

# The Wise Choice for Educators

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

Sponsored by Illinois Public Pension Fund Association (IPPFA)

Plan  
Well



Live  
Well

*The life you want in retirement begins right here, right now.*



PLAN OF A LIFETIME™



## **Welcome to the Wise Choice for Educators Plan!**

As an association of public sector employees responsible for managing pension fund assets in excess of four billion dollars, the Illinois Public Pension Fund Association (IPPFA) created the *Wise Choice for Educators Plan* to make sure that public sector employees had access to a supplemental savings plan that was created in their best interests, not the interests of the sales person, broker or insurance company. This plan was built by pooling the buying power of hundreds of public sector employers. The Illinois Public Pension Fund Associations believes that no employee should have to pay higher fees or receive less service because they work for a small or medium size public employer. Our plan offers the same pricing and plan design to all public employees, regardless of size.

From the day you're hired the *Wise Choice for Educators Plan* will support you through each stage of the retirement planning process. Whether you're starting to save for the first time or already participating in the plan *The Wise Choice for Educators Plan* will be with you every step of the way. We encourage you to invest in yourself and your future by participating in the IPPFA plan through Diversified Investment Advisors.

Diversified is an investment advisory firm dedicated exclusively to providing retirement savings plans. After an exhaustive search we chose Diversified as our asset manager because they manage money like a pension plan. Historically, pension funds have a higher rate of return than their retail mutual funds counterparts. Diversified/IPPFA Benefits focus all their resources on giving you the planning tools and guidance you need to achieve your retirement goals.

Please read through this booklet so you can better understand this valuable program. Be sure to enroll as soon as possible so you can begin maximizing this valuable benefit.

Sincerely,

A handwritten signature in black ink that reads "James M. McNamee".

James M. McNamee, President  
Illinois Public Pension Fund Association



## Quick Start Guide

# Already Participating?

This is a perfect time to review your account to determine if you are contributing enough and have an investment strategy that meets your retirement goals.

**Have questions?** Call IPPFA Benefits at 866-994-6312 or Diversified Direct at 800-755-5801. Both IPPFA Benefits or Diversified's counselors can help you create a retirement strategy, determine if you are saving enough, and review your investing solutions.

**Sign up for e-Statements.** They're fast. They're easy. They help the environment. Sign up for e-Statements by logging on to Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com).

**Consolidate your accounts.** Do you have retirement plan or supplemental savings assets in a former employer's plan or prior vendor assets in your current employers plan?

If so, consider streamlining your finances by consolidating that money into your new plan. Contact IPPFA Benefits for Assistance at 866-994-6312.

# Not Participating?

**Enroll today!**

**Via the Web.** Log on to Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com). Click at the top right, "Sign in to Your Account," then "Diversified Direct Online," and "Get Started." Follow the instructions for first time users to establish a password and enroll in the plan.

**Over the phone.** Call Diversified Direct at **888-676-5512**. Diversified's counselors can help you create a retirement strategy, determine how much to save, and decide on an appropriate investing solution.

# Designate Your Beneficiary

It is important that you designate a beneficiary or beneficiaries for your retirement account, so that your assets can be distributed according to your wishes upon your death.

# Highlights of your plan

The Wise Choice for Educators is a valuable employee benefit and one of the most efficient ways to build your retirement savings.

Take a few minutes now to read through these plan highlights and learn more about all the features and benefits your plan includes. You'll find more about when you can join, how much you can contribute, when you can make changes and how you can access your savings.



**§457(b)**

**Or**

**§403(b)**

**Which plan is right for me?**

**Access to Funds while employed (in-service access)**

**Taxation of Distributions at separation of service**

Both §457(b) and §403(b) plans are tax deferred payroll deduction savings plans aimed at helping you save additional income for retirement. These plans supplement your defined benefit plan.

Both plans use pre-tax contributions and have tax deferred earnings. Distributions from both plans are taxable upon receipt. The plans have the same contribution limits and the limits do not coordinate or integrate with each other; you can fully fund both plans.

Most of our budgets do not permit us to fully fund both programs. Generally, the common practice is to fully fund one and only use the second plan when you wish to exceed the single plan contribution limit. This begs the question: "Which plan should I use if I defer less than \$16,500 annually?"

The primary differences in §457(b) and §403(b) are in-service access to funds and taxation of distributions prior to age 59 1/2.

There are two ways to access your funds while you are employed: loans or hardships. While the loan provisions are identical, there are differences in the hardship rules that specifically impact those who wish to use this provision for the purchase of a primary residence or for funding college education. In these two areas §403(b) is considered more flexible. However, most financial planners would advise that your §403(b) plan is not the appropriate place to access college funds once you take into consideration the 10% excise tax and the income taxes paid on the distribution.

**After separation of service, distributions from a §457(b) are not subject to a 10% excise tax even if you are under age 59 1/2.** The excise tax is in addition to the regular income tax due. Utilizing the **§457(b)** provides earlier access to your own money.

§457(b) or §403(b) – Which Plan is Right for Me?

	457(b)	403(b)
Contribution Limits 2009	\$16,500	\$16,500
Age 50 Catch-Up Rule	\$5,500	\$5,500
Alternative Catch-Up	Up to \$16,500	Age 50 and up to \$15,000
Loans	Yes	Yes
Hardships	Yes	Yes
Hardships for Purchase of Primary Residence	No	Yes
Hardships for children's College Tuition	No	Yes
Access Money at Separation of Service Before Age 59 ½ with no 10% excise tax.	<b>Yes</b>	No

**On-Demand  
Representatives**

**§457(b)  
Eligibility**

**How Much Can I  
Contribute?**

**What Do I Do  
With Money in  
another §457(b)  
Plan?**

**Vesting**

**This is especially important for those that expect to:**

- *Plan on retiring earlier than age 59 ½.*
- *Do not expect to spend a full career in education.*
- *To maintain maximum distribution flexibility. While none of the above may be planned, they may occur none the less.*

Some employers have mandated the use of §457(b) first. If your employer is one of them, your enrollment will automatically default to §457(b).

IPPFA Benefits is the exclusive marketer of the Wise Choice for Educators Plan. We have dedicated representatives who are available to meet with you on a one on one basis. To schedule an appointment or to just talk to us at any time, please call:

866-994-6312 - IPPFA Benefits  
888-676-5512 - Toll-Free Telephone Service – Diversified Investment Advisors

**§457(b) Plan Specifics**

You are immediately eligible to participate in the plan. You may join the plan:

- Upon attaining the age of 18
- On the first of any month.

You may choose to make pre-tax contributions up to the maximum allowed by law. The annual IRS dollar limit of \$16,500 applies for 2009. This limit is indexed annually by the IRS.

If you are age 50 or older (or you reach age 50 during the current calendar year), you can make additional catch-up contributions up to \$5,500 in 2009. This limit is indexed annually by the IRS.

You can defer the entire amount into both §457(b) and §403(b). The two plans do not legally coordinate or integrate with each other for this purpose.

If you have an existing retirement plan or supplemental savings account with a prior employer, you may roll over that account into this plan at any time. Consolidating your retirement accounts makes it easier for you to make sure your investment strategy is on track for meeting your retirement goals. Please see “Consolidating Your Retirement and Supplemental Savings Assets” at the end of this section (yellow).

Vesting refers to your "ownership" of your account. You are always 100% vested in your contributions to this plan.

## Loans

You may borrow from the plan, using your account as security (conditions and restrictions may apply). All loans are aggregated for these limits. You must count both your **Wise Choice for Educators** §403(b) and §457(b) together for this purpose.

**Minimum loan amount:**

\$1,000

**Maximum loan amount:**

50% of your vested account balance, up to \$50,000

**General loan interest rate:**

Prime

**Maximum general loan term:**

5 years. If for primary residence, then the loan may be amortized over 15 years.

**Loan Origination fee:**

A one-time set-up fee of \$75 per loan deducted from your account.

**Maximum number of outstanding loans:**

2

**If you have assets with a prior §403(b) vendor and they have not provided the IRS required plan level documentation to your employer your ability to have loans may be impaired.**

## Withdrawals

Vested funds may be withdrawn from your account in these events:

- Termination of employment or retirement (any age\*)
- Unforeseeable emergency (As defined by IRS Regulations)
- Disability
- Death

Distributions must begin no later than the later of attainment of age 70 1/2 or retirement. Please see your Plan Administrator for additional important information about your future distribution election.

\* There is NO excise tax on distributions made after separation of service from 457(b) plans, regardless of age.

## Expenses

The Wise Choice plan includes no annual account fee, no wrap fees and no contingent deferred sales charges. The participant will pay only the fee listed on the fund sheets. If the participant exercises PCRA (Personal Choice Retirement Account), there is a \$50 annual fee imposed by Charles Schwab.

## Investment Direction

You decide how your account will be invested among the available investment options. You may change your investment allocation at any time. Transfers among investment options may be made at any time and maybe subject to certain restrictions. The available investment options are presented below in groups to illustrate the applicable transfer restrictions.

**Investment Group A:** Stable Value Fund

**Investment Group B:** PCRA (Personal Choice)  
Transamerica Partners Money Market

**Investment Group C:** All other funds

Monies in a Group A investment option cannot be transferred to a Group B investment option. Monies transferred from a Group A investment option to a Group C investment option must remain in this investment option for at least 90 days before they may be transferred to a

**Beneficiary Designation**

It is necessary that you designate a beneficiary for The Wise Choice Plan so that your assets can be distributed according to your wishes upon your death. Please complete the Beneficiary Designation form in this booklet, and follow the instructions on the form for mailing.

**§403(b) Eligibility**

**§403(b) Plan Specifics**

You are immediately eligible to participate in the plan. You may join the plan at any time.

However, if you are in one of the following group(s), you are not eligible to participate in the plan:

- Employees who are students performing services described in § 3121(b)(10)
- Employees who normally work less than 20 hours per week.
- Some employers have implemented additional restrictions if you are working less than full time. Please check with your Human Resource Department for specifics.

**How Much Can I Contribute?**

You may choose to make pre-tax contributions up to the maximum allowed by law.

- You may increase, decrease or stop your contributions at anytime.

The annual IRS dollar limit of \$16,500 applies for 2009. This limit is indexed annually by the IRS.

If you are age 50 or older (or you reach age 50 during the current calendar year), you can make additional catch-up contributions up to \$5,500 in 2009. This limit is indexed annually by the IRS.

You can defer the entire amount into both §457(b) and §403(b). The two codes do not coordinate or integrate with each other for this purpose.

**What Do I Do with Money in another §403(b) Plan?**

If you have an existing retirement plan or supplemental savings account with a prior employer, you may roll over that account into this plan at any time. Consolidating your retirement accounts makes it easier for you to make sure your investment strategy is on track for meeting your retirement goals and facilitates your ability to have plan loans. (If your prior vendor(s) has not provided the required IRS plan level documentation to your employer your ability to apply for both a §457(b) or a §403(b) loan may be impaired unless you consolidate.) Please see "Consolidating Your Retirement and Supplemental Savings Assets" at the end of this section (yellow).

**Vesting**

Vesting refers to your "ownership" of your account. You are always 100% vested in your contributions to this plan.

## Loans

You may borrow from the plan, using your account as security (conditions and restrictions may apply). All loans with same employer plan are aggregated for these limits. You must count both your Wise Choice §403(b) account and §457(b) account together for this purpose.

**Minimum loan amount**

\$1,000

**Maximum loan amount**

50% of your vested account balance, up to \$50,000

**General loan interest rate**

Prime

**Maximum general loan term**

5 years. If for primary residence, then the loan may be amortized over 15 years.

**General loan fee**

A one-time set-up fee of \$75 per loan deducted from your account

**Maximum number of outstanding loans**

2

**If you have assets with a prior §403(b) vendor and they have not provided the IRS required plan level documentation to your employer your ability to have loans may be impaired.**

## Withdrawals

You may withdraw vested funds from your account in these events (conditions and restrictions may apply as defined in the plan):

- Retirement at normal retirement age (Subject to age 59 1/2 rule on “penalty taxation”)
- Termination of employment (Subject to age 59 1/2 rule on “penalty taxation”)
- Financial hardship as defined in IRS regulations
- Disability
- Death

## Expenses

There are no wrap fees. There are no expenses other than the fund charges, loan origination fee or PCRA annual fee.

You decide how your account will be invested among the available investment options. You may change your investment allocation at anytime.

## Investment Direction

Transfers among investment options may be made at any time and maybe subject to certain restrictions. The available investment options are presented below in groups to illustrate the applicable transfer restrictions.

**Investment Group A:** Fixed Fund

**Investment Group B:** PCRA (Personal Choice)

Transamerica Partners Money Market

**Investment Group C:** All other funds

Monies in a Group A investment option cannot be transferred to a Group B investment option. Monies transferred from a Group A investment option to a Group C investment option must remain in this investment option for at least 90 days before they may be transferred to a Group B investment option or back to a Group B investment option.

Additional transfer conditions and restrictions may apply. Certain investment options may impose trading restrictions and/or redemption fees as a result of frequent trading activity. Please contact Diversified for more information.

## Beneficiary Designation

## What should I do with my “other” Retirement and Supplemental Savings plan assets?

It is very important that you designate a beneficiary for your retirement account, so that your assets can be distributed according to your wishes upon your death. Please complete the Beneficiary Designation form in this booklet, and follow the instructions on the form for mailing.

### CONSOLIDATING YOUR RETIREMENT AND SUPPLEMENTAL SAVINGS ASSETS

There is no tax penalty to consolidate your prior retirement and supplemental savings assets into *The Wise Choice for Educators*. There may be fees imposed by your current vendor. Please contact Diversified Investment Advisors at 800-275-8714 for personalized assistance on determining if consolidation of your current plans is in your best interest.

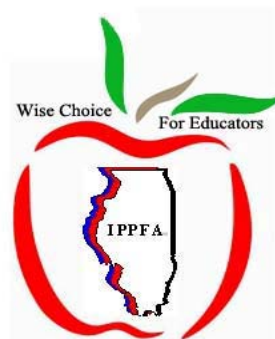
If you have a **§403(b)** account with your **current employer or a prior employer** and you would like to consolidate into The Wise Choice Plan, please call a Diversified Investment Advisors Retirement Counselor at 800-275-8714 and they will help you complete the appropriate Contract Exchange form located in the back of this booklet. Some vendors require their paper work in addition to or instead of ours. The Retirement Counselors at Diversified will also help you with others companies paperwork.

If you have a **§457(b)** account with a **prior employer** and you would like to consolidate into The Wise Choice Plan, please call a Diversified Investment Advisors Retirement Counselor at 800-275-8714 and they will help you complete the 457(b) Transfer form located in the back of this booklet. Some vendors require their paper work in addition or instead of ours. The Retirement Counselors at Diversified will also help you with others companies paperwork.

If you have a **§401(k) or Pension** account with a **prior employer** and you would like to consolidate it into The Wise Choice Plan, please call a Diversified Investment Advisors Retirement Counselor at 800-275-8714 and they will help you complete the Rollover form located in the back of this booklet and determine if your prior plan has any additional paperwork requirements.

Before calling a Retirement Counselor, please have your most recent statement in front of you.

Regardless of the source of your consolidation funds, a Retirement Counselor at Diversified Investment Advisors will be your guide through the entire process.



# Decide how much to save



**To get the most out of your plan  
you'll want to start putting as much  
into your plan as possible.**

By contributing to your supplemental savings plan, you'll benefit from two key tax advantages.

#### **Pre-Tax Contributions**

Every dollar you deposit in to your plan is deducted directly from your pay before federal taxes are even calculated.

#### **Tax-deferred growth**

All the money in your account grows free from taxes until you withdraw it. Because you don't have to pay taxes each year on your contributions and earnings, there's more money left in your plan to continue compounding each year.

## **Why Do I Need to Save If I Have A Pension?**

You want to retire early

Emergency Funds for Retirement

Better Retirement Lifestyle

Medical Funds for Retirement

Provide a Legacy

# No Such Thing as a Bad Penny

When it comes to retirement saving and investing, all those proverbial “bad pennies that keep turning up” can actually do quite a bit of good. By contributing a percentage of your salary to your retirement savings plan, you save comfortably and conveniently, a little at a time. And because of the power of compounding, if you begin saving early, those “bad pennies” really can go a long way!

This is the perfect time to consider your financial goals. If you have not been taking advantage of your retirement savings plan, consider enrolling now. If you are already participating in your plan, you may want to take a fresh look at your retirement savings goals and adjust your contribution percentage, if needed.

## Possible Retirement Savings by Age 65

Starting Age	\$2,000 Annual Deposit	\$4,000 Annual Deposit	\$6,000 Annual Deposit
25	\$ 584,601	\$ 1,169,202	\$ 1,753,803
30	\$ 389,557	\$ 779,113	\$ 1,168,670
35	\$ 256,813	\$ 513,625	\$ 770,438
40	\$ 166,469	\$ 332,939	\$ 499,408
45	\$ 104,983	\$ 209,966	\$ 314,950
50	\$ 63,137	\$ 126,274	\$ 189,410
55	\$ 34,657	\$ 69,314	\$ 103,970



Go green, save trees. Sign up online for e-statements today!

*Hypothetical example assumes an 8% annual rate of return and does not represent the performance of any specific fund. Regular investing does not guarantee a profit or protect against a loss in a declining market.*

# Choose an Investment Solution

Your *Wise Choice for Educators Plan* makes it easy to choose an investment strategy— and easy to maintain or adjust your strategy over time.

## Choose a total investing solution

### Keep it simple with PortfolioXpress<sup>SM</sup>

If your financial picture is relatively straight forward, consider PortfolioXpress. PortfolioXpress is a service that establishes your investment mix that is based on the retirement year you select. PortfolioXpress regularly rebalances your account to a more conservative mix over time. It's an investing solution for people who are saving for retirement and want to "keep it simple." **You can subscribe to PortfolioXpress on Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com).**

When you sign up for PortfolioXpress your retirement plan assets are invested in an asset allocation mix that is appropriate for the retirement year you select. PortfolioXpress automatically rebalances your account each quarter. As you get closer to your targeted retirement year PortfolioXpress adjusts your asset allocation to a more conservative mix.

You can easily track the progress of your portfolio online and through your quarterly account statements. Your circumstances will change over time therefore it is recommended that you review your investment strategy to make sure it continues to reflect your current retirement needs. There is no additional cost for PortfolioXpress, though you would still bear the fees of the underlying funds in which your account is invested.

*PortfolioXpress presents a series of asset allocation models up to and through a designated retirement year. You are solely responsible for*

*choosing the retirement year. In implementing the service, you agree to each of the asset allocation mixes and each of the automated rebalancing transactions that will take place over time within your account as you approach the selected retirement year. If you sign up, you should carefully review the service agreement and the Form ADV Part II disclosure statement of the investment adviser for the service, if applicable, for additional information regarding fees and other terms and conditions that may apply to this service.*

- I am age 40+
- I have savings outside my retirement savings plan
- I have a defined benefit plan
- I expect significant expenses (i.e. college tuition) prior to retirement
- I own my own home
- I expect a financial windfall (i.e. inheritance) in the future

**If you checked at least some of the boxes on the left, you may want to consider Diversified Managed Account as an investing solution.**

### Get professional advice with Diversified Managed Account

If you're looking for professional advice that takes into consideration your unique situation and your total financial picture, Diversified Managed Account might be right for you. With Diversified Managed Account, your retirement account is managed by Ibbotson Associates, a wholly-owned subsidiary of Morningstar and leading provider of

investment advice for retirement plan participants. For a separate fee, this service makes all of the investment allocation decisions for your account, utilizing the funds available in your plan.

The Diversified Managed Account service is based on information you provide. Providing sufficient information about your financial salutation helps to refine your profile and manage your account ongoing. **You can subscribe to the Diversified Managed Account on Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com).**

The Diversified Managed Account service is based on information that you provide about your total financial picture, which is used to establish your "profile."

You can update your profile at any time. The investment management of your account will reflect your updates accordingly.

You can view your portfolio at any time online. You can also track investment returns and monitor reallocations.

Your circumstances will change over time therefore it is recommended that you review your investment strategy to make sure it continues to reflect your current retirement needs.

*Ibbotson Associates®*, Inc. a wholly-owned subsidiary of Morningstar, is an SEC-registered investment advisor that provides the underlying investment advice and portfolio management methodology for the Diversified Managed Account service. See the Managed Account Agreement for more information on the fees, terms and conditions that apply.

### Select one fund that maintains a diversified mix

Asset allocation funds are diversified funds that offer a range of investment mixes depending on your comfort level with risk and how long you have until you retire.

The funds range from short-term, conservative options that invest more of their assets in bonds and more conservative investments to long-term aggressive options that invest more of their assets in stocks and other aggressive investments. These funds do not change their asset allocation to become more conservative over time.

You can select an asset allocation fund based on your desired risk level and/or years until retirement.

## Do it yourself

### Create your own investing strategy

You can also create your own investment mix using the funds available in your plan. These funds offer flexibility for both new and experienced investors. With this approach you can develop an investing strategy that is tailored just for you.

To supplement the investment funds offered under your plan, you may choose to open a Schwab Personal Choice Retirement Account® (PCRA). PCRA is a self-directed investment option that allows you to direct purchases and sales within your account in investment options other than those offered under the plan.

By establishing a PCRA you assume responsibility for controlling your investments. For more information on establishing and maintaining a PCRA, please call Diversified at **800-755-5801**.

See the list of investment funds available through your plan— as well as some sample investment mixes. These investment mixes are offered to help you develop your own investment strategy, based on your time horizon for investing. Each mix shows a suggested investment allocation among stocks and bonds, not investment return.

# Diversification is critical

Different types of investments tend to react differently to the same market conditions. For example, when stock prices are up, bond prices are often down — and vice versa. So by diversifying — spreading your money across the major asset classes — you reduce the risk that a big drop in either area could take your entire retirement portfolio down with it. Of course, diversification does not insure against market loss, but it can be an effective tool for managing risk.

**“Diversify, Diversify, Diversify.** By owning a broadly diversified portfolio of stocks and bonds, specific security risk is eliminated. Only market risk remains. This risk is reflected in the volatility of your portfolio and should take care of itself over time as returns are compounded.”

-John C.Bogle, founder and former CEO of The Vanguard Group



## Diversify within asset classes as well as across them.

It's smart to spread your money across major asset classes like stocks and bonds. But that's not enough. It also helps to diversify within asset classes.

Stocks and bonds can be further divided into asset sub-classes that vary in their potential for risk and reward. For example, "large cap" stocks from established companies tend to be more conservative than "small-cap" stocks from smaller companies. Bonds issued by corporations tend to be more aggressive than those issued by the U.S. government. So it's important that you spread your money within asset classes as well as across them.

## Timing isn't everything.

One of the oldest investment myths is that "buying low, selling high" is the key. Not so. In fact, research shows that timing and your specific investment selections have very little to do with investing wisely. The mix of investments you choose is much more critical to reaching your goals. Your investment mix accounts for 92% of your investment return. Timing accounts for only about 2% of your return. So rather than worry about when to invest or what to invest in, concentrate first on simply choosing the right mix of investments for your supplemental savings plan.



Source: "Determinants of Portfolio Performance," Brinson, Hood and Beebower, *Financial Analysts Journal*, July/August, 1986.

## Choose an investment approach.

Diversified offers investment solutions to help you make the most of the investment options available through your supplemental savings plan, for today and as you move closer to — and through — retirement.

**Option 1: Create your own investment mix using core funds.** Core funds offer "do-it-yourself" flexibility for both new and experienced investors. With this approach, you can develop a strategy that is custom-tailored just for you. You choose an asset allocation strategy based on your goals and retirement time horizon, then select specific funds to match that strategy.

**Option 2: Choose an asset allocation fund for a pre-mixed approach.** For one-stop shoppers, select one of the distinct, diversified funds that matches your investing time horizon. Your assets are invested using a constant stock/bond mix. And, YOU decide when to select a different asset allocation fund.

**Option 3: Subscribe to the Diversified Managed Account.** This customized professional management approach provides a personalized asset allocation strategy based on information you provide about your individual financial situation. Your portfolio is automatically rebalanced, and all investment allocation decisions for your retirement assets are made for you by Ibbotson Associates®.

**Option 4: Sign up for PortfolioXpress.** This "keep it simple" service provides asset allocation mixes of the funds available in your plan, based on your target retirement date. Your account is automatically rebalanced, and as you get closer to retirement, your asset allocation is adjusted to a more conservative mix.

*Each person's situation is unique. You may wish to consult a legal/tax advisor. Also, since your circumstances will likely change over time, you should periodically review your investment strategy to make sure it continues to reflect your current situation.*



## Choose an investment strategy.

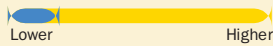
To create or fine-tune an investment approach review these sample strategies. First, find the number of years you have until retirement. Then review the corresponding pie chart and investment allocation. This is the mix of stocks and bonds — and their asset sub-classes — you may want to consider.

### Sample Investment Strategies

Years to Retirement

**2–7**

Relative Investment Risk and Potential Return



#### Short-Term Strategy

Primarily invested in bonds to minimize risk, with stock exposure to enhance returns.



<b>Bonds</b>	<b>90%</b>
Short	27%
Interm./Long-Term	54%
Aggressive	9%
<b>Stocks</b>	<b>10%</b>
Large-Cap	7%
Small/Mid-Cap	1%
International	2%

Years to Retirement

**5–12**

Relative Investment Risk and Potential Return



#### Short/Intermediate-Term Strategy

Higher potential returns through greater stock exposure.



<b>Bonds</b>	<b>70%</b>
Short	21%
Interm./Long-Term	42%
Aggressive	7%
<b>Stocks</b>	<b>30%</b>
Large-Cap	21%
Small/Mid-Cap	4%
International	5%

Years to Retirement

**8–15**

Relative Investment Risk and Potential Return



#### Intermediate-Term Strategy

Equal exposure to bonds and stocks for moderate levels of risk and return.



<b>Bonds</b>	<b>50%</b>
Short	15%
Interm./Long-Term	30%
Aggressive	5%
<b>Stocks</b>	<b>50%</b>
Large-Cap	35%
Small/Mid-Cap	7%
International	8%

Years to Retirement

**14–20**

Relative Investment Risk  
and Potential Return



**Intermediate/  
Long-Term Strategy**

Majority of assets invested in stocks, with bond allocation to dampen short-term volatility.



<b>Bonds</b>	<b>30%</b>
Short	9%
Inter./Long-Term	18%
Aggressive	3%
<b>Stocks</b>	<b>70%</b>
Large-Cap	50%
Small/Mid-Cap	9%
International	11%

Years to Retirement

**20+**

Relative Investment Risk  
and Potential Return



**Long-Term  
Strategy**

Potential for higher long-term returns, but with more short-term volatility.








<b>Bonds</b>	<b>10%</b>
Short	3%
Inter./Long-Term	6%
Aggressive	1%
<b>Stocks</b>	<b>90%</b>
Large-Cap	65%
Small/Mid-Cap	12%
International	13%

## Create a fund mix to fit your investment strategy.

For your easy reference on the following page, we've listed the investment funds your plan offers, and organized them by major asset classes and sub-classes.

We've also identified the possible percentages you may want to consider allocating to each of these funds, for a diversified investment mix.

Simply find your investment strategy across the columns at the top of the next page (the same strategy you identified here). Then read down to identify either the sample mix of core funds to choose or the asset allocation fund that reflects your strategy.

<h2>Sample Investment Mixes</h2> <p>Use My Mix column to create your own investment mix.</p>		Years to Retirement					
		 30+ years to Retirement	 20 years to Retirement	 10 years to Retirement	 At Retirement	 10 years into Retirement	
My Mix							
<b>Bonds</b>							
<b>Short Bonds/Stable/MMkt</b>							
Money Market Fund	%	1%	3%	5%	7%	9%	
Stable Fund	%	1%	3%	5%	7%	9%	
High Quality Bond Fund	%	1%	3%	5%	7%	9%	
<b>Interm./Long-Term Bonds</b>							
Core Bond Fund	%	2%	6%	10%	14%	18%	
Total Return Bond Fund	%	2%	6%	10%	14%	18%	
Inflation-Protected Securities Fund	%	2%	6%	10%	14%	18%	
<b>Aggressive Bonds</b>							
High-Yield Bond Fund	%	1%	3%	5%	7%	9%	
<b>Total Bonds</b>			<b>10%</b>	<b>30%</b>	<b>50%</b>	<b>70%</b>	<b>90%</b>
<b>Stocks</b>							
<b>Large-Cap Stocks</b>							
Large Value	%	11%	8%	6%	3%	1%	
Value Fund	%	11%	9%	6%	4%	1%	
Large Core	%	10%	8%	5%	3%	1%	
Stock Index Fund	%	11%	8%	6%	4%	2%	
Growth	%	11%	8%	6%	3%	1%	
Large Growth	%	11%	9%	6%	4%	1%	
<b>Small/Mid-Cap Stocks</b>							
Mid Value	%	3%	1%	1%	1%	0%	
Mid Growth	%	2%	2%	1%	1%	0%	
Small Value	%	2%	2%	1%	1%	0%	
Small Core	%	1%	2%	2%	0%	1%	
Small Growth	%	2%	1%	1%	1%	0%	
Real Estate Fund	%	2%	1%	1%	0%	0%	
<b>International Stocks</b>							
International Equity Fund	%	13%	11%	8%	5%	2%	
<b>Total Stocks</b>			<b>90%</b>	<b>70%</b>	<b>50%</b>	<b>30%</b>	<b>10%</b>
<b>Multi-Asset/Other</b>							
<b>Asset Allocation Funds</b>							
Short Horizon	%						
Short/Intermediate Horizon	%						
Intermediate Horizon	%						
Intermediate/Long Horizon	%						
Long Horizon	%						

PathMaster Domestic Equity A	%	
<b>Multi-Asset/Other Funds</b>		
Personal Choice	%	
<b>Total Multi-Asset/Other</b>		
<b>Total</b>	<b>100%</b>	

*All registered funds are available by prospectus only. The prospectus contains additional information about the funds, including the investment objectives, risks, charges and other expenses. You should consider all such information carefully before investing. Contact Diversified at [www.divinvest.com](http://www.divinvest.com) for a free prospectus and read it carefully before making your investment choices.*

*Diversified Investors Securities Corp. (DISC), 4 Manhattanville Road, Purchase, NY 10577, distributes securities products. Any fund offered under the plan is distributed by that particular fund's associated fund family and its affiliated broker-dealer or other broker-dealers having effective selling agreements such as Diversified Investors Securities Corp. (DISC). If the Transamerica Funds, Transamerica Partners Funds, or Transamerica Premier Funds (collectively, the Transamerica Funds) are offered under the plan, the Transamerica funds are distributed by Transamerica Capital, Inc. (TCI) and are advised by Transamerica Asset Management (TAM). If the Fixed, Stable or Guaranteed Pooled Fund is offered under the plan, it is made available under a group annuity contract issued by Transamerica Financial Life Insurance Company (TFLIC), 4 Manhattanville Road, Purchase, NY 10577. If the Stable Pooled Fund is offered under the plan, it is made available through the Diversified Investment Advisors Collective Trust, and it invests directly in the Wells Fargo Stable Return Fund, a collective trust fund of Wells Fargo & Company. Diversified, TAM, TCI, DISC and TFLIC are affiliated companies. Your plan may not offer funds representative of all the styles considered in the construction of the sample investment mixes.*

*Any funds listed in the Multi-Asset/Other category do not generally represent the characteristics of a given asset sub-class and so have not been incorporated into any of the sample investment mixes. Investors who understand these funds and any inherent risks may wish to allocate a portion of their accounts accordingly.*

*All funds were assigned to asset classes based on information provided by independent firms that track the investment fund industry, or from the fund family. Although information on funds is gathered from sources believed to be reliable, Diversified does not guarantee the completeness, accuracy, timeliness or reliability of the data, which is subject to change at any time. The information provided for the funds is for informational purposes only and should not be construed as an endorsement or recommendation by Diversified nor be the basis of any investment decision.*

*Diversified or its affiliates may receive remuneration from the fund family or its service provider for providing certain record-keeping or other administrative services.*

## Fund Profiles Glossary

The Fund Profiles that follow outline more information on the investment style, objective, strategy and risk characteristics of each fund. The particular investment risks applicable to a fund are identified in its Fund Profile under "Risks". Each of the terms used under "Risks" to identify a risk is explained below in this Glossary. Of course, an investment in a fund may be subject to other types of risk, and it is possible that you could lose money by investing in a fund.

**Money Market Risk:** An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment, it is possible to lose money by investing in this type of fund.

**Bond Risk:** Bonds and bond funds are subject to interest rate risk, credit risk, and inflation risk. Interest rate risk means that the value of bonds and bond funds generally falls when interest rates rise, causing an investor to lose money.

**Convertible Risk:** Convertible securities have the characteristics of both fixed income and equity investments and may be affected by changes in interest rates, credit risk, and changes in the value of underlying common stock.

**Government Bond Risk:** Any US Government guarantees of the securities held in a fund only pertain to those securities and not to the fund or its yield.

**High Yield Risk:** Lower rated, high-yield corporate debt securities represent a much greater risk of default and tend to be more volatile than higher rated or investment grade bonds.

**Mortgage Securities Risk:** Mortgage-backed securities are subject to prepayment risk and may be sensitive to changes in prevailing interest rates.

**Equity Risk:** Equity funds, unlike bond funds, invest in equity securities, which include common stock, preferred stock and convertible securities. Because such securities represent ownership in a corporation, they tend to be more volatile than fixed income or debt securities, which do not represent ownership.

**Value Risk:** Value-based investments are subject to the risk that the broad market may not recognize their intrinsic values.

**Growth Risk:** Growth stocks may be especially volatile, because their prices are largely based on the market's expectation of future earnings.

**Small/Mid Cap Risk:** The securities of small and medium-sized companies, because of the issuers' lower market capitalization, may be more volatile than those of

large-sized companies.

**Foreign Risk:** Foreign securities and markets pose different and possibly greater risks than those customarily associated with domestic securities, including currency fluctuations and political instability.

**Leveraged Company Risk:** Investments in the stocks of leveraged companies may be subject to additional risk, as leverage can magnify the impact of adverse issuer, political, regulatory, market or economic developments on a company.

**Non-Diversified Risk:** A fund that is classified as a non-diversified investment company may be subject to greater market fluctuation.

**Sector Risk:** To the extent a fund concentrates in a particular sector, its performance will be closely tied to the performance of that sector. As a result, the fund may be more susceptible to factors affecting that sector and more volatile than funds that invest in many different sectors.

**Derivatives Risk:** Investments in derivatives may subject the fund to greater volatility than investments in traditional securities.

**Real Estate Risk:** Investing in real estate securities is very sensitive to interest rates and volatility may increase in a changing rate environment.

**Asset Allocation Fund/Retirement Date Fund Risk:** Asset allocation funds and retirement date funds invest in variety of asset classes, and may be subject to all of the risks of these asset classes. To the extent the fund invests a higher percentage of its assets in equities, it will be subject to greater risk than a fund investing more of its assets in bonds.

*Information relating to non-proprietary funds is being provided as a service by Diversified Investment Advisors to plans whose participants may invest in these funds, and may differ from information provided by other sources. The information contained herein: (1) is proprietary to Morningstar and/or other content providers furnishing the information; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor any other applicable content provider is responsible for any damages or losses arising from any use of this information.*

## Fund Information

---

### Asset Class: Short-Term Bonds

#### Money Market

**Inception Date:** November 30, 1978

**Objective:** Liquidity and high current income consistent with preservation of capital.

**Strategy:** The Fund seeks high current income while preserving capital and providing liquidity by investing in high quality short-term money market instruments, such as short-term U.S. government obligations, corporate bonds and notes, commercial paper, bankers' acceptances, and repurchase agreements. The Fund will primarily invest in A1/P1-rated debt instruments. The average dollar-weighted maturity of the Fund's investments will be 90 days or less.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** GE Asset Management

**Risks:** ( Money Market Risk)

**Net Expense Ratio:** 0.80%

#### Stable Fund

**Inception Date:** January 1, 1994

**Objective:** Maximum yield consistent with guarantee of principal.

**Strategy:** The Stable Fund seeks to provide maximum yield consistent with a guarantee of principal. The Stable Fund provides participants with book value distributions at retirement and other events as described in the group annuity contract. Both principal and interest are guaranteed. The Stable Fund is supported by TFLIC's general account, and is offered through Transamerica Financial Life Insurance Company, which provides the guarantee of principal and interest. The general account of TFLIC invests in investment grade fixed income securities, including US Government, Agency, and corporate issues; as well as individually underwritten mortgage loans, and private placements.

**Advisor:** Transamerica Financial Life Insurance Company

#### High Quality Bond

**Inception Date:** June 30, 1990

**Objective:** High risk-adjusted return while focusing on the preservation of capital by investing in US Government, Agency, and high quality corporate securities.

**Strategy:** The Fund seeks to generate consistent risk-adjusted returns while focusing on preservation of capital through investment in US Government, Agency, asset-backed, and corporate bonds, rated BBB or better at the time of purchase. The Fund's dollar weighted average effective maturity generally does not exceed 3 years.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Merganser Capital Management LP

**Risks:** (Govt Bond Risk) (Bond Risk)

**Net Expense Ratio:** 1.00%

---

### Asset Class: Interm./Long-Term Bonds

#### Core Bond

**Inception Date:** December 31, 1977

**Objective:** Maximum total return through investment in a diversified portfolio of fixed income securities.

**Strategy:** The Fund seeks maximum total return primarily through the investment in US Government, asset-backed and mortgage-backed securities, corporate securities, and to a lesser extent, convertible, high yield and international fixed income securities.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** BlackRock Financial Management, Inc.

**Risks:** (Govt Bond Risk) (Bond Risk)

**Net Expense Ratio:** 1.00%

#### Total Return Bond

**Inception Date:** May 1, 2005

**Objective:** Maximize long term total return by investing primarily in investment-grade debt securities and U.S. government obligations.

**Strategy:** The Fund seeks to invest primarily in securities included in the Lehman Aggregate Bond Index, plus opportunistic investments in high-yield, sovereign non-dollar debt, and emerging market securities. The Fund seeks to add value by capitalizing on inefficiencies across all eligible fixed income sectors. The SubAdvisor seeks to control risk by managing incremental tracking error to the Lehman Aggregate Bond Index using sector allocation, issue selection, duration exposure, and term structure weighting.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Western Asset Management Company  
Western Asset Management Company, Ltd (an affiliate of  
Western Asset Management Company)

**Risks:** (Govt Bond Risk) (Bond Risk)

**Net Expense Ratio:** 1.00%

---

**Asset Class: Interm./Long-Term Bonds (con't)****Inflation-Protected Securities****Inception Date:** July 31, 1990

**Objective:** To seek maximum real return consistent with the preservation of capital by investing primarily in inflation-protected securities.

**Strategy:** Seeks to provide a real rate of return and manage inflation risk by investing primarily in inflation protected securities. Invests primarily in U.S. Government or U.S. Government supported securities (Treasuries, government agencies, and mortgage-backed securities). The manager seeks to build a risk-controlled fixed income portfolio through sector positioning, issue selection and limited duration management.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** BlackRock Financial Management, Inc.

**Risks:** (Govt Bond Risk) (Bond Risk)  
(Inflation-Protected Securities Risk)

**Net Expense Ratio:** 1.00%

---

**Asset Class: Aggressive Bonds****High Yield Bond****Inception Date:** August 31, 1995

**Objective:** High current income by investing in lower rated high yield corporate debt securities.

**Strategy:** The Fund seeks high current income through investment in high-yielding income producing debt securities and preferred stocks. High-yield securities are generally those rated BB or lower (by Moody's and Standard and Poor's rating agencies).

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Eaton Vance Management

**Risks:** (High Yield Risk)

**Net Expense Ratio:** 1.10%

---

**Asset Class: Large-Cap Stocks****Large Value****Inception Date:** December 31, 1977

**Objective:** High level of current income through investment in a diversified portfolio of common stocks with relatively high current yield. Capital appreciation is secondary.

**Strategy:** The Fund seeks a high level of current income primarily through investment in a diversified portfolio of common stocks which the manager believes are selling at reasonable valuations relative to their future projected earnings.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Aronson+Johnson+Ortiz, LP

**Risks:** (Equity Risk) (Value Risk)

**Net Expense Ratio:** 1.00%

---

**Value****Inception Date:** May 1, 2005

**Objective:** Capital appreciation, with dividend income as a secondary goal.

**Strategy:** The Fund seeks to identify the stocks of companies trading at a significant discount to the present value of future cash flows. The Fund invests primarily in stocks of medium and large sized U.S. companies which, in the opinion of the Fund's advisors, are undervalued. Investment opportunities are identified by employing a disciplined, bottom-up process using internally generated fundamental research.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Hotchkis and Wiley Capital Management

**Risks:** (Equity Risk) (Value Risk)

**Net Expense Ratio:** 1.05%

---

**Large Core****Inception Date:** December 31, 1985

**Objective:** To provide current income and capital appreciation.

**Strategy:** The Fund invests primarily in a diversified portfolio of stocks selected for their potential to generate long-term capital appreciation and current dividend income. Emphasis is placed on issues of high quality companies that have the potential for above average earnings growth and price/earnings multiple expansion.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Aronson+Johnson+Ortiz, LP  
BlackRock Financial Management, Inc.

**Risks:** (Equity Risk)

**Net Expense Ratio:** 1.15%

---

**Stock Index Fund****Inception Date:** April 1, 1993

**Objective:** Match the performance of the Standard & Poor's 500 Index.

**Strategy:** The Fund seeks to match the performance of the S&P 500 Index by investing substantially all of its net assets in the stocks comprising the S&P 500 Index.

**Risks:** (Equity Risk)

**Sub-Advisor:** Barclays Global Fund Advisors

**Net Expense Ratio:** 0.65%

**Redemption Fee/Term:** 0.00%/00 days or less

---

**Asset Class: Large-Cap Stocks (con't)****Growth****Inception Date:** April 30, 1996

**Objective:** High level of capital appreciation primarily through investing in a diversified portfolio of common stocks.

**Strategy:** The Fund seeks a high level of capital appreciation through investment primarily in large capitalization high growth companies. The Fund seeks to invest in companies which present an opportunity for significant increases in earnings, revenue, or value, without consideration for current income.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Turner Investment Partners

**Risks:** (Equity Risk)

**Net Expense Ratio:** 1.50%

**Large Growth****Inception Date:** February 28, 1993

**Objective:** A high level of capital appreciation with current income a secondary objective.

**Strategy:** The Fund seeks to provide a high level of capital appreciation through investment in a diversified portfolio of common stocks with the potential for above-average growth in earnings. The Fund utilizes three managers with complementary large capitalization growth styles.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Marsico Capital Management, LLC

OFI Institutional Asset Management

Wellington Management Company

**Risks:** (Equity Risk)

**Net Expense Ratio:** 1.25%

---

**Asset Class: Small/Mid-Cap Stocks****Mid Value****Inception Date:** May 15, 2001

**Objective:** High total investment return through investments primarily in a diversified portfolio of common stocks.

**Strategy:** The Fund seeks high total investment return through investment primarily in a diversified portfolio of medium size value-oriented companies. The Fund seeks to invest in quality companies undergoing beneficial strategic changes that are selling at below market valuation standards due to limited analyst coverage and low expectations.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Cramer Rosenthal McGlynn, LLC

LSV Asset Management

RiverSource Investments, LLC

**Risks:** (Small/Mid-Cap Risk) (Value Risk)

**Net Expense Ratio:** 1.25%

**Mid Growth****Inception Date:** May 15, 2001

**Objective:** High total investment return through investments primarily in a diversified portfolio of common stocks.

**Strategy:** The Fund seeks high total investment return through investment in a diversified portfolio of medium size, growth-oriented companies. The Fund seeks to invest in companies that the Fund's manager believes have the potential to deliver earnings growth in excess of the market average, or to become market leaders.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Columbus Circle Investors

**Risks:** (Small/Mid-Cap Risk)

**Net Expense Ratio:** 1.35%

**Small Value****Inception Date:** April 15, 2002

**Objective:** The Fund seeks high total investment return through investments primarily in a diversified portfolio of common stocks of small companies.

**Strategy:** The Fund seeks high total investment return by investing primarily in stocks of companies with small market capitalizations that the investment manager believes have strong market share, cash flow and management teams but are undervalued by the market place. The manager employs a bottom-up approach to stock selection, using multi-faceted valuation analysis to identify companies with superior balance sheets.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Mesirov Financial Investment Management, Inc.

OFI Institutional Asset Management

**Risks:** (Small/Mid-Cap Risk) (Value Risk)

**Net Expense Ratio:** 1.50%

---

**Asset Class: Small/Mid-Cap Stocks (con't)****Small Core****Inception Date:** December 31, 1985

**Objective:** High level of capital appreciation through investment in a diversified portfolio of common stocks of small to medium size companies.

**Strategy:** The Fund seeks to provide a high level of capital appreciation through investment primarily in a diversified portfolio of common stocks of small to medium size companies. The Fund utilizes multiple managers using growth, value, and structured core styles. The manager believes this provides an opportunity for higher returns relative to the broad small-cap market over a full market cycle.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Fort Washington Investment Advisors  
INVESCO Institutional (N.A.), Inc.  
RS Investments  
Wellington Management Company

**Risks:** (Small/Mid-Cap Risk)

**Net Expense Ratio:** 1.50%

**Small Growth****Inception Date:** April 15, 2002

**Objective:** The Fund seeks high total investment return through investments primarily in a diversified portfolio of common stocks of small companies.

**Strategy:** The Fund seeks high total investment return by investing primarily in stocks of companies with small market capitalizations that the investment manager believes have above-average growth potential. The manager employs a rigorous, bottom-up approach to stock selection, using teams of specialists to conduct research within key sectors. Emphasis is placed on early identification of growth opportunities generated by new product cycles, new services and new technologies.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Perimeter Capital Management

**Risks:** (Small/Mid-Cap Risk)

**Net Expense Ratio:** 1.55%

**Real Estate****Inception Date:** August 29, 2003

**Objective:** Above average income and long-term capital growth.

**Strategy:** The Fund seeks to maximize total return through investment in public real estate securities with a combination of above average income and long term growth of capital.

**Risks:** (Real Estate Risk)

**Sub-Advisor:** ING Clarion Real Estate Securities

**Net Expense Ratio:** 1.35%

---

**Asset Class: International Stocks****International Equity****Inception Date:** November 30, 1992

**Objective:** High level of long-term capital appreciation through investment in a diversified portfolio of securities of foreign issuers.

**Strategy:** The Fund seeks long-term capital appreciation by investing primarily in securities of issuers in at least three countries other than the United States. The fund uses two managers with complementary investment styles, one using a value-oriented strategy and the other using a quantitative modeling strategy.

**Advisor:** Transamerica Asset Management, Inc.

**Sub-Advisor:** Thornburg Investment Management

**Risks:** (Foreign Risk)

**Net Expense Ratio:** 1.40%

---

**Asset Class: Asset Allocation Funds****Short Horizon Asset Allocation****Inception Date:** September 30, 1992**Objective:** High level of income and preservation of capital.**Strategy:** The portfolio seeks to attain its objective by investing in an array of Diversified Collective Trust Funds. The primary emphasis is on fixed income funds with limited exposure to equity funds. Fund allocations within asset classes are broadly designed to mirror the market at large.**Risks:** (Asset Allocation Risk)**Net Expense Ratio:** 1.23%**Short/Intermediate Horizon Asset Allocation****Inception Date:** April 30, 1998**Objective:** Reasonable returns with considerably less than average volatility as compared to other balanced funds.**Strategy:** The portfolio seeks to attain its objective by investing in an array of Diversified Collective Trust Funds. The portfolio will invest in a combination of both fixed income and equity funds, maintaining more limited exposure to the equity funds. Fund allocations within asset classes are broadly designed to mirror the market at large.**Risks:** (Asset Allocation Risk)**Net Expense Ratio:** 1.28%**Intermediate Horizon Asset Allocation****Inception Date:** September 30, 1992**Objective:** Long-term returns from a combination of investment income and capital appreciation with slightly less than average volatility as compared to other balanced funds.**Strategy:** The portfolio seeks to attain its objective by investing in an array of Diversified Collective Trust Funds. The portfolio will invest in a combination of both fixed income and equity funds, maintaining approximately equal exposure to both asset classes. Fund allocations within asset classes are broadly designed to mirror the market at large.**Risks:** (Asset Allocation Risk)**Net Expense Ratio:** 1.33%**Intermediate/Long Horizon Asset Allocation****Inception Date:** September 30, 1992**Objective:** Long-term returns from a combination of investment income and capital appreciation with slightly more than average volatility as compared to other balanced funds.**Strategy:** The portfolio seeks to attain its objective by investing in an array of Diversified Collective Trust Funds. The portfolio will invest in a combination of equity and fixed income funds, with the greater emphasis on equity funds. Fund allocations within asset classes are broadly designed to mirror the market at large.**Risks:** (Asset Allocation Risk)**Net Expense Ratio:** 1.39%**Long Horizon Asset Allocation****Inception Date:** April 30, 1998**Objective:** Long-term returns from growth of capital and growth of income.**Strategy:** The portfolio seeks to attain its objective by investing in an array of Diversified Collective Trust Funds with an emphasis on equity funds. The Fund will have limited exposure to a variety of fixed income funds. Fund allocations within asset classes are broadly designed to mirror the market at large.**Risks:** (Asset Allocation Risk)**Net Expense Ratio:** 1.45%**PathMaster Domestic Equity A (PDEAX)****Inception Date:** January 17, 2006**Objective:** Growth**Strategy:** The investment seeks long-term capital growth. The fund invests no less than 80% of total assets in domestic equity index ETFs. It may invest in different types of equity securities and other investment companies. The fund may invest in fixed-income securities or obligations issued or guaranteed by agencies or instrumentalities of the U.S. government. It may engage in options, futures or repurchase transactions and may lend securities to qualified third parties or purchase securities on a when-issued or delayed basis. The fund is nondiversified.**Risks:** (Equity Risk)**Net Expense Ratio:** 1.75%

Do you see yourself in this statement?

*“My financial picture is relatively straightforward, so an investment strategy based on my years-to-retirement is probably a reasonable starting point.”*

If so, consider PortfolioXpress — an investing solution offered by Diversified Investment Advisors.

**Keep it simple**

PortfolioXpress is a service that provides an investment mix based on the funds available in your plan and the retirement year you select. PortfolioXpress automatically rebalances your account each quarter, and adjusts your asset allocation to a more conservative mix over time.



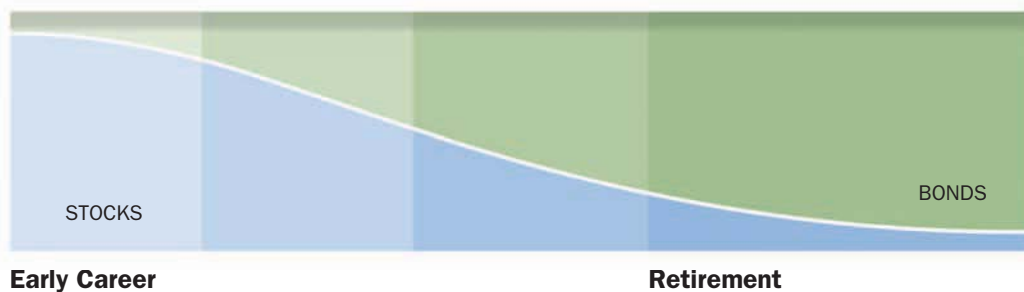
You can easily track the progress of your portfolio on Diversified Direct<sup>SM</sup> Online at [www.divinvest.com](http://www.divinvest.com), and through your quarterly account statements.

Since your circumstances will likely change over time, you should periodically review your investing strategy to make sure it continues to reflect your current situation.

This way, you can focus on your financial retirement goals while streamlining your decision-making. It’s an investing solution for people who are saving for retirement and want to “keep it simple.”

**It’s easy to sign up**

Let PortfolioXpress do the retirement investing for you! Sign up today on Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com).



Be green, save trees. Sign up online for e-statements today!

*The illustration above is used for education purposes only and does not represent a specific asset allocation at any given time. PortfolioXpress presents a series of asset allocation models up to and through a designated retirement year. You are solely responsible for choosing the retirement year. In implementing the service, you agree to each of the asset allocation mixes and each of the automated rebalancing transactions that will take place over time within your account as you approach the selected retirement year. If you sign up, you should carefully review the service agreement and the Form ADV Part II disclosure statement of the investment adviser for the service, if applicable, for additional information regarding fees and other terms and conditions that may apply to this service.*

# Diversified Managed Account

Do you see yourself in this statement?

*“My retirement picture is not as simple as it used to be. I want professional advice that takes into consideration my unique situation and my total financial picture when determining how my retirement plan investments are allocated.”*

If so, consider Diversified Managed Account — an investing solution offered by Diversified Investment Advisors.

## Customized professional asset allocation advice

With the Diversified Managed Account, your retirement account is managed by Ibbotson Associates®, a wholly-owned subsidiary of Morningstar and industry provider of investment advice for retirement plan participants. This service makes all of the investment allocation decisions for your account, utilizing the funds available in your plan.



## How does it work?

The Diversified Managed Account service is based on information that you provide about your total financial picture, such as your salary, desired retirement age, current savings rate, etc. Any additional information you provide about your financial situation, including other savings, expenses and household assets helps to refine your profile and the ongoing management of your account.

You can view your portfolio at any time on Diversified Direct<sup>SM</sup> Online at [www.divinvest.com](http://www.divinvest.com) and through your quarterly account statements.

## Experts at your service

Diversified Managed Account is designed to provide a “total solution” — continuous, comprehensive, professional investment management, for and through retirement.

## Subscribing is easy

You can subscribe to the Diversified Managed Account on Diversified Direct Online at [www.divinvest.com](http://www.divinvest.com). Be sure to carefully read the agreement which includes details on fees, terms and conditions.

- I am age 40+
- I have savings outside my retirement savings plan
- I have a defined benefit plan
- I expect significant expenses (i.e. college tuition) prior to retirement
- I own my own home
- I expect a financial windfall (i.e. inheritance) in the future

**If you checked at least some of the boxes on the left, you may want to consider Diversified Managed Account as an investing solution.**

Be green, save trees. Sign up online for e-statements today!

*Ibbotson Associates®, a wholly-owned subsidiary of Morningstar, is an SEC-registered investment advisor that provides the underlying investment advice and portfolio management methodology for the Diversified Managed Account service. See the Managed Account Agreement for more information on the fees, terms and conditions that apply.*

# PLAN COSTS CAN MAKE A DIFFERENCE

Many astute investors consider total fees an important criterion in selecting investments. To adequately compare the fees on your Supplemental Savings (§457(b) or §403(b)) options, you may wish to do a total fee analysis by:

- Finding out if the plans or investments under consideration have fees other than those calculated as part of the expense ratio on the investment(s)
- Add that number, if any, to the expense ratio on the investment(s) to determine Total Expenses
- Determine if there is a "fee differential" in your options and make a judgment if there is value received for that differential in performance, additional contract features or service.

Many Supplemental Savings do not build their plan operational costs into the expense ratios on the investments. They may have additional fees. These are generically referred to as "wrap fees" and they may include one or more of the following charges\*:

- Administrative Fee
- Variable Expense Charge
- Actuarial Risk Charge
- Mortality and Expense Charge
- Mortality and Administration Charge

These charges are taken out daily in the calculation of unit values and cannot be seen on a statement. The disclosure may be in the master contract, prospectus or other disclosure material and can be hard to find.

## HOW MUCH COULD A "FEE DIFFERENTIAL" AFFECT MY ACCOUNT BALANCE\*\*?

*New Employee contributing \$2,000 per year over time period stated*

TOTAL FEE DIFFERENCE	AFTER 5 YEARS	AFTER 15 YEARS	AFTER 20 YEARS	AFTER 25 YEARS	AFTER 30 YEARS
.25%	\$77.53	\$1,167.21	\$2,732.87	\$5,664.87	\$10,890.18
.50%	\$154.58	\$2,770.05	\$5,378.88	\$11,097.94	\$21,233.19
.75%	\$231.15	\$3,422.09	\$7,970.84	\$16,308.91	\$31,057.18
1.00%	\$307.24	\$4,510.97	\$10,421.47	\$21,307.08	\$40,388.83
1.25%	\$382.86	\$5,574.95	\$12,823.42	\$26,101.37	\$49,253.46
1.50%	\$458.01	\$6,614.59	\$15,149.24	\$30,700.32	\$57,675.09

*Existing Employee: \$35,000 balance -\$4,000 per year contribution*

TOTAL FEE DIFFERENCE	AFTER 5 YEARS	AFTER 10 YEARS	AFTER 15 YEARS	AFTER 20 YEARS	AFTER 25 YEARS
.25%	\$115.06	\$795.14	\$2,334.36	\$5,465.58	\$11,329.41
.50%	\$309.15	\$1,578.89	\$4,615.27	\$10,757.44	\$22,195.22
.75%	\$469.29	\$2,351.41	\$6,843.97	\$15,881.20	\$32,616.84
1.00%	\$614.47	\$3,112.87	\$9,021.67	\$20,842.32	\$42,612.88
1.25%	\$765.70	\$3,863.42	\$11,149.56	\$25,646.08	\$52,201.17
1.50%	\$915.99	\$4,603.21	\$13,228.78	\$30,297.58	\$61,398.79

ASSUMPTION: Underlying annual fund yield is 8%\*\* (net of fund management expenses) compounded over the periods shown.

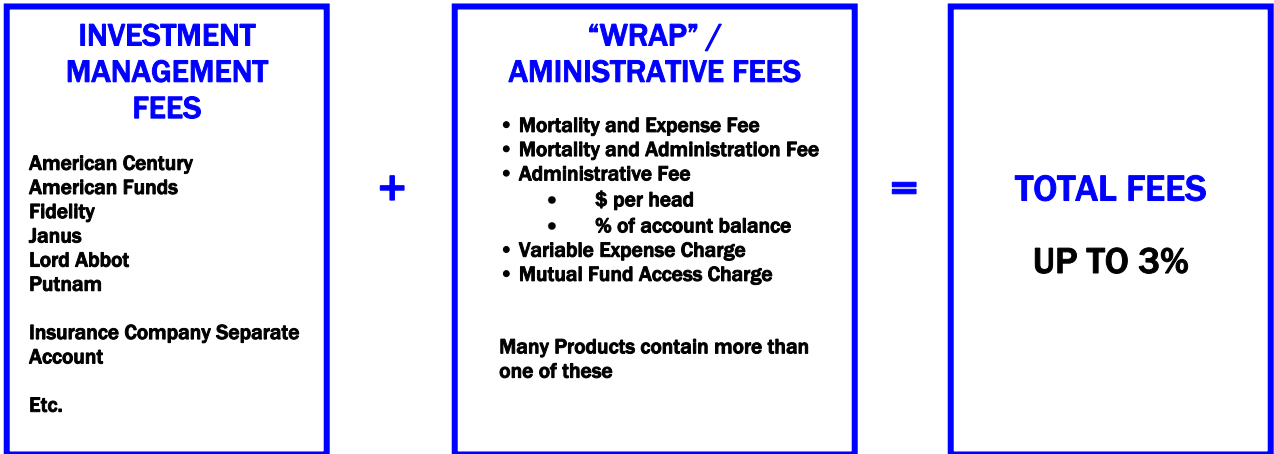
THERE ARE NO FEES IN THE IPPFA SUPPLEMENTAL SAVINGS PROGRAM OTHER THAN THE FUND EXPENSES SHOWN IN THIS BOOKLET!

\* Source: Aegis Advisors Market Overview Report to the IPPFA Board dated April 2000 (revised Feb, 2009)

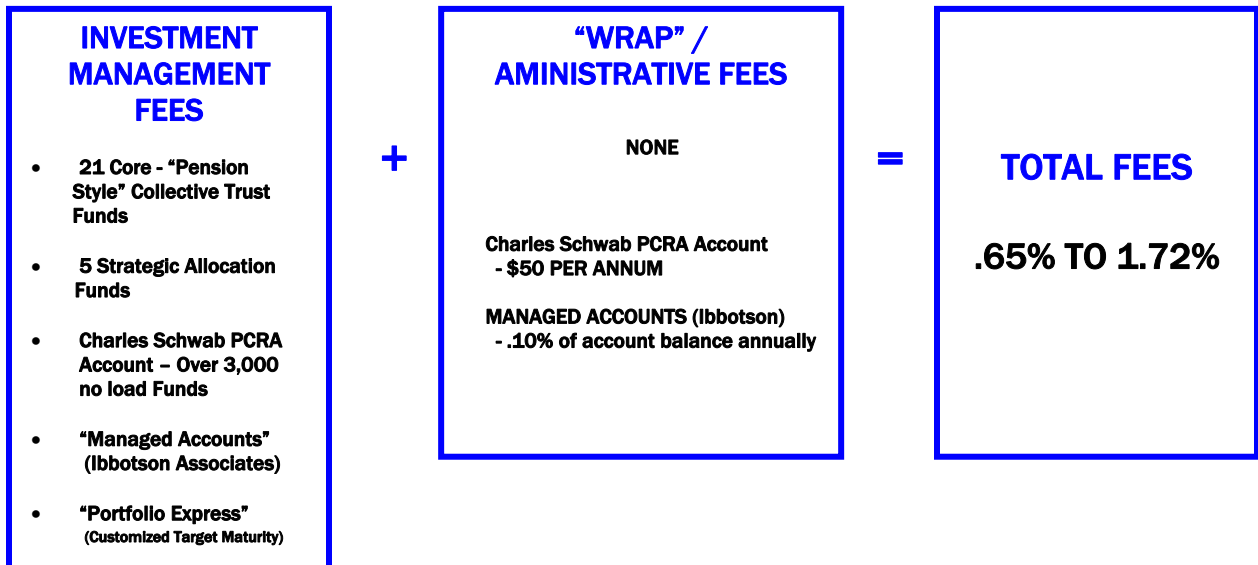
\*\* The costs and annual fund yield are hypothetical and illustrative only. They are not representative of any actual client or of a specific investment product or strategy.

# INVESTMENTS BUILT FOR RETIREMENT AND SUPPLEMENTAL SAVINGS PLANS!

## Typical Annuity or Collective Trust Product



## IPPFA Plan from Diversified Investment Advisors



This page intentionally left blank.



## Instructions

To designate a beneficiary or to change your existing beneficiary designation on a non-annuity plan, complete all applicable sections of this form, obtain any required signatures, and return it to your Plan Administrator. To confirm if your plan is a non-annuity plan, or for a further explanation of pre-retirement survivor benefit requirements, please see your Plan Administrator or call Diversified at 800-755-5801.

Initial designation

Change of designation

## Section A. Employer Information

Company/ Employer Name	Illinois Public Pension Fund Association (IPPFA) Deferred Compensation Plan		
Contract/Account No.	PE61743	Affiliate No.	00002
		Division No.	

## Section B. Participant Information

Last Name		Date of Birth		(mm/dd/yyyy)
First Name/MI		Social Security No.		
Mailing Address				
City		State		
Zip Code		Marital Status	<input type="checkbox"/> Single/Divorced	
Phone No./Ext.			<input type="checkbox"/> Married	
E-mail Address				

## Section C. Beneficiary Designation

This designation will apply to the account number above. You must designate a specific percentage for each beneficiary. Shares must be whole percentages and total 100%. If you do not indicate shares, benefits will be split equally among surviving beneficiaries. If additional space is needed to designate multiple beneficiaries, complete the Supplemental Beneficiary Designations page provided. If the named beneficiary is a trust, please specify the name and date of the trust, and the name of the trustee. *Note: If you are currently receiving required minimum distributions, do not use this form. Contact Diversified at 800-755-5801 (Retirement Counseling Group) to designate a beneficiary.*

### Primary Beneficiary(ies) - Will receive benefits in the event of your death.

Beneficiary Last Name		Relationship	
First Name/MI			
Mailing Address			
City		State	
Zip Code		Share of Benefits	%

### Contingent Beneficiary(ies) - Will receive benefits if no primary beneficiary is living at the time of your death.

Beneficiary Last Name		Relationship	
First Name/MI			
Mailing Address			
City		State	
Zip Code		Share of Benefits	%



**Supplemental Beneficiary Designations**

---

Participant Name

Social Security No.

Primary Beneficiary     Contingent Beneficiary

Beneficiary Last Name

First Name/MI

Relationship

Mailing Address

City

State

Zip Code

Share of Benefits  %

Primary Beneficiary     Contingent Beneficiary

Beneficiary Last Name

First Name/MI

Relationship

Mailing Address

City

State

Zip Code

Share of Benefits  %

Primary Beneficiary     Contingent Beneficiary

Beneficiary Last Name

First Name/MI

Relationship

Mailing Address

City

State

Zip Code

Share of Benefits  %

Primary Beneficiary     Contingent Beneficiary

Beneficiary Last Name

First Name/MI

Relationship

Mailing Address

City

State

Zip Code

Share of Benefits  %



## Rollover Deposit

### Instructions

Use this form to initiate a direct rollover of your existing retirement account to your retirement account with Diversified. Complete Sections A, B, C and D, obtain your Plan Administrator's signature in Section E, then return the completed form to Diversified at the address indicated on the enclosed mailing and wiring instructions. Contact your prior plan provider to request a rollover of the funds in your account to Diversified (your prior plan provider may require that you complete a distribution form or other documentation). For further information, please refer to your Summary Plan Description, contact your Plan Administrator, or call Diversified at 800-755-5801.

### Section A. Employer Information

Company/Employer Name

Contract/Account No.  Affiliate No.  Division No.

### Section B. Participant Information

Last Name  Date of Birth (mm/dd/yyyy)

First Name/Middle Initial  Social Security No.

Street Address/Apt. No.

City  State  Zip Code

Phone No.  Ext.

E-mail Address

### Section C. Rollover Deposit Information

The  enclosed check  check to follow later\*  wire transfer for \$ \_\_\_\_\_ is an eligible rollover distribution.

\*Note: Please refer to enclosed mailing and wiring instructions.

My rollover deposit is from a(n)  tax-qualified plan  IRA

My rollover deposit  does  does not include after-tax amounts from either a 403(b) program to another 403(b) program or from a qualified plan to another qualified plan. If after-tax amounts are included, the total after-tax cost basis of this distribution is \$ \_\_\_\_\_. Cost basis is the amount of contributions made, not including earnings.

(Note: Diversified cannot accept after-tax amounts if this information is not received. If you are unsure of your after-tax cost basis, contact your previous Plan Administrator to obtain/ confirm this information. If this information is not received, it will be assumed that the deposit represents pre-tax amounts only.)

- I am already enrolled in the plan. Invest my rollover deposit according to my existing investment allocation for payroll contributions.
- I am not enrolled in the plan. Invest my rollover deposit into the plan level default fund. I understand that I can subsequently reallocate my investment at any time, subject to plan provisions, by calling Diversified Direct or accessing Diversified Direct Online at the address above. The Diversified funds are offered through Diversified Investors Securities Corp., 4 Manhattanville Road, Purchase, NY 10577.

### Section D. Prior Plan Information

Contact your prior plan provider to request a rollover of the funds in your account to Diversified (your prior plan provider may require that you complete a distribution form or other documentation). If your rollover deposit is not received in 30 days, Diversified will contact your prior plan/IRA provider, if you attach a copy of your most recent prior plan/IRA statement to this form.

Prior Plan Name \_\_\_\_\_

Prior Plan Account No. \_\_\_\_\_

Prior Plan Contact Name \_\_\_\_\_

Prior Plan Contact Phone No. \_\_\_\_\_

Prior Plan/IRA Provider \_\_\_\_\_

Prior Plan/IRA Provider Mailing Address \_\_\_\_\_

Prior Plan/IRA Provider Phone No. \_\_\_\_\_

### Section E. Signatures

I certify that the information provided on this form is correct and complete.

**X**

Participant Signature

Date (mm/dd/yy)

Plan Administrator Signature

Date (mm/dd/yy)



## Rollover Requirements

You may roll over your distribution if *all* of the following apply:

1. The distribution is an “eligible rollover distribution”. Generally, any portion of a distribution from an eligible retirement plan or deductible IRA is considered an eligible rollover distribution. The following types of payments generally *cannot* be rolled over to a retirement plan:

- Annuity payments for life or joint life expectancy; installments to be paid over a period of 10 years or more
- Required minimum distributions
- Excess Section 415 limit corrective distributions of elective deferrals
- Excess contributions, excess deferrals, and excess aggregate contributions that apply to 401(k) ADP or 401(m) ACP nondiscrimination tests
- Distributions paid to a non-spouse beneficiary
- Hardship distributions
- After-tax contributions from a qualified plan can be rolled over (via a direct rollover) only to another qualified plan that separately accounts for them or to an IRA. Similarly, after-tax contributions from a 403(b) plan can be rolled over only to another 403(b) plan (via a direct rollover) or to an IRA.

2. The distribution is from an eligible retirement plan or a deductible IRA.

An eligible retirement plan is an employer pension or profit-sharing plan qualified for favorable tax treatment under Section 401(a) of the Internal Revenue Code, a Section 403(b) Tax Deferred Annuity (TDA) or a Section 457(b) governmental plan. *(Note: Your retirement plan may not accept all of these types of rollovers. Please check with your employer.)*

3. One of the statements below describes your distribution.

- The distribution is paid to you and the rollover is made within 60 days of receipt of distribution. *(Note: After-tax contributions cannot be rolled over as part of a distribution payable by check to you.)*

- The eligible “direct” rollover distribution is paid directly from an eligible retirement plan or deductible IRA to your new eligible retirement plan. *Sample wording for direct rollover: Trustees of (name of plan at Diversified and account number), FBO (name of participant and Social Security number). Your employer will advise you on the exact wording of the plan name and account number, and the types of distributions that can be rolled over into this plan.*

For complete information regarding plan payments, penalties, and the associated tax implications if a direct rollover is not elected, please review the Special Tax Notice Regarding Plan Payments that was provided by your former employer and/or consult your tax advisor. In addition, you should provide your employer with a letter from your former employer or provider stating that this is a distribution from one of the eligible retirement plans described above (or from a deductible IRA), including a breakdown of the type of contributions represented.

## Mailing and Wiring Instructions

### Checks

If sending a check, mail the check and the Incoming Rollover Request form to one of the following addresses, as applicable:

#### Regular Mail

Diversified Investment Advisors  
Remittance Processing Center  
PO Box 13029  
Newark, NJ 07188

#### Overnight Mail

JPMorgan Chase - Lockbox Processing  
Lockbox No. 13029  
4 Chase Metrotech Center, 7th Floor East  
Brooklyn, NY 11245  
Phone Number: (718) 242-0674 *(must be indicated on overnight air bill)*

### Wire Transfers

If sending a wire transfer, mail the Incoming Rollover Request form to the address below:

#### Form

Diversified Investment Advisors  
4333 Edgewood Road NE  
Cedar Rapids, IA 52499

#### Wire Instructions

State Street Bank and Trust Company  
200 Clarendon Street  
Boston, MA 02116-5021  
Bank ABA # **01100028**  
Receiving Account # **00457374**  
Receiving Account name: Diversified Investment Advisors  
Contract-Affiliate #  
Contract Name



# 403(b) Contract Exchange Deposit (within the Same Plan)

## Instructions

To request an exchange of investment to Diversified from another 403(b) account or annuity within the same 403(b) plan, complete all applicable sections of this form, obtain any required signatures, and return the form to Diversified at the above address. For exchanges from multiple financial institutions, complete a separate form for each institution. You may also need to complete a Diversified Enrollment Application if you are not currently enrolled. Different forms should be used for exchanges to other providers or for transfers to or from other 403(b) plans. This form should not be used if the exchange involves Roth 403(b) account monies. The exchange may not be initiated until receipt of all required paperwork and information. For further information, please refer to your Summary Plan Description, contact your Plan Administrator, or call Diversified at 800-755-5801.

Note: If you are terminated from employment, please call Diversified and request a form to roll over your account to Diversified.

## Section A. Employer Information

Company/ Employer Name	WISE CHOICE FOR EDUCATORS -IPPPA		
Contract/Account No.	TA069292	Affiliate No.	00001
		Division No.	

## Section B. Participant Information

Last Name		Date of Birth	
First Name/MI		Social Security No.	
Mailing Address			
City		State	
Zip Code			
Phone No./Ext.			
E-mail Address			

## Section C. Present 403(b) Investment Provider Information

Provider Name		Present Contract/Account No.	
Provider Mailing Address			
City		State	
Zip Code			
Provider Phone No./Ext.			

## Section D. Contribution Types (to be completed by present investment provider)

To present provider: Please complete the applicable contribution account information for this exchange, and see attached mailing instructions. Please also read explanatory footnotes below. Any checks should be made payable to Diversified Investment Advisors, FBO/Participant Name.

Employer Contribution Account	Employee 403(b)(1) (pre-tax salary reduction) Contribution Account	Employer 403(b)(7) (pre-tax salary reduction) Contribution Account	(Non-Roth) After-tax Contribution Account (if applicable)	
\$ _____	\$ _____	\$ _____	\$ _____	12/31/86 account balance
	\$ _____ (1)	\$ _____ (2)		12/31/88 account balance
	\$ _____ (3)	\$ _____ (3)		Post-1988 salary reduction contributions
\$ _____ (3)				403(b)(1) employer annuity contract contributions

Total amount of exchange: \$ \_\_\_\_\_

### Important explanatory footnotes to be read by present investment provider:

- (1) include only amounts originally contributed to a 403(b)(1) annuity contract and earnings thereon.
- (2) include only amounts originally contributed to a 403(b)(7) custodial account and earnings thereon.
- (3) exclude any gains.

**Section E. Participant Signature**

---

I request the immediate exchange of funds from my present 403(b) account or annuity referenced in Section C above, to my Diversified 403(b) account or annuity. I understand that my exchange deposit will be invested according to the existing investment allocation on my account or annuity. I certify that the information provided on this form is correct and complete.

**X**

Participant Signature

Date

*Note: This exchange request cannot be processed unless all applicable sections of this form have been properly completed.*

**Section F. Plan Administrator Information and Signature**

---

I certify that this exchange request is permissible under the provisions of the plan and that it complies with applicable Treasury regulations. On behalf of the employer sponsoring the 403(b) plan I agree with Diversified to provide each other information necessary for the account or annuity being exchanged pursuant to this request to satisfy section 403(b). I agree to enter into such further agreements as may be necessary to satisfy the requirements of Internal Revenue Code section 403(b) and the Treasury regulations thereunder regarding exchanges of contracts under section 403(b) plans. I further certify that the information provided on this form is correct and complete.

**X**

Plan Administrator Signature

Date



**DIVERSIFIED  
INVESTMENT  
ADVISORS**

A TRANSAMERICA COMPANY

4333 Edgewood Road NE  
Cedar Rapids, IA 52499  
800-755-5801  
www.divinvest.com

## 403(b) Plan-to-Plan Transfer Deposit (from another 403(b) Plan)

### Instructions

To request a transfer to a Diversified 403(b) account or annuity under a 403(b) plan from a 403(b) account or annuity under a different 403(b) plan, complete all applicable sections of this form, obtain any required signatures, and return the form to Diversified at the above address. For transfers from multiple financial institutions, complete a separate form for each institution. You may also need to complete a Diversified Enrollment Application if you are not currently enrolled. This form should not be used for plan transfers involving Roth 403(b) account monies. For further information, please refer to your Summary Plan Description, contact your Plan Administrator, or call Diversified at 800-755-5801.

*Note: If you are terminated from employment with the employer that sponsors the transferor 403(b) plan, please call Diversified and request a form to roll over your account to Diversified.*

### Section A. Current Employer Information

Company/Employer Name	WISE CHOICE FOR EDUCATORS -IPPPA		
Contract/Account No.	TA069292	Affiliate No.	00001
Division No.			

### Section B. Participant Information

Last Name			Date of Birth (mm/dd/yyyy)		
First Name/Middle Initial			Social Security No.		
Street Address/Apt. No.					
City		State		Zip Code	
Phone No.		Ext.			
E-mail Address					

### Section C. Present 403(b) Investment Provider Information

Provider Name			Present Contract/Account No.		
Provider Mailing Address.					
City		State		Zip Code	
Provider Phone No.		Ext.			

### Section D. Contribution Types (to be completed by present provider)

To present provider: Please complete the applicable contribution account information for this transfer, and see attached mailing instructions. Please also read explanatory footnotes below. Any checks should be made payable to Diversified Investment Advisors, FBO/Participant Name.

Employer Contribution Account	Employee 403(b)(1) (pre-tax salary reduction) Contribution Account	Employer 403(b)(7) (pre-tax salary reduction) Contribution Account	(Non-Roth) After-tax Contribution Account (if applicable)	
\$ .....	\$ .....	\$ .....	\$ .....	12/31/86 account balance
	\$ ..... (1)	\$ ..... (2)		12/31/88 account balance
	\$ ..... (3)	\$ ..... (3)		Post-1988 salary reduction contributions
\$ ..... (3)				403(b)(1) employer annuity contract contributions
				Total amount of transfer \$ .....

#### Important explanatory footnotes to be read by present investment provider:

- (1) include only amounts originally contributed to a 403(b)(1) annuity contract and earnings thereon.
- (2) include only amounts originally contributed to a 403(b)(7) custodial account and earnings thereon.
- (3) exclude any gains.

Important Note to the Participant Regarding Basis: If a plan-to-plan transfer does not constitute a complete transfer of your interest in a section 403(b) plan, the recipient plan generally must treat the amount transferred as a continuation of a pro rata portion of your interest in any after-tax employee contributions. You should consult applicable Treasury regulations and your tax or legal advisor for further information





## 403(b) Transfer Requirements

### I. Incoming 403(b) Contract Exchange Request

Effective September 25, 2007, final 403(b) regulations issued by the Internal Revenue Service ("IRS") affect the rules on all 403(b) Contract Exchange requests by a participant. (Such requests were previously commonly referred to as "90-24" transfers").

Under the new IRS Contract Exchange rules, your 403(b) account or annuity may be transferred to another investment provider for the *same 403(b) plan*, provided certain requirements are met. For example, no later than January 1, 2009:

(1) a written plan document must be established by your employer which permits such contract exchanges and (2) the investment provider receiving the transfer must be an approved investment provider under your employer's 403(b) plan or such provider must have entered into an information-sharing agreement with your employer.

Any 403(b) funds transferred to Diversified from another 403(b) investment provider for your employer's plan must continue to be subject to the same or more stringent distribution restrictions after the transfer occurs.

Any 403(b) funds transferred to Diversified under a 403(b) Contract Exchange will retain their December 31, 1986 and/or December 31, 1988 grandfathered status, if applicable and if this information is timely provided to Diversified by your present investment provider in the section provided on Diversified's Incoming 403(b) Contract Exchange Request form.

### II. Incoming 403(b) Plan-to-Plan-Transfer Request to Diversified from Another 403(b) Plan

If your current 403(b) account or annuity is under a *different 403(b) plan* than the 403(b) plan of your present employer (or former employer), and the receiving plan is serviced by Diversified Investment Advisors, please complete the form, Incoming 403(b) Plan-to-Plan Transfer Request ( from another 403(b) Plan) in accordance with the instructions on that form.

**Important Note:** Some 403(b) plans are subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). You cannot transfer 403(b) assets from an ERISA-covered 403(b) plan to a non-ERISA 403(b) plan. Also, if you transfer 403(b) assets from a non-ERISA 403(b) plan to an ERISA-covered 403(b) plan, the transferred assets will automatically become subject to the requirement of ERISA. Please contact your Plan Administrator or Diversified for further information.

### III. Mailing and Wiring Instructions

#### Checks

If sending a check, mail the check (payable to Diversified Investment Advisors, FBO/Participant Name) and the appropriate form to one of the following addresses, as applicable:

#### Regular Mail

Diversified Investment Advisors  
Remittance Processing Center  
PO Box 13029  
Newark, NJ 07188

#### Overnight Mail

JPMorgan Chase - Lockbox Processing  
Lockbox No. 13029  
4 Chase Metrotech Center, 7th Floor East  
Brooklyn, NY 11245  
Phone Number: (718) 242-0674 (*must be indicated on overnight air bill*)

#### Wire Transfers

If sending a wire transfer, mail the appropriate form to the address below:

#### Form

Diversified Investment Advisors  
4333 Edgewood Road NE  
Cedar Rapids, IA 52499

#### Wire Instructions

State Street Bank and Trust Company  
200 Claredon Street  
Boston, MA 02116-5021  
Bank ABA # **011001438**  
Receiving Account # **05819-9804**  
Contract-Affiliate #  
Contract Name



This page intentionally left blank.

VENDOR	IPPFA® DEFERRED COMPENSATION PLAN/DIVERSIFIED INVESTMENT ADVISORS
CORE FUNDS AVAILABLE.	21
SELF DIRECTED BROKERAGE AVAILABLE	4,800 FUNDS THRU CHARLES W. SCHWAB PERSONAL CHOICE RETIREMENT ACCOUNTS (PCRA)
EXPENSES OTHER THAN OPERATING EXPENSES OF FUNDS	NONE FOR CORE FUNDS- .10% FOR MANAGED ACCOUNTS- \$50 PER ANNUM FOR PCRA
SELF DIRECTED BROKERAGE COSTS	\$50 PER ANNUM, NO SALES CHARGE FOR SCHWAB ONE FUNDS. (APPROX. 3,000 FUNDS) NON-ONESOURCE - 0.70% ON FIRST \$15,000, 0.20% THEREAFTER. \$149 MAXIMUM CHARGE (YEAR OF PURCHASE ONLY). \$25 REDEMPTION CHARGE
TRANSFER LIQUIDITY	FULLY LIQUID.
EXIT CHARGES	NO SURRENDER, CONTINGENT DEFERRED SALES CHARGES OR MARKET VALUE ADJUSTMENT
STABLE VALUE/ GUARANTEE RATE LIQUIDITY PROVISION	3.75% FULLY LIQUID, 90 DAY EQUITY WASH TO OTHER FIXED INCOME
PORTFOLIO MANAGEMENT, LIFESTYLE OR STRATEGIC ALLOCATION FUNDS	FIVE STRATEGIC ALLOCATION (SAF) FUNDS USING CORE FUNDS, ACTIVELY MANAGED ALLOCATIONS BASED ON TIME HORIZON. PORTFOLIO EXPRESS (TARGET MATURITY) ASSET ALLOCATION OVERLAY USING CORE FUNDS AND MANAGED ACCOUNTS THRU IBBOTTSON ASSOCIATES (CUSTOMIZED PROFESSIONAL TOTAL MANAGEMENT)
ADDITIONAL FEES FOR ABOVE	.20% - ALREADY INCLUDED IN EXPRESSED FUND CHARGE FOR SAF .10% FOR MANAGED ACCOUNTS,NO CHARGE FOR PORTFOLIO EXPRESS
FEE RANGE/TOTAL COST	0.65%/1.72%
	DIVERSIFIED INVESTMENT ADVISORS is a \$39 Billion subsidiary of AEGON U.S.A. (326 Billion) whose sole focus is retirement plans. The IPPFA Plan is not an annuity. Diversified's approach is a "manager of manager". All of the Plan's Core funds are sub-advised (except the PathMaster® Fund), using as many as five high quality institutional managers that are hired at low expense levels. Diversified then incorporates all the additional plan operational expenses into a TOTAL expense ratio for each fund that INCLUDES ALL COSTS IN A SINGLY EXPRESSED NUMBER! Diversified actively monitors the managers on behalf of the participant and seamlessly changes managers as warranted. Each investment option is style and objective specific with no overlap. This helps create sound asset allocation strategies. Each fund is assigned a Certified Financial Analyst to monitor the sub-managers. This results in a stable of high quality institutional pension investment managers, managing a fund dedicated solely to the objectives of retirement plan participants and not an all-purpose mutual fund. Diversified investment Advisors holds the plan sponsor harmless for all delegated fiduciary duties. This includes manager selection For those who wish to select their own managers, the Schwab PCRA offers 5,000 no-load funds at low to no acquisition costs.
SPECIAL CONTRACT FEATURES OR SERVICES	We think you will find the Diversified Internet based services and telephonic based Participant Services (both automatic and live-person) to be excellent. But we think the real "special feature" of our program to be its basic structure and easy to understand materials. The IPPFA/Diversified Investment Advisors program has a home for each type of investor. For those who want complete management, including asset allocation, we have the Strategic Allocation Funds, Portfolio Express (Target Maturity) and Managed Accounts. For those who want to do their own asset allocation but want manager selection and monitoring assistance, we have the core Diversified funds. For the investor who wants to "do it him or herself" we have the Schwab PCRA account. Regardless of the methodology chosen, we provide "hands on" field assistance as well as the Participant Advisory Services of Diversified. We manage to do all of this at total costs that are among the lowest available to 457 participants in Illinois for all but the largest of jumbo plans. We strongly believe that sound asset allocation, strong manager oversight, low expenses and "hands on" participant assistance help our participants build strong supplemental retirement accounts by increasing their chances for success thru Best Practice operation and strong Fiduciary Oversight.
PLAN REPRESENTATIVES	Springfield Office: 206 South Sixth St. Springfield Dan Vonlanken: 217-306-2041 (cell) Naperville, Aurora, Fox Valley Park, South Elgin Fire Clete Rettenmeier:: 630-212-6812 (cell) Chicago Suburbs South/Southwest Chicago Office: 4403 W Lawrence Ave Don Hook: 800-450-1271, 773-617-7615 (cell) Northwest/Rockford Brandon Erbe: 815-262-1516 (cell)

**ON-DEMAND SERVICE MODEL. FACE TO FACE MEETINGS ON DEMAND (72 HOURS NOTICE)**

The Diversified Funds are investment options under the Diversified Investment Advisors Collective Trust, 4 Manhattanville Road, Purchase, NY 10577. The trustee of the Collective Trust is Massachusetts Fidelity Trust Company (MFTC), 4 Manhattanville Road, Purchase, NY 10577. If Fixed, Guaranteed or Stable Fund is offered under the plan by Diversified, such option is made available under a group annuity contract issued by Transamerica Financial Life Insurance Company (TFLIC), 4 Manhattanville Road, Purchase, NY 10577. TFLIC, MFTC, and Diversified are affiliated companies.

## Maximize your Wise Choice for Educators Plan

- Enroll today — Complete the enrollment form provided.
- Designate your beneficiary.
- Catch up on your contributions (must be age 50 or older).
- Be green, save trees. Sign up for e-statements today at [www.divinvest.com](http://www.divinvest.com).
- Rebalance your account automatically by using Auto Rebalance. Go to "*Transactions*" and click on "*Auto Rebalance*."
- Use RetireTrack. Go to "*Retirement Planning*" and click on "*RetireTrack*."
- For retirement counseling, just call **800-755-5801** or visit Diversified Direct Online.



As an active participant, you can access your retirement account 24/7 by logging on to [www.divinvest.com](http://www.divinvest.com) or calling Diversified Direct toll-free at **800-755-5801**.

You can also speak with a Participant Advisory Counselor for enrollment assistance, investment guidance and retirement planning support. Customer Service and Participant Advisory Counselors are available Monday through Friday, 8am-9pm EST.

### First-time online users

- Go to [www.divinvest.com](http://www.divinvest.com).
- Click at the top right, "Sign in to Your Account," then "Diversified Direct Online."
- Click on "Get Started" and follow the instructions to establish a password and access your account.

### First-time callers

- Call **888-676-5512**.



DIVERSIFIED  
INVESTMENT  
ADVISORS

4 Manhattanville Road  
Purchase, NY 10577  
800-755-5801  
[www.divinvest.com](http://www.divinvest.com)