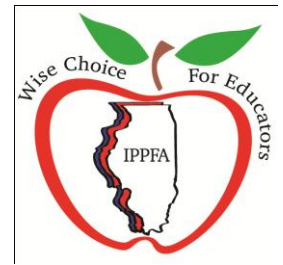




THE WISE CHOICE FOR EDUCATORS

The Combined 457(b)/403(b) Plan



Created and Built by THE ILLINOIS PUBLIC PENSION FUND ASSOCIATION (IPPFA)

The IPPFA was founded in 1985 as a not-for-profit organization whose mandate was to educate public pension fund trustees. In 2009 the IPPFA became the sole education provider for public pension fund trustees in the state of Illinois. Our members manage over eighteen billion dollars in pension assets. IPPFA built its supplemental savings plan for all public sector employees; because we became concerned about the quality of plans our members were deferring their money into.

The Wise Choice for Educators Plan...Helping You Accumulate More Money for Retirement

- ⇒ **Created** by public sector employees to be in the best interests of public sector employees.
- ⇒ **Built** by leveraging the buying power of hundreds of public sector employers, IPPFA built a co-op that other public sector employers, regardless of where they are located, are able to join at no cost.
- ⇒ **Offers** the plan sponsor the opportunity to outsource their plan sponsor responsibilities.

The IPPFA's Wise Choice for Educators Plan:

- Has saved public sector employees millions of dollars in fees which translates into more money at retirement.
- A single platform that accepts fiduciary responsibility for all delegated responsibilities including fund manager selection.
- Offers the same pricing and plan design to all school districts, regardless of the number of employees.
- Provides a comprehensive participant education program, full-fee transparency and a strong asset allocation platform.
- Is unique in that it was built by a not-for-profit association that acts in the best interest of participants, not insurance companies, brokers or sales people.
- Includes no surrender charges or wrap fees and offers an open architecture platform which includes fund families like Fidelity, Vanguard and American Funds.
- Streamlines the administrative process and decreases staff time spent on supplemental savings plans.
- Provides full compliance and remitting with no fee, eliminating the need to hire an outside TPA.
- Creates a "win-win" situation: the employer gets an easy to implement program which lets them outsource their plan sponsor responsibilities and employee's interests are put first.

For more information on the Illinois Public Pension Fund Association's *Wise Choice for Educators Plan* and Diversified Investment Advisors please contact:

Joel J. Babbitt, CLU
IPPFA Benefits Coordinator
joelb@ippfabenefits.org

Debby Karton
IPPFA Benefits Coordinator
dkarton@ippfabenefits.org

The Wise Choice for Educators Plan: Investment Management and Plan Administration Provided by Diversified Investment Advisors

Q & A

Below are some of the most commonly asked questions about The Illinois Public Pension Fund's The Wise Choice for Educators Plan.

Why should our district join the IPPFA's Wise Choice for Educators Plan?

Your district should join The Wise Choice for Educators Plan because IPPFA assumes the responsibility the district has as the plan sponsor, in addition to streamlining administration, reducing fees and working to assist public sector employees in wealth accumulation. IPPFA provides:

- Acceptance of all fiduciary responsibility for all delegated responsibilities including fund manager selection.
- Total delivered price of plan .65% - 1.55%, significantly lower than insurance company tax sheltered annuities. This allows your employees to keep more of their money, instead of paying it to insurance companies, sales people or brokers.
- Up to date plan documents (IPPFA attorneys are monitoring new regulations and when appropriate update the plan documents to keep the plan compliant.
- Quarterly review to ensure The Wise Choice for Educators Plan is meeting the goals and objectives established by the association.

Why should we join a program sponsored by an association instead of working with the insurance companies/mutual fund companies directly?

The IPPFA created a supplemental savings plan in 2001 because we were concerned about the quality of supplemental savings plans our members were deferring their money into. The association's objective is to make sure that all public sector employees have access to the same quality supplemental savings programs as the public sector employees in Illinois.

The IPPFA plan is significantly less expensive than insurance company 403(b) tax sheltered annuities. IPPFA's Wise Choice for Educators Plan has already saved public sector employees millions of dollars.

What is IPPFA's role in the administration of The Wise Choice For Educators Plan?

The Illinois Public Pension Fund is the plan sponsor of The Wise Choice for Educators Plan. IPPFA assumes the responsibility of monitoring the core funds, maintaining the plan documents and implementing the service standards associated with The Wise Choice For Educators Plan.

If we implement the Wise Choice for Educators Plan and are not satisfied are there any charges or penalties for terminating the relationship with IPPFA?

No. Since The Illinois Public Pension Fund Association operates The Wise Choice for Educators Plan with the best interest of the participant in mind, the association "puts its money where its mouth is". If for any reason the employer chooses to terminate the relationship, there are no penalties or fees.

Is there a charge for joining the IPPFA's Wise Choice for Educators Plan?

No. IPPFA Benefits is the Third Party administrator on the plan, which will alleviate the cost of any prior TPA.