Opinion and ICMA-RC’s contract with Morningstar Investment Management, ICMA-RC cannot influence the investment recommendations generated for Participants by Morningstar Investment Management. As such, ICMA-RC does not select the specific investment options that it recommends to a Managed Accounts or Fund Advice client. With respect to retirement plans, ICMA-RC also discloses the specific fees and expenses, as well as the compensation received from third-party funds, associated with a plan’s investment options to Plan Sponsors, who have a fiduciary duty to select the investment options available to a Retirement Plan participant.



## **Personal Securities Trading**

ICMA-RC and its associates are not obligated to refrain from recommending, buying or selling any security that ICMA-RC recommends to its clients, and may buy or sell for their own accounts, or for the accounts of any other client, any such security. Because ICMA-RC or certain of its associates (defined as “Access Persons”) may invest in the same securities as ICMA-RC’s clients, there exists a potential conflict of interest from placing their own corporate or personal interests ahead of those of their clients. There is also a potential conflict from ICMA-RC or its Access Persons having access to material, non-public information about the investments of their clients and using such information for personal gain in breach of their fiduciary duty to those clients.

In order to address these conflicts, ICMA-RC has implemented a Personal Securities Trading Policy that governs the personal investing activities of Access Persons and any associate that has gained access to Material Non-Public Information. The Personal Securities Trading Policy is designed to prevent unlawful practices in connection with personal securities trading of associates.

Access Persons are required to pre-clear certain securities trades and provide quarterly reports of their personal transactions. In addition, Access Persons must direct their brokers to provide copies to the CCO or the designee of all brokerage confirmations relating to all personal securities transactions in which they have a beneficial ownership interest.

A copy of the Personal Securities Trading Policy is available to any client or prospective client upon request.

ICMA-RC has also taken steps to ensure that associates who manage investments for ICMA-RC’s own corporate portfolio do not misuse confidential information about client investments. ICMA-RC requires that trades for the corporate portfolio be placed in accordance with pre-clearance guidelines that mirror those in the Personal Securities Trading Policy. Additionally, the ICMA-RC associates that participate in the investment decision and transaction must attest that the trade was not based on material non-public information and that the trade does not conflict with the interests of other accounts managed by ICMA-RC or its affiliates.

### **Item 12 Brokerage Practices**

Clients are not permitted to direct ICMA-RC to use specified brokers in performing portfolio transactions.

### **Guided Pathways Advisory Services – Managed Accounts**

As recordkeeper for the Retirement Plans or Vantagepoint IRAs that it administers, ICMA-RC batches purchase and sale requests from Participants, including advisory clients and non-clients, for unaffiliated third-party mutual funds that are an investment



option of a client model portfolio for a Managed Accounts client. Such transactions are completely filled for all participating accounts on the date of the transaction. Because such orders are for registered mutual funds, the aggregation process does not have a material effect on the quality of the execution as all orders received in good order before 4:00pm (ET) will receive the same execution price.

### **Item 13 Review of Accounts**

#### **Guided Pathways Advisory Services and Retirement Readiness Reports**

All investment advice provided to Participants in Guided Pathways Advisory Services is developed by Morningstar Investment Management, the Independent Financial Expert. ICMA-RC does not review the accounts of such Participants. However, ICMA-RC does annually review the asset allocation methodology and portfolios used by Morningstar Investment Management to develop the investment advice.

For Managed Accounts, reports outlining portfolio holdings and account performance are provided quarterly. These statements are mailed to all Managed Account Participants and are also available online. In addition, Managed Account Participants, on an annual basis, are provided with a detailed summary of the personal information they have provided as part of the Managed Accounts process and are asked to update the information if necessary.

### **Item 14 Client Referrals and Other Compensation**

ICMA-RC does not pay third-parties for advisory client referrals. However, ICMA-RC does compensate certain ICMA-RC employees to solicit Managed Accounts clients. Such compensation is either based on the amount of net new enrollments in Managed Accounts, or is tied to the amount of new assets enrolled in Managed Accounts that is attributable to Retirement Plan Participants solicited by the employee. ICMA-RC structures all solicitation arrangements in accordance with SEC Rule 206(4)-3.

### **Item 15 Custody**

#### **Guided Pathways Advisory Services**

For Managed Accounts, the assets in the account are maintained in the Participant's name by VTC, the "qualified custodian" as defined in Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended. VTC is a wholly owned subsidiary of ICMA-RC (see Item 10). VTC is located at 777 North Capitol Street, NE, Washington DC 20002.

As the qualified custodian, VTC will send account statements on a quarterly basis. Participants should carefully compare the account statements that they receive from VTC with the quarterly statement that they receive from ICMA-RC.



## **Item 16 Investment Discretion**

### **Guided Pathways Advisory Services and Retirement Readiness Reports**

For Participants who select Managed Accounts discretionary management, ICMA-RC allocates assets of the Participant's account in accordance with the Morningstar Investment Management's recommended investment portfolio which Morningstar Investment Management has recommended as most appropriate based on the Participant's financial situation, investment time horizon, sustainable retirement income and other relevant factors.

Participants enrolled in Managed Accounts may personally select an alternate investment portfolio, as opposed to the investment portfolio recommended by Morningstar Investment Management, and would remain in this alternate portfolio until they instruct ICMA-RC otherwise. When an account is allocated in accordance with an alternate portfolio selected by the Participant, Morningstar Investment Management will continue to rebalance the account to align it with the alternate portfolio; however, Morningstar Investment Management will not reallocate the account to a different portfolio, even if the Participant notifies ICMA-RC of changes to his or her personal or financial information. Selection of an alternate portfolio may decrease the likelihood of Participants achieving their retirement goals as calculated by Morningstar Investment Management.

## **Item 17 Voting Client Securities**

ICMA-RC does not have the authority to vote Managed Account securities. Individual clients that are also shareholders will receive their proxies or other solicitations directly from their custodian or a transfer agent. ICMA-RC does not provide advice about how clients should vote their proxies.

## **Item 18 Financial Information**

Not Applicable.

