



PRESENT AND FUTURE BENEFITS

A Summary of Your Money
Purchase Retirement Plan





THE RIGHT PLAN

ICMA-RC understands your retirement needs and has the program to help you achieve your goals.

- For 35 years, we have offered retirement plans exclusively for public sector employees.
- We offer a comprehensive selection of investment options.
- Account transactions, including fund-to-fund transfers, may be made over the telephone or through our Web site at www.icmarc.org.
- If you change jobs, you can consolidate your retirement plan in another public sector employer's qualified 401 plan, 457 deferred compensation plan, tax-sheltered 403(b) annuity plan, or a Traditional IRA.
- Our knowledgeable staff is ready to assist you.
- We provide you with comprehensive participant services, including quarterly account statements and newsletters.
- We do not charge any hidden fees.
- We make available an individual retirement account (IRA) program, including Traditional IRAs and Roth IRAs.

Vantagepoint Funds are distributed by ICMA-RC Services, LLC, a wholly owned broker-dealer subsidiary of ICMA-RC, member FINRA/SIPC. Please consult the current Vantagepoint Funds Prospectus carefully prior to investing any money. ICMA-RC Services, LLC, 777 North Capitol Street NE, Washington, DC 20002-4240. 800-669-7400.

MONEY PURCHASE PLAN

What is a Money Purchase Plan?

A Money Purchase Plan is a retirement plan that is “qualified” under Section 401(a) of the Internal Revenue Code. Each participant has a plan account to which contributions are made. Plan benefits are based on the total amount of money in your account at retirement or other eligible event. As a qualified plan participant, you are not taxed on employer contributions or earnings until they are withdrawn, usually at retirement when you may be in a lower tax bracket. The plan may require you, or permit you to irrevocably elect, to contribute a certain dollar amount or percentage of your pay to the plan on a pre-tax basis.

As a qualified plan participant, you are not taxed on employer contributions or earnings until they are withdrawn, usually at retirement when you may be in a lower tax bracket.

CONTRIBUTIONS

What types of contributions can be made to a Money Purchase Plan?

Your employer makes contributions to the plan on your behalf. In addition, the plan may require you to make contributions, permit you to make contributions matched by the employer, and/or allow you to contribute to your account on a voluntary, after-tax basis.

How are my employer contributions determined and treated for tax purposes?

Employer contributions are usually a fixed amount or a percentage of your pay. In some plans, however, the employer may make a matching contribution based on the amount that you contribute to the plan.

Contributions that your employer makes to your account are not taxed until you receive them, usually at retirement when you may be in a lower tax bracket. Earnings on employer contributions also grow on a “tax-deferred” basis.

Will I be required to contribute to the plan?

The terms of your plan are set by your employer. You may be required to contribute to the plan in order to receive employer contributions. The amount of these mandatory contributions is usually a percentage of your salary, and the contributions are designated by your employer as either pre-tax (picked-up) or after-tax contributions.

Your plan may allow you to make contributions that are matched by your employer. If elected by your employer, you may determine the percentage rate of your contributions, within a range established by your employer. The employer's matching contributions are made with after-tax dollars.

Are my contributions subject to taxes?

The full amount of your pre-tax contributions is deducted from your income for tax purposes. This results in a decrease in your taxable income.

Pre-tax contributions are not subject to current federal, and in most cases state, income taxes. For tax purposes, the

full amount of your pre-tax contribution is deducted from your gross income. This results in a decrease in your taxable income. In addition, your take-home pay will be greater than if you made contributions with after-tax dollars. After-tax contributions are subject to federal and state tax withholding. The full amount of your contribution is deducted from your pay after all withholding is calculated.

All employee contributions are subject to Social Security taxes, provided that the employer is a participating member of the social security system.

May I make additional contributions?

If your employer's plan permits, you may also make "voluntary" after-tax contributions of up to 25 percent of your salary (not to exceed the IRS limit on your total contributions). Earnings on your voluntary after-tax contributions are tax-deferred.

You may increase or decrease the amount of these voluntary contributions at any time, unless your employer chooses to restrict or limit the number of changes you may make each year. You may discontinue voluntary contributions at any time.

What is the maximum amount of my salary that may be contributed?

IRS regulations allow for maximum contributions into a Money Purchase Plan of up to 100 percent of your gross compensation (minus your picked-up contributions) or \$45,000 annually as of January 1, 2007 (indexed to rise with inflation), whichever is less. This maximum includes the total of all contributions—both employer and employee—to the plan. You will not be able to reach the IRS maximum if your employer's plan contains lower contribution limits.

May I stop contributing to the plan?

If your plan has mandatory or irrevocably elected employee contributions, you cannot stop contributing to the plan. The decision to participate is a one-time, irrevocable election. However, you may suspend voluntary after-tax contributions, if your plan permits these contributions.

How quickly can my funds accumulate?

Over time, your retirement account will make a valuable contribution to your retirement security. The following chart* illustrates how quickly funds can accumulate, based on annual investment earnings of 7 percent, if contributions are made at the beginning of each year.

**For illustration purposes and is not intended to reflect an actual account. Past performance is not indicative of future returns.*

IF YOU CONTRIBUTE \$1,000 A YEAR FOR:	YOUR ACCOUNT MAY HAVE AN ACCUMULATED VALUE OF:
5 YEARS	\$6,153
10 YEARS	\$14,784
15 YEARS	\$26,888
20 YEARS	\$43,865
25 YEARS	\$67,676
30 YEARS	\$101,173
35 YEARS	\$147,913

How is my account activity reported?

Within two weeks of the end of each quarter, we will send you a statement that summarizes all account activity. Your statement details all contributions, transfers, earnings, and disbursements that occur in your account during the quarter. The performance of the investment funds is also summarized on your statement. You may also choose to review your statement online and receive email notification when it is available.

You can access your account balance on a daily basis by calling our 24-hour, toll-free VantageLine at 800-669-7400 or through Account Access at www.icmarc.org.

May I roll over money from another plan?

If you have an account in another eligible retirement plan and take a distribution that qualifies as an eligible rollover distribution according to IRS regulations, you are encouraged to consider the benefits of moving those assets to this account. For more information or assistance with your rollover, please contact Investor Services toll-free at 800-669-7400.

May I also contribute to other tax-deferred retirement plans?

Yes. If offered by your employer, you may also contribute to a 457 deferred compensation plan.

INVESTMENT OPTIONS, TOOLS AND FEES

What are my investment options?*

ICMA-RC offers a wide array of investment options. Investors may choose from our own Vantagepoint Funds* or other popular funds offered in the VantageTrust Mutual Fund Series. Other funds may also be available in your plan.

* Please consult both the current applicable prospectus and Making Sound Investment Decisions: A Retirement Investment Guide carefully for a complete summary of all fees, expenses, charges, financial highlights, investment objectives, risks and performance information. Investors should consider the Fund's investment objectives, risks, charges and expenses before investing or sending money. The prospectus contains this and other information about the investment company. Please read the prospectus carefully before investing. All Vantagepoint Funds invested through 401 or 457 plans are held through

The Vantagepoint family of funds consists of registered mutual funds including Actively Managed Funds, Index Funds, target-date Milestone™ Funds and risk-based Model Portfolio Funds. Our funds are listed in most major newspapers.

Our Actively Managed Funds are based on a multi-management approach. Our team of investment analysts carefully select and monitor top investment managers, called subadvisers. By diversifying across styles, a multi-management approach is designed to continue historically competitive performance that has produced greater consistency than a single-manager approach.

Our Index Funds provide alternative investment options for investors who prefer funds that mirror some of the most popular benchmarks across the investment spectrum.

The Milestone Funds** offer an all-in-one investment strategy that changes with you as you move through the significant milestones in your life. Each fund is professionally managed with a specific target retirement date in mind. These Funds invest in various Vantagepoint Funds.

Spanning time horizons and risk levels, the Vantagepoint Model Portfolio Funds** provide pre-set diversification and periodic rebalancing appropriate for both conservative and aggressive investors. These funds invest fixed allocations in various Vantagepoint Funds.

VantageTrust. Vantagepoint Funds are distributed by ICMA-RC Services LLC, a wholly owned broker-dealer subsidiary of ICMA-RC and member FINRA/SIPC. For a current prospectus, contact ICMA-RC Services, LLC by calling 800-669-7400 or by writing to 777 North Capitol Street, NE, Washington, DC 20002-4240, or by visiting www.icmarc.org.

*** Please be advised that with “Fund of Funds” arrangements, additional underlying fees may apply. Please consult the prospectus for details.*

What tools do you offer to help me invest for my retirement?

In addition to a full range of online calculators and educational articles, ICMA-RC offers Guided Pathways™, a comprehensive suite of investment advisory and account management services. The program offers three levels of service designed to direct you to the appropriate level of assistance, based on how involved you want to be in your retirement investing decisions.

- **Asset Class Guidance** offers you a recommendation on how to divide your retirement account among asset classes.
- **Fund Advice** offers you a recommendation of specific funds in which to invest.
- **Managed Accounts**, if available in your plan, offers you ongoing professional management of your retirement plan assets, based on your personal and financial situation.

What are the fees, minimum investments, and/or restrictions?

ICMA-RC prides itself on its competitive fee structure and publishes all fees in the *Vantagepoint Funds Prospectus* and *Making Sound Investment Decisions: A Retirement Investment Guide*. All funds offered through ICMA-RC are no-load* and have no minimum investment required.

You may generally transfer your assets between funds without restriction. However, some funds impose redemption fees (or may otherwise limit your ability to conduct frequent transfers) in order to prevent market timing activities and to protect the interest of long-term investors.

* Other fees may apply. Please consult *Making Sound Investment Decisions: A Retirement Investment Guide* and the current prospectus.

VESTING

What is vesting?

Vesting is your ownership of the assets in your plan, and is typically based on your years of service. Your vesting percentage determines the amount of employer contributions (and associated earnings) in your account to which you will be entitled when you leave employment.

Do I own the contributions I make into my account?

You are always 100 percent vested in your own contributions and the earnings on those contributions.

How do I become fully vested in the contributions my employer makes to my account?

You gain ownership of your employer's contributions based on your years of service with your employer. Your employer has created a timetable, or vesting schedule, which determines the number of years of service required to become 100 percent vested in the employer contributions (and associated earnings) within your account.

Are there any special circumstances concerning vesting?

If you attain normal retirement age, become disabled or die, while actively employed, your account becomes 100 percent vested, regardless of your term of employment.

When are assets in my account payable to me?

In general, you are eligible to withdraw vested assets from the plan upon separation from service (whether voluntary or otherwise), disability or retirement. If elected by your employer, you may request in-service withdrawals after you reach age 70½. Your beneficiary becomes eligible to receive benefits from the plan in the event of your death.

Your employer may also elect to make loans available, subject to IRS regulations and employer-adopted loan guidelines.

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How do I withdraw my assets?

ICMA-RC's *401 Money Purchase Plan Benefit Withdrawal Packet* fully details the information you will need. All necessary forms are provided in the packet. You may obtain a copy from your employer or by contacting Investor Services at 800-669-7400.

Are there any taxes or penalties on funds withdrawn before retirement?

Pre-tax contributions and all earnings are subject to federal, state and local income taxes when withdrawn. Generally, taxable funds withdrawn before age 59½ are also subject to an IRS tax penalty of 10 percent, in addition to the income tax normally paid on the withdrawal. We do not

withhold any portion of your payment to cover the IRS 10 percent penalty. You are responsible for calculating and paying any IRS early distribution penalty when you file your annual tax return.

We provide the appropriate tax withholding forms and special instructions on taxes for all distributions.

We do not assess a penalty for any distribution for which you are eligible, regardless of your age or length of plan participation.

Are there any special payout regulations if I am married?

If your employer has elected the Qualified Joint and Survivor Annuity (QJSA) option, and you are married, the plan provides your spouse with a 50 percent interest in the value of your account. Unless waived by you and your spouse, your benefit payments must be taken in the form of a Qualified Joint and Survivor Annuity (QJSA). The QJSA guarantees a benefit to you for life and 50 percent of that amount to your surviving spouse after your death.

How will my retirement benefit be paid to me?

We offer a variety of options to meet your retirement needs. You may choose from the following:

- Periodic payments—we can make monthly, quarterly, semi-annual (at six-month intervals only) or annual payments until your assets are fully paid out.
- Rollover—to another employer plan (including a 457 deferred compensation plan) that accepts rollovers, or to a Traditional IRA.

- A lump sum—either partial or total distribution of your account balance.
- Annuities*—we can help you arrange the purchase of an annuity through a life insurance company.

What options are available if I change jobs and don't want to start receiving benefits?

You may leave your assets in the employer's plan if your vested balance exceeds a minimum amount (as defined in your employer's plan). You may also transfer all or part of an "eligible rollover distribution" to another employer's retirement plan (401 qualified plan, 457 deferred compensation plan, or 403(b) tax sheltered annuity plan) as long as that plan accepts rollovers, or to a Traditional IRA, such as ICMA-RC's Vantagepoint IRA.

Eligible rollover distributions are generally all distributions unless they are: (1) regular, periodic payments over long periods, such as life expectancy or 10 years or more or (2) required minimum payments made to participants age 70½ or older. Your employee after-tax contributions can also

* *ICMA-RC partners with select insurance companies that make annuities available through the Income for Life Annuity program. Participating insurance companies compensate ICMA-RC for providing administrative services in support of the Income for Life Annuity program. The fee is at an annual rate of 80 basis points (0.8%) of the purchase amount of the annuity for a period of five years. Please consult Income for Life Annuity Program: Immediate Annuities for Retirement Income, prior to purchasing an annuity. 800-669-7400.*

be rolled to another 401 qualified plan, or to a Traditional IRA. (These after-tax amounts may not be rolled over to a 457 deferred compensation or 403(b) tax sheltered annuity plan.)

What if my vested balance is below the plan-required minimum?

If, when you leave employment, your total vested account balance is below the plan-required minimum, it will be paid to you as soon as possible. You do not have the option of keeping your assets in your account and delaying payment, but you may choose to transfer the balance to your new employer's plan, including a 457 deferred compensation plan, or a Traditional IRA.

Does ICMA-RC offer an IRA?

Yes. ICMA-RC offers a No-Fee Vantagepoint IRA**, a full-featured IRA product that includes a brokerage option.*** You may wish to consider consolidating your other IRA assets into a No-Fee Vantagepoint IRA. For more information, contact Investor Services at 800-669-7400 or use our IRA Wizard online at www.icmarc.org/xp/products/ira/.

** *The No-Fee Vantagepoint IRA has a low initial minimum investment of \$1,500, which is waived if funded through the convenience of an automatic investment program (AIP). Non-AIP accounts with a balance of less than \$1,500 on June 30 of any given year will be charged an annual maintenance fee of \$25.*

*** *ICMA-RC partners with UVEST Financial Services, Inc., a registered broker-dealer and member of FINRA/SIPC, to offer a brokerage program. All securities and brokerage programs are offered through UVEST. UVEST compensates ICMA-RC for making the program available to participants. Compensation is paid directly by UVEST to ICMA-RC. ICMA-RC and UVEST are not affiliated.*

WITHDRAWING YOUR FUNDS: SPECIAL CIRCUMSTANCES

What if I am subject to a Qualified Domestic Relations Order (QDRO)?

A QDRO relates to the provision of child support, alimony payments, or marital property rights of a former spouse. The QDRO recognizes an alternate payee's right to receive some or all of the plan benefits payable to you. (Colorado participants are cautioned that state law may have an impact on payment to former spouses under QDROs.) We strongly urge you to contact us when a QDRO is anticipated to avoid any foreseeable problems.

We will disburse the funds according to a QDRO only with employer approval.

What if I become disabled?

In the event of permanent and total disability prior to retirement age, you become 100 percent vested in your account balance and may withdraw your funds without penalty at any time.

What happens in the event of my death prior to beginning distributions?

In the event of your death, your eligible beneficiary may receive your funds. If you are married, your spouse is automatically your beneficiary for at least one half of the funds in your account, unless you have executed a waiver of Qualified Preretirement Survivor Annuity (QPSA) and obtained your spouse's consent.

THE ICMA-RC SYSTEM

What is the ICMA-RC System?

The ICMA-RC System – ICMA Retirement Corporation (ICMA-RC), VantageTrust Company, The Vantagepoint Funds, ICMA-RC Services, LLC, Vantagepoint Investment Advisers, LLC and Vantagepoint Transfer Agents, LLC – work to satisfy your retirement needs.

You benefit from independent accounting of plan assets, a wide array of investment options, ongoing fund analysis, and more. The ICMA-RC System is designed to provide you with a convenient and effective means of saving for a secure retirement.

■ ICMA-RC

ICMA-RC is an independent corporation founded by public service employees in 1972 with the help of the International City/County Management Association and a grant from the Ford Foundation. ICMA-RC became the first organization to offer a nationally available deferred compensation retirement program for public sector employees.

ICMA-RC helps establish and maintain retirement plans exclusively for state and local government employees. ICMA-RC's principal lines of business are Section 457 deferred compensation plans and Section 401 defined contribution plans. ICMA-RC is an investment adviser registered with the Securities and Exchange Commission (SEC).

■ VantageTrust Company

The VantageTrust is a group trust that is legally separate from ICMA-RC. It provides for the commingled investment of assets of retirement plans administered by ICMA-RC. Trust assets are not subject to the claims of the creditors of ICMA-RC. The Trust, offered through the VantageTrust Company, offers a range of investment funds and each fund has been designed for retirement plan investing.

ICMA-RC provides investment advisory services to the Trust.

■ The Vantagepoint Funds

The Vantagepoint Funds, which is sponsored by ICMA-RC, is an SEC-registered “series” investment company (mutual fund) offering 27 distinct portfolios. Each portfolio has a different investment objective and strategy. The funds of the VantageTrust each invest solely in the shares of a corresponding Vantagepoint Fund, with the exception of the Stable Value PLUS Fund.

■ ICMA-RC Services, LLC

ICMA-RC Services, LLC (“RC Services”) is the wholly-owned broker-dealer through which Vantagepoint Securities are distributed. RC Services is a member of the NASD and SIPC and is a subsidiary of ICMA-RC.

■ Vantagepoint Investment Advisers, LLC

Vantagepoint Investment Advisers, LLC (“VIA”) serves as an investment adviser to The Vantagepoint Funds. VIA is an affiliate of ICMA-RC.

■ Vantagepoint Transfer Agents, LLC

Vantagepoint Transfer Agents, LLC (“VTA”) serves as transfer agent for The Vantagepoint Funds. VTA is an affiliate of ICMA-RC.

This plan introduction is designed to provide you with general plan information. If there is a conflict between the information in this brochure and either the plan document, Making Sound Investment Decisions: A Retirement Investment Guide, or the Vantagepoint Funds Prospectus, the plan document, Investment Guide, or Prospectus will be the controlling document.

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Some of the products and services offered by ICMA-RC, and described within this publication, may not necessarily be offered by your employer.

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