



## PROGRAM DESCRIPTION – JANUARY 2024

### IMPORTANT DISCLOSURES

This Program Description should be read in conjunction with the accompanying Custodial Account Agreement, Disclosure Statement, and Financial Disclosure (together with the Program Description, the “Program Documents”) for the Illinois Secure Choice Savings Program (the “Program” or “Secure Choice”). The Program Documents describe the Program, including important information about the (i) risks of investing in the Program, (ii) investments offered by the Program, (iii) fees you will pay for having a Secure Choice Account, and (iv) your rights under the Program. You should read the information in this Program Description and the other Program Documents in their entirety before making any decisions about setting up or opening your Secure Choice Account and before you contribute to, or your Employer starts processing any payroll contributions on your behalf to, your Secure Choice Account. This Program Description and other Program Documents together constitute the full disclosure relating to the Program. The Custodial Account Agreement, Disclosure Statement, and Financial Disclosure are hereby incorporated by reference into this Program Description.

The Program is overseen by the Illinois Secure Choice Savings Board (“Board”). Ascensus College Savings Recordkeeping Services, LLC is the Program Administrator, meaning the firm selected by the Board to administer the daily operations of the Program and provide marketing, recordkeeping, investment management, custodial, and other services for the Program. Participants saving through the Program beneficially own and have control over their IRAs, as provided in the Program Documents set out at [saver.ilsecurechoice.com](http://saver.ilsecurechoice.com).

The Program, the Board, the Board members, the State of Illinois (the “State”) and the Program Administrator do not guarantee the principal amount invested, any rate of return, or any interest rate on any contribution invested in the Program. Your Secure Choice Account is not insured by the State of Illinois or the Federal Deposit Insurance Corporation (the “FDIC”). You could lose money (including your contributions) or not make any money by investing in the Program. The Program, the Board, the Board members, the State and the Program Administrator may not be held liable for any loss you experience as a result of participating or investing in the Program.

The Program is a completely voluntary retirement program. You may opt out at any time. The State, not your Employer, sponsors the Program. If you would like investment or other financial advice, you should contact a qualified financial professional. Your Employer cannot provide investment or other financial advice and is not liable for the decisions you make with respect to the Program. Employer facilitation of the Program should not be considered an endorsement or recommendation by your Employer of the Program, Roth IRAs, or the Investment Options. Your rights under the Program are only enforceable by you, your designated beneficiary under the Program, your authorized representative, and the State. This Program Description is not intended to constitute, nor does it constitute, legal, financial or tax advice.

The Program offers Investment Options selected by the Board, which are described in this Program Description. For more information on the Investment Options go to [saver.ilsecurechoice.com](http://saver.ilsecurechoice.com). Units in the Investment Options are interests in municipal securities and the value of Units will vary with market conditions. Contributions under the Program are made to a Roth IRA. Saving through a Roth IRA will not be appropriate for all individuals. Depending on your income (or if applicable, your and your spouse’s combined income), you may not be eligible to contribute to a Roth IRA and, as a result, would not be eligible to participate in the Program. If you do nothing and are ineligible for a Roth IRA, you will incur tax penalties on amounts contributed to your Roth IRA under the Program. If you are currently receiving benefits, making contributions to a Roth IRA through this Program could impact your benefits. Therefore, you should consult with your own tax and benefits advisor to determine whether you are eligible to contribute to a Roth IRA and how much you are allowed to contribute. See **DISCLOSURE STATEMENT – Requirements of a Roth IRA** and **DISCLOSURE STATEMENT – Limitations and Restrictions**, for more information on the federal income tax rules on Roth IRAs. Roth IRAs are not exclusive to the Program and can be obtained outside of the Program and contributed to outside of payroll deduction. Also, other retirement savings products may be available to you outside of the Program.

If you have questions about participation in the Program, you should consult your legal advisor, tax advisor, or financial professional based on your individual situation. To obtain the Program Documents and additional information about the Program, please go to [saver.ilsecurechoice.com](http://saver.ilsecurechoice.com) or call **855.650.6914**.

### KEY TERMS

Terms not defined throughout this Program Description have the following meanings:

“**Account Revocation Period**” means the period of time starting from the date your Roth IRA is established and you receive the Disclosure Statement, and ending of (i) 90 days after your first contribution into your Secure Choice Account or (ii) after Close of Business on the Business Day that you make an Alternate Contribution Election; provided, however, the Account Revocation Period shall last a minimum of seven (7) days from the date your Roth IRA is established and you receive your Disclosure Statement regardless of your contribution elections.

“**Act**” means Illinois Secure Choice Savings Program Act, 820 ILCS 80/1 et seq., as amended from time to time.

“**Alternate Contribution Elections**” means Program elections that you choose that are different from the Default Contribution Elections.

“**BlackRock**” means BlackRock Fund Advisors.

“**Business Day**” means any day on which the NYSE is open for business.

“**Code**” means the Internal Revenue Code of 1986, as amended, and any regulations, rulings, announcements, or other guidance issued thereunder, as amended.

**“Close of Business”** means the time of day that trading closes on the NYSE, generally 4 p.m. Eastern Standard Time.

**“Custodial Account Agreement”** means the IRS 5305-RA contractual agreement that describes the Roth IRA’s terms and conditions and meets the requirements of the Internal Revenue Code.

**“Default Contribution Elections”** means the default Program elections applicable to you, if you do not choose Alternate Contribution Elections.

**“Default Investment Option”** means the Investment Option in which assets held in your Secure Choice Account will be transferred into at the end of the Account Revocation Period if you do not choose Alternate Contribution Elections. The Default Investment Option is the Target Date Retirement Fund that corresponds with your target retirement age.

**“Disclosure Statement”** means a nontechnical explanation of the statutory requirements relating to the IRA that meets the requirements of Treasury Regulations Section 1.408-6.

**“Employee”** means any individual who is 18 years of age or older, who is employed by an Employer, and who has Wages that are allocable to Illinois during a calendar year under the provisions of Section 304(a)(2)(B) of the Illinois Income Tax Act. An Employee includes both part-time and full-time employees.

**“Employer”** means a person or entity engaged in a business, industry, profession, trade, or other enterprise in Illinois, whether for profit or not for profit, that (i) has at no time during the previous calendar year employed in Illinois fewer than 25 employees but no more than 15 employees starting September 1, 2022 and at least 5 employees but not more than 15 starting September 1, 2023, (ii) has been in business at least 2 years, and (iii) has not offered a Qualified Retirement Plan in the preceding 2 years. A person or entity engaged in a business, industry, profession, trade, or other enterprise in Illinois, whether for profit or not for profit, that fails to meet the immediately preceding number of employees and/or years of business requirements may also be deemed an Employer under this Agreement if such employer has notified the Program Administrator of its interest in facilitating its Employees enrollment into the Program.

**“Financial Disclosure”** means a nontechnical description of the fees and charges that may be made to the IRA, an explanation of the method for computing and allocating earnings, and a statement that growth is neither guaranteed nor projected that meets the requirements of Treasury Regulations Section 1.408-6(d)(4)(vii).

**“Force Majeure”** means circumstances beyond our reasonable control, including but not limited to regulatory or legislative changes, worldwide political uncertainties, and general economic conditions (such as including inflation and unemployment rates), acts of God, acts of civil or military authority, acts of government, accidents, environmental disasters, natural disasters or events, fires, floods, earthquakes, hurricanes, explosions, lightning, suspensions of trading, epidemics, pandemics, public health crises, quarantines, wars, acts of war (whether war is declared or not), terrorism, threats of terrorism, insurrections, embargoes, cyber-attacks, riots, strikes, lockouts or other labor disturbances, disruptions of supply chains, civil unrest, revolutions, power or other mechanical failures, loss or malfunction of utilities or communications services, delays or stoppage of postal or courier services, delays in or stoppages of transportation, and any other events or circumstances beyond our reasonable control whether similar or dissimilar to any of the foregoing.

**“Individual Retirement Account”** or **“IRA”** means the Roth or Traditional IRA (individual retirement account) under Section 408 or 408A of the Internal Revenue Code and related Treasury Regulations.

**“Investment Manager”** means the investment manager of an Underlying Investment Fund. The Investment Managers are SSGA, BlackRock, and Schwab.

**“Investment Option”** means a grouping of one or more Underlying Investment Funds, constructed in accordance with a specific risk tolerance and investment objective. The available Investment Options in the Program are the Target Date Retirement Funds (also known as Life-Cycle Funds), Capital Preservation Fund (also known as Secure Return Fund), Conservative Fund, and the Growth Fund.

**“IRA Custodian”** means Ascensus Trust Company, an affiliate of the Program Administrator.

**“Program Rules”** means the administrative rules for the Program set forth in the 74 Ill. Admin. Code Part 721, including any emergency rules, and as amended from time to time.

**“Qualified Retirement Plan”** includes a plan qualified under section 401(a), 401(k), 403(a), 403(b), 408(k) or 408(p) of the Internal Revenue Code. The term also includes an eligible governmental plan under section 457(b) of the Internal Revenue Code, as well as Simplified Employee Pension (SEP) plans, Savings Incentive Match Plan for Employees (SIMPLE) plans, and Taft-Hartley plans. Payroll deduction IRA programs are not qualified retirement plans. A payroll deduction IRA program as defined in 29 C.F.R. 2510.3-2(d) is not a Qualified Plan.

**“Roth IRA”** means a Roth individual retirement account, as defined in Section 408A of the Code.

**“Schwab”** means Charles Schwab Investment Management, Inc, dba Schwab Asset Management™.

**“Secure Choice Account”** means an IRA established by or for an Employee under the Program.

**“SSGA”** means State Street Global Advisors or SSGA Funds Management, Inc.

**“Underlying Investment Funds”** or **“Funds”** means the investment vehicles (e.g., mutual funds) in which assets of the Program are invested through the Investment Options.

**“Unit”** means the measurement of a Secure Choice Account’s interest in an Investment Option. When you contribute to the Program, your money will be invested in Units of one or more Investment Options.

**“Unit Value”** means the value of one Unit in an Investment Option. For example, if you contribute \$100 to an Investment Option, and the value of a Unit in the Investment Option is \$10, you will be allocated 10 Units in the Investment Option.

**“Wages”** means W-2 wages, as defined in 26 CFR 1.415(c)-2(d)(4) that you receive from an Employer that facilitates Secure Choice during the calendar year.

**“We”, “us”** or **“our”** means, as the case may be, Secure Choice, the State of Illinois, the Board, the Office of the Illinois State Treasurer, or the Program Administrator.

**“You”** or **“IRA owner”** means any person who has established (or has had established on their behalf) and maintains a Secure Choice Account, and the beneficiaries of a deceased Secure Choice Account owner.

**“90 Day Holding Vehicle”** means the administrative vehicle that seeks to preserve the value of Employee contributions into a Secure Choice Account for the length of the Account Revocation Period. The 90 Day Holding Vehicle is not a stand-alone Investment Option.

## **THE PROGRAM**

The Illinois Secure Choice Savings Program was established by the Act as a retirement savings program in the form of an automatic enrollment payroll deduction IRA for the purpose of promoting greater retirement savings for Illinois employees in a convenient, low-cost, and portable manner. The Program is a workplace retirement savings option designed to help workers who do not have access to an employer-sponsored plan to save their own money for retirement. Additionally, Secure Choice is open to any individual, 18 years of age or older, who is eligible to contribute to a Roth IRA.

The Program offers participants the advantages of potential tax-free growth on assets and an easy way to save through automatic payroll deductions. The Secure Choice Accounts are structured as Roth IRAs (unless chosen otherwise), which provide tax-free withdrawals of contributions and qualified distributions of earnings.

The Board is an independent board, responsible for administering the Program in accordance with the Act. The Board also acts as a fiduciary with respect to the investments offered by the Program and intends that the Program be operated, and the Program Rules be construed, in a manner consistent with applicable law. The Illinois Secure Choice Savings Program Fund (the “Fund”) is established under the Act to hold the assets that are contributed into the Secure Choice Accounts. The Board is the trustee of the Fund. The Fund must operate in a manner that is determined by the Board and meets the requirements for IRAs under the Code. The amounts deposited in the Fund shall not constitute property of the State, and the Fund shall not be construed to be a department, institution, or agency of the State. Amounts on deposit in the Fund shall not be commingled with State funds, and the State shall have no claim to or against, or interest in, such funds.

## **ENROLLMENT PROCESS**

There are two ways to enroll into the Program. You may enroll through an Employer that facilitates the Program or you may directly open up a Secure Choice Account online. You must meet certain eligibility requirements to participate in the Program as described below.

**Eligibility – Enrolling Through a Participating Employer.** If you are 18 years of age or older, employed by an Employer, and have Wages that are allocable to Illinois during a calendar year under the provisions of Section 304(a)(2)(B) of the Illinois Income Tax Act, then you are likely to be eligible to participate in the Program subject to Illinois law and the federal rules governing Roth IRAs. You may be enrolled in the Program automatically by your employer and your employer may fund your Secure Choice Account through payroll deductions, subject to your right to opt out. See **DISCLOSURE STATEMENT – Requirements of a Roth IRA** and **DISCLOSURE STATEMENT – Limitations and Restrictions**, for more details regarding Roth IRA requirements and limitations.

**Eligibility – Self-Enrolling Without an Employer.** If you are 18 years of age or older and eligible to contribute to a Roth IRA under the federal rules governing Roth IRAs, then you may be eligible to participate in the Program and open a Secure Choice Account online. See **DISCLOSURE STATEMENT – Requirements of a Roth IRA** and **DISCLOSURE STATEMENT – Limitations and Restrictions**, for more details regarding Roth IRA requirements and limitations.

## **MAINTAINING YOUR SECURE CHOICE ACCOUNT**

**Contributions.** Your Secure Choice Account is structured as a Roth IRA, which is governed by federal contribution limits. You can only contribute up to the maximum dollar limits set by the federal government. Contribution limits vary based on age, income, and filing status and may be adjusted for inflation from year to year. For more details, see **CUSTODIAL ACCOUNT AGREEMENT – Article I, DISCLOSURE STATEMENT – Requirement of a Roth IRA – B. Maximum Contribution** and **DISCLOSURE STATEMENT – Limitations and Restrictions and IRS PUBLICATION 590-A**. Neither the Program nor the Program Administrator will have information on your eligibility to contribute to a Roth IRA, or knowledge of any other IRA accounts to which you are contributing. It is your responsibility to ensure that you are contributing within the IRS’ annual limits across all your retirement accounts. If you exceed the IRS’ annual limits, the excess amount will have to be removed, along with any earnings associated, within certain deadlines, in order to avoid an excess contribution penalty tax. The earnings will be taxable to you and may be subject to an early distribution penalty tax. Please consult a tax expert or financial professional to discuss your specific circumstances.

**Distributions.** Your Secure Choice Account is designed specifically to help you save for retirement; however, you can access the money in your Secure Choice Account at any time. Some Roth IRA distributions may be subject to applicable state and federal income tax obligations and penalties for early withdrawal. For details on the taxation of distributions, see **CUSTODIAL ACCOUNT AGREEMENT – Article IX – 9.12 Withdrawals or Transfers and DISCLOSURE STATEMENT – Income Tax Consequences of Establishing a Roth IRA and IRS PUBLICATION 590-B**.

**Secure Choice Account Restrictions.** The Program Administrator and/or the Board reserves the right to:

- freeze your Secure Choice Account and/or suspend your Secure Choice Account services if (i) the Program Administrator receives a notice of dispute regarding your Secure Choice Account assets or Secure Choice Account ownership, including notice of your death or divorce (until appropriate documentation is received and the Program Administrator reasonably believes that it is lawful to transfer Secure Choice Account ownership to the beneficiary or former spouse) or (ii) the Program Administrator or Board reasonably believes a fraudulent transaction may occur or has occurred;
- freeze your Secure Choice Account, without your permission, in cases of threatening conduct or suspicious, fraudulent or illegal activity;
- refuse to establish or close your Secure Choice Account if your identity cannot be verified or if it is determined that it is in the best interest of Secure Choice or required by law;
- close your Secure Choice Account if it is determined that you are restricted by law from participating in Secure Choice; or
- reject a contribution for any reason, including contributions to the Program that the Program Administrator or the Board believe are not in the best interests of the participants, the Program or an Investment Option.

The risk of market loss, tax implications, penalties, and any other expenses as a result of the above will be solely your responsibility.

## **FEES AND EXPENSES**

Except for the fees described in this section, there are currently no other fees, charges, or penalties imposed by or payable to the Program by you in connection with opening or maintaining your Secure Choice Account. The Board will, from time to time, review and adjust the Program fees, and will notify you of any changes to the fees.

**Fixed Account Fee.** Each Secure Choice Account is charged a \$4 Fixed Account Fee each quarter (\$16 in total annually). The Program Administrator receives this fee in connection with administering the Program and servicing your Secure Choice Account.

- The Fixed Account Fee will not be assessed until at least 90 days after your initial contribution, nor for the quarter in which the first contribution was made. For example, an account initially funded between April 1 and June 30 (the second quarter of the year) will not be assessed the first Fixed Account Fee until after the end of the third quarter, September 30.
- However, if you initiate a full withdrawal and have had a funded account for at least 90 days, all applicable fees, including the Fixed Account Fee, may be assessed before funds are distributed.
- If your account does not have a large enough balance to cover the quarterly Fixed Account Fee, the remaining amount in the account will be assessed and the account balance will be \$0.

**Annualized Asset-Based Fees**

Each Investment Option has an Annualized Asset-Based Fee that is deducted from the total assets in each Investment Option. The Annualized Asset-Based Fee reduces the return on your investments through the Program. As a Secure Choice Account owner, you indirectly bear a pro rata share of the annual costs and expenses associated with each Investment Option in which you are invested. The Annualized Asset-Based Fee consists of the Underlying Investment Fund Fee, the State Fee, and the Program Administration Fee described below. These fees accrue daily and are factored into each Investment Option’s Unit Value.

- **Underlying Investment Fund Fee.** This fee includes investment advisory fees, administrative fees, and other expenses of the Underlying Investment Fund, which are paid out of the assets of the Underlying Investment Fund. An Underlying Investment Fund’s expense ratio measures the total annual operating expenses of the Underlying Investment Fund as a percentage of its average daily net assets. The Underlying Investment Fund Fee is subject to fluctuation from time to time based on changes in the total annual operating expenses of the Underlying Investment Fund(s) in the Investment Option, which can cause fluctuation in the Total Annualized Asset-Based Fee of the Investment Option. For more information on the fees of each Underlying Investment Fund, see the prospectus applicable to each Underlying Investment Fund.
- **State Fee.** Each Investment Option is subject to a State Fee equal to 0.05% of the Investment Option’s assets payable to the Board to offset expenses related to oversight and administration of the Program.
- **Program Administration Fee.** Each Investment Option is subject to a Program Administration Fee equal to 0.25% of the Investment Option’s assets. The Program Administrator receives the Program Administration Fee for administering the Program.

**Fee Structure Table**

The following table describes the Total Annualized Asset-Based Fees for each Investment Option.

<b>FEE STRUCTURE TABLE (as of December 31, 2023)</b>				
<b>Investment Option</b>	<b>Annualized Asset-Based Fees<sup>1</sup></b>			
	<b>Underlying Investment Fund Fee<sup>2</sup></b>	<b>State Fee</b>	<b>Program Administration Fee</b>	<b>Total Annualized Asset-Based Fee<sup>3</sup></b>
90 Day Holding Vehicle <sup>4, 5</sup>	0.15%	0.05%	0.25%	0.45%
Capital Preservation Fund <sup>5</sup>	0.15%	0.05%	0.25%	0.45%
Target Date Retirement Funds	0.09%	0.05%	0.25%	0.39%
Conservative Fund	0.04%	0.05%	0.25%	0.34%
Growth Fund	0.02%	0.05%	0.25%	0.32%

<sup>1</sup> Expressed as an annual percentage of the average daily net assets of each Investment Option.

<sup>2</sup> For each Investment Option, the Underlying Investment Fund Fee in this column is derived from the expense ratio reported in each Underlying Investment Fund’s most recent prospectus as of the date of the above table. Each Investment Option indirectly bears the expenses of the Underlying Investment Funds; so, when fees are deducted from an Underlying Investment Fund’s assets, the value of the Underlying Investment Fund’s shares is reduced. Actual Underlying Investment Fund expenses may vary and are subject to change.

<sup>3</sup> The Annualized Asset-Based Fee is assessed against assets over the course of the year. It includes the Underlying Investment Fund Fee, the State Fee plus the Program Administration Fee. Please refer to the Illustration of Investment Costs below for the total assumed cost for a \$1,000 investment over 1-, 3-, 5-, and 10-year periods.

<sup>4</sup> The 90 Day Holding Vehicle is not a stand-alone Investment Option. The 90 Day Holding Vehicle is an administrative vehicle that seeks to preserve the value of Employee contributions into a Secure Choice Account for the length of the Account Revocation Period.

<sup>5</sup> Certain fees for the 90 Day Holding Vehicle and Capital Preservation Fund may be voluntarily reduced by the Investment Manager, in its sole discretion, in an effort to maintain a net yield of 0.00%. There is no guarantee that this agreement will be in effect at any given time or that a negative yield will be avoided.

**Activity-Based Fees**

- **Paper Delivery Fee:** \$1.25 per quarter (\$5 total annually) for paper delivery of account statements or transaction & profile confirmations. To avoid the Paper Delivery Fee, you should set your delivery preferences to electronic delivery for both account statements and transaction & profile confirmations. The Paper Delivery Fee will not be assessed for paper delivery of IRS tax documents.
- **Paper Check Fee:** \$5 per paper withdrawal check. To avoid the Paper Check Fee, you should establish an electronic bank transfer

(ACH withdrawal) and request any account distributions electronically, rather than by paper check.

## Float Income

The IRA Custodian may receive indirect compensation for the trustee (or custodial) services that it provides to your Secure Choice Account. This compensation, known as “float” income, is paid by the financial organization at which the IRA Custodian maintains “clearing accounts” or by the investments in which the IRA Custodian invests in such clearing accounts. Float income may arise from interest that is earned on Secure Choice Account contributions or distributions during the time that these assets are held by the IRA Custodian in clearing accounts but are not invested in an Investment Option. For example, if you request a distribution and receive the distribution check but do not cash it for several days, some interest may be earned while your funds remain in the clearing account.

These clearing accounts generally earn interest at a rate between the money market rate and that of U.S. Treasury Notes. The interest paid on each of these transactions is typically small, and it is likely to represent a minor portion of the overall compensation received by the IRA Custodian. By maintaining a Secure Choice Account, you acknowledge that float income may be retained by the IRA Custodian.

## Illustration of Investment Costs

The following table illustrates the approximate cost of the Program over various periods of time, using the following assumptions:

- A \$1,000 initial contribution is invested for the time periods shown.
- A 5% annually compounded rate of return on the amount invested throughout the period.
- The total funds available in the Secure Choice Account are withdrawn at the end of the period shown.
- The Annual Asset Based Fee remains the same as that shown in the **Fee Structure Table** above.
- The table does not consider the impact of any potential state or federal taxes on the withdrawal or the impact of any Activity-Based Fees.

This hypothetical illustration is not intended to predict or project investment performance. Past performance is no guarantee of future results. Your actual cost may be higher or lower.

HYPOTHETICAL \$1,000 INVESTMENT COST CHART				
	1 Year	3 Year	5 Year	10 Year
Capital Preservation Fund	\$21	\$62	\$104	\$213
Target Date Retirement Funds	\$20	\$60	\$101	\$206
Conservative Fund	\$19	\$59	\$99	\$200
Growth Fund	\$19	\$58	\$97	\$198

**How Your Units Are Valued.** You are purchasing Units in the Investment Option, not shares of the Underlying Investment Fund. The Unit Value of each Investment Option is normally calculated as of the Close of Business each Business Day. The Unit Value of each Investment Option will differ from the Underlying Investment Fund’s daily net asset value (“NAV”) due to the assessment of Program fees against the assets in each Investment Option and the reinvestment into the Investment Options of any dividends and capital gains that are distributed from the Underlying Investment Funds. If securities held by an Underlying Investment Fund in your Investment Option are traded in other markets on days when the NYSE is closed, that Investment Option’s value may fluctuate on days when you do not have access to it to purchase or redeem Units. If events that are expected to materially affect the value of securities traded in other markets occur between the close of those markets and the Close of Business on the NYSE, those securities may be valued at their fair value by the applicable Investment Manager.

## **PROGRAM RISKS**

You should carefully consider the information in this section, as well as the other information in this Program Description and the other Program Documents, before making any decisions about setting up your Secure Choice Account or permitting your Employer to start making any payroll contributions. You should consult an attorney or a qualified financial professional or tax advisor regarding any legal, business, financial, or tax questions you may have. The information in this Program Description is not intended to be an investment recommendation or investment advice, nor should the contents of this Program Description be construed as legal, financial, or tax advice.

Secure Choice is an investment program, your Secure Choice Account is an investment account, and all investments, including the Investment Options, carry some degree of risk that you may lose some or all of the money that you contributed. Some Investment Options carry more risk than others. You should weigh these risks with the understanding that they could arise at any time during the life of your Secure Choice Account. A discussion of the investment risks related to each Investment Option may be found in the **Investment Choices** section below.

An investment in Secure Choice is not a bank deposit. Investments in your Secure Choice Account are not insured or guaranteed by the FDIC or any other government agency. Investments are not insured by the State, the Board or the Program Administrator. You should strongly consider the level of risk you wish to assume and your investment time horizon prior to selecting an Investment Option.

**Principal and Returns Not Guaranteed.** Neither your contributions to a Secure Choice Account nor any investment returns earned on your contributions are guaranteed. You could lose money (including your contributions) or not make any money by investing in Secure Choice. The Program, the State, the Board and the Program Administrator will not indemnify any IRA owner against losses.

**Market Uncertainties and Other Events.** As with all investments, the overall market value of your Secure Choice Account may exhibit volatility and could be subject to wide fluctuations resulting from a Force Majeure event. Additionally, a Force Majeure event may cause the value of your Secure Choice Account to decrease (realized or unrealized losses) regardless of our performance or any systematic investing of payroll contributions. A plan of regular investment cannot ensure a profit or protect against a loss in a declining market. You could lose all or part of your investment, depending on market conditions. There is no assurance that any Investment Option will achieve its goals. For additional information on the risks that may affect Investment Option performance, please read the **Investment Choices** section below.

**Securities Laws.** Units held by the Secure Choice Accounts are considered municipal fund securities. The Units will not be registered as securities with the Securities and Exchange Commission (SEC) or any state securities regulator. In addition, the Investment Options will not be registered as

investment companies under the Investment Company Act of 1940. Neither the SEC, the Municipal Securities Rulemaking Board (MSRB), nor any state securities commission has approved or disapproved the Units or passed upon the adequacy of this Program Description.

**Potential Changes to the Program.** You will be given prior notice if the Board makes material changes to the Program or the Investment Options. In the event of unforeseen circumstances, notice will be given as soon as reasonable. Such changes could include, but are not limited to:

- a change in the Program's Fees;
- addition or removal of an Investment Option;
- merger or change in the Underlying Investment Funds within the Investment Options;
- the closure of an Investment Option to new participants; or
- a change in the Program Administrator or an Investment Manager.

If changes are made to the Underlying Investment Fund in an Investment Option, the assets in the Investment Option may be reinvested in a different Underlying Investment Fund. The policies, objectives, and guidelines of the Underlying Investment Funds may also change from time to time.

If the Program is terminated, you will receive written notice informing you of your options. Your choices may include: keeping your assets at the IRA Custodian (in which case the Investment Options under the Program may no longer be available and you may need to choose different investments), transferring or rolling over your Secure Choice Account to another Roth IRA with a different financial organization, or taking a distribution from your Secure Choice Account. If the Program is terminated, we encourage you to consult a qualified tax or financial professional concerning the appropriateness of each of your options.

There is no guarantee that the Investment Managers will continue to manage the Underlying Investment Funds for the Program or manage the Investment Option's assets, as applicable, or that the Program Administrator will be able to negotiate their continued services in the future.

**Suitability.** The Board and Program Administrator make no representation regarding the suitability or appropriateness of the Investment Options for your particular circumstances. If you are automatically enrolled into the Program and subject to the Default Contribution Elections, your Secure Choice Account will be invested in the default Investment Options under the Program, as selected by the Board. Other types of investments may be more appropriate depending upon your financial status, tax situation, risk tolerance, age, investment goals, savings needs, and other factors you determine to be important.

If you have questions about participation in the Program, you should consult your financial, legal, or tax professional based on your individual situation. There are other retirement savings vehicles available. These other options may have different features and tax advantages and other fee or expense consequences including, for example, different Investment Options or account owner control. You may wish to consider these alternatives with your tax or financial professional prior to setting up your Secure Choice Account.

**Effect of Future Law Changes.** It is possible that future changes in federal or state laws or court or interpretive rulings could, on a go-forward basis or retroactively, adversely affect the terms and conditions of the Program or the value of your Secure Choice Account. Additionally, the Code, Act and/or Program rules are subject to change.

**Tax Considerations Generally; Income Tax on Earnings.** The federal and state tax consequences associated with taking a Roth IRA distribution can be complex. Therefore, you should consult a qualified tax advisor regarding the application of tax laws to your particular circumstances. For example, any earnings you make on your contributions may be subject to federal and state income taxes if you take a nonqualified distribution. Additionally, the early distribution penalty may apply to the earnings on any nonqualified distribution. For more details, see *CUSTODIAL ACCOUNT AGREEMENT – Article IX – 9.12 Withdrawals or Transfers* and *DISCLOSURE STATEMENT – Income Tax Consequences of Establishing a Roth IRA*.

**General Investment Option Risks.** Each Investment Option has its own investment strategy, risks and performance characteristics. In choosing the appropriate Investment Option(s) for your Secure Choice Account, you should consider your financial status, tax situation, risk tolerance, age, investment goals, savings needs, and other factors you determine to be important.

An Investment Option's risk and potential return are a function of the Investment Option's relative weightings of stock, bond, and money market investments, among other factors. Certain Investment Options carry more and/or different risks than others. In general, the greater an Investment Option's exposure to stock investments, the higher the risk will be (especially short-term volatility). The more exposure an Investment Option has to bond and money market investments, the lower its risk. There are also subcategories with various risk levels within the stock and bond categories.

**The Target Indices of Certain Underlying Investment Funds May Change.** Certain Underlying Investment Funds may invest to match or track the components of a market index. Such Underlying Investment Funds reserve the right to substitute a different index for the index that it currently tracks. This could happen if the current index is discontinued, if the index fund's agreement with the sponsor of its current index is terminated, or for any other reason determined in good faith by the index fund's board of trustees. In any such instance, a substitute index would measure substantially the same market segment (e.g., large-, mid-, or small- capitalization) as the current index.

**Cybersecurity Risk.** The Program relies significantly upon the computer systems of its service providers. Therefore, the Program could be susceptible to operational and information security risks resulting from cyber threats and cyber-attacks which may adversely affect your Secure Choice Account and cause it to lose value. For example, cyber threats and cyber-attacks may interfere with your ability to access your Secure Choice Account, make contributions or exchanges or request and receive distributions; they may also impede trading and/or impact the ability to calculate NAVs. Cybersecurity risks include security or privacy incidents, such as human error, unauthorized release, theft, misuse, corruption, and destruction of Secure Choice Account data maintained online or digitally by the Program. Cybersecurity risks also include denial of service, viruses, malware, hacking, bugs, security vulnerabilities in software, attacks on technology operations, and other disruptions that could impede the Program's ability to maintain routine operations. Although the Program's service providers undertake efforts to protect their computer systems from cyber threats and cyber-attacks, which include internal processes and technological defenses that are preventative in nature, and other

controls designed to provide a multi-layered security posture, there are no guarantees that the Program or your Secure Choice Account will avoid losses due to cyber-attacks or cyber threats.

## **INVESTMENT CHOICES**

Secure Choice offers a range of Investment Options from conservative to aggressive in an effort to meet the risk tolerance and investment objectives of most investors. You may choose one or any combination of the following four types of investment strategies:

- **Capital Preservation Fund** (also known as Secure Return Fund) – an Investment Option with the investment objective of maximizing current income, to the extent consistent with the preservation of capital and liquidity and the maintenance of a stable \$1.00 per share NAV.
- **Target Date Retirement Funds** (also known as Life-Cycle Funds) – Investment Options that correspond with the year closest to when you will be 65 or plan to retire. Each Target Date Retirement Fund has a specific “target date” (e.g., 2035, 2045, 2055) and invests in an Underlying Investment Fund that is comprised of a mix of stock and bond funds. The Investment Options seek to provide for retirement outcomes based on quantitatively measured risk. The portfolios will be broadly diversified across global asset allocations becoming more conservative over time as an investor nears target retirement age.
- **Conservative Fund** – an Investment Option with the investment objective of tracking as closely as possible, before fees and expenses, the total return of an index composed of the total U.S. investment grade bond market.
- **Growth Fund** – an Investment Option with the investment objective of tracking the total return of the S&P 500® Index.

Each Investment Option invests your contributions in a single Underlying Investment Fund. You are purchasing Units in the Investment Option, not shares of the Underlying Investment Fund. Below is a chart of all the Investment Options and the corresponding Underlying Investment Funds.

<b>Investment Option</b>	<b>Underlying Investment Fund (Ticker)</b>
90 Day Holding Vehicle*	State Street Institutional U.S. Government Money Market Fund – Cabrera Capital Markets Class (CAHXX)
Capital Preservation Fund	State Street Institutional U.S. Government Money Market Fund – Cabrera Capital Markets Class (CAHXX)
Target Date Retirement Fund	BlackRock LifePath® Index Retirement Fund (LIRKX)
Target Date Retirement Fund 2025	BlackRock LifePath® Index 2025 Fund (LIBKX)
Target Date Retirement Fund 2030	BlackRock LifePath® Index 2030 Fund (LINKX)
Target Date Retirement Fund 2035	BlackRock LifePath® Index 2035 Fund (LIJKX)
Target Date Retirement Fund 2040	BlackRock LifePath® Index 2040 Fund (LIKXX)
Target Date Retirement Fund 2045	BlackRock LifePath® Index 2045 Fund (LIHKX)
Target Date Retirement Fund 2050	BlackRock LifePath® Index 2050 Fund (LIPKX)
Target Date Retirement Fund 2055	BlackRock LifePath® Index 2055 Fund (LIVKX)
Target Date Retirement Fund 2060	BlackRock LifePath® Index 2060 Fund (LIZKX)
Target Date Retirement Fund 2065	BlackRock LifePath® Index 2065 Fund (LIWKX)
Target Date Retirement Fund 2070	BlackRock LifePath® Index 2065 Fund (LIWKX)
Conservative Fund	Schwab® U.S. Aggregate Bond Index Fund (SWAGX)
Growth Fund	Schwab® S&P 500 Index Fund (SWPPX)

\* The 90 Day Holding Vehicle is not a stand-alone Investment Option. The 90 Day Holding Vehicle is an administrative vehicle that seeks to preserve the value of Employee contributions into a Secure Choice Account for the length of the Account Revocation Period.

### **Default Contribution Election – Applicable Only if Enrolling Through a Participating Employer**

As part of the Default Contribution Elections, contributions will be initially invested in a 90 Day Holding Vehicle for the length of the Account Revocation Period. The 90 Day Holding Vehicle seeks to help investors preserve the value of their savings by investing in obligations issued or guaranteed as to principal and/or interest, as applicable, by the U.S. government or its agencies and instrumentalities. After the Account Revocation Period, if you have not selected Alternate Contribution Elections, contributions and earnings will automatically move into the Default Investment Option, which is the Target Date Retirement Fund corresponding to your date of birth. The 90 Day Holding Vehicle is not a stand-alone Investment Option available for participant election under the Program.

### **Descriptions of Underlying Investment Funds**

The following descriptions highlight the investment objective, strategy, and principal risks of each Underlying Investment Fund. Because each Investment Option invests 100% in a single Underlying Investment Fund, the Investment Option has the same investment objective, strategy and principal risks as its Underlying Investment Fund. The descriptions reference only the principal risks of the Underlying Investment Funds; however, the current prospectus and statement of additional information (“SAI”) of each Underlying Investment Fund identify additional risks that are not discussed below and contain information not summarized in this Program Description. The information below is qualified in all instances by reference to each Underlying Investment Fund’s prospectus and SAI. You may wish to speak to a financial professional to understand the specific risks associated with each Underlying Investment Fund. You can request a copy of the current prospectus, the SAI, or the most recent semiannual or annual report by contacting the applicable Underlying Investment Fund as follows:

<b>Underlying Investment Fund (Ticker)</b>	<b>Website</b>	<b>Phone</b>
State Street Institutional U.S. Government Money Market Fund – Cabrera Capital Markets Class (CAHXX)	<a href="https://www.ssga.com">https://www.ssga.com</a>	(877) 521-4083

BlackRock LifePath® Index Funds (LIRKX, LIBKX, LINKX, LIJKX, LIKKX, LIHKX, LIPKX, LIVKX, LIZKX, LIWKX)	<a href="https://www.blackrock.com">https://www.blackrock.com</a>	(800) 882-0052
Schwab® U.S. Aggregate Bond Index Fund (SWAGX); Schwab® S&P 500 Index Fund (SWPPX)	<a href="https://www.schwabassetmanagement.com">https://www.schwabassetmanagement.com</a>	(800) 435-4000

### State Street Institutional U.S. Government Money Market Fund – Cabrera Capital Markets Class (CAHXX)

**Investment Objective.** The investment objective of State Street Institutional U.S. Government Money Market Fund (“U.S. Government Fund” or “Fund”) is to seek to maximize current income, to the extent consistent with the preservation of capital and liquidity and the maintenance of a stable \$1.00 per share NAV.

**Investment Strategies.** The U.S. Government Fund is a government money market fund and invests only in obligations issued or guaranteed as to principal and/or interest, as applicable, by the U.S. government or its agencies and instrumentalities, as well as repurchase agreements secured by such instruments. The Fund may hold a portion of its assets in cash pending investment, to satisfy redemption requests or to meet the Fund’s other cash management needs.

The Fund follows a disciplined investment process that attempts to provide stability of principal, liquidity and current income, by investing in U.S. government securities. Among other things, SSGA Funds Management, Inc. (“SSGA FM” or the “Adviser”), the investment adviser to the Fund, conducts its own credit analyses of potential investments and portfolio holdings, and relies substantially on a dedicated short-term credit research team. The Fund invests in accordance with regulatory requirements applicable to money market funds. Regulations require, among other things, a money market fund to invest only in short-term, high quality debt obligations (generally, securities that have remaining maturities of 397 calendar days or less, with the exception of certain floating rate securities that may have final maturities longer than 397 days but use maturity shortening provisions to meet the 397 day requirement, and that the Fund believes present minimal credit risk), to maintain a maximum dollar-weighted average maturity and dollar-weighted average life of sixty (60) days or less and 120 days or less, respectively, and to meet requirements as to portfolio diversification and liquidity. All securities held by the Fund are U.S. dollar-denominated, and they may have fixed, variable or floating interest rates.

The Fund attempts to meet its investment objective by investing in:

- Obligations issued or guaranteed as to principal and/or interest, as applicable, by the U.S. government or its agencies and instrumentalities, such as U.S. Treasury securities and securities issued by the Government National Mortgage Association (“GNMA”), which are backed by the full faith and credit of the United States;
- Obligations issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and U.S. government-sponsored entities such as the Federal Home Loan Bank, and the Federal Farm Credit Banks Funding Corporation, which are not backed by the full faith and credit of the United States; and
- Repurchase agreements collateralized by U.S. government securities.

The Fund seeks to achieve its investment objective by investing substantially all of its investable assets in the U.S. Government Portfolio, which has substantially identical investment policies to the Fund. When the Fund invests in this “master-feeder” structure, the Fund’s only investments are shares of the Portfolio, and it participates in the investment returns achieved by the Portfolio. Descriptions in this section of the investment activities of the “Fund” also generally describe the expected investment activities of the Portfolio.

**Principal Risks.** The Fund is subject to the following risks. You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. **An investment in the Fund is subject to investment risks, including possible loss of principal, is not a deposit in a bank and is not insured or guaranteed by the FDIC or any other government agency.** The Fund’s sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

In addition, the Money Market Fund is subject to the following risks: **Counterparty Risk, Debt Securities Risk, Income Risk, Interest Rate Risk, Large Shareholder Risk, Low Short-Term Interest Rates, Market Risk, Master/Feeder Structure Risk, Money Market Risk, Mortgage-Related and Other Asset-Backed Securities Risk, Rapid Changes in Interest Rates Risk, Repurchase Agreement Risk, Significant Exposure to U.S. Government Agencies or Instrumentalities Risk, Stable Share Price Risk, U.S. Government Securities Risk, U.S. Treasury Obligations Risk, and Variable and Floating Rate Securities Risk.** These risks are discussed in the prospectus and SAI of the Underlying Investment Fund.

### BlackRock LifePath® Index Retirement to 2065 Funds (LIRKX, LIBKX, LINKX, LIJKX, LIKKX, LIHKX, LIPKX, LIVKX, LIZKX, LIWKX)

**Investment Objective.** The investment objective is consistent across each of the following, BlackRock LifePath® Index Fund Retirement Fund (the “LifePath Index Retirement Fund”), BlackRock LifePath® Index 2025 Fund (the “LifePath Index 2025 Fund”), BlackRock LifePath® Index 2030 Fund (the “LifePath Index 2030 Fund”), BlackRock LifePath® Index 2035 Fund (the “LifePath Index 2035 Fund”), BlackRock LifePath® Index 2040 Fund (the “LifePath Index 2040 Fund”), BlackRock LifePath® Index 2045 Fund (the “LifePath Index 2045 Fund”), BlackRock LifePath® Index 2050 Fund (the “LifePath Index 2050 Fund”), BlackRock LifePath® Index 2055 Fund (the “LifePath Index 2055 Fund”), BlackRock LifePath® Index 2060 Fund (the “LifePath Index 2060 Fund”) and BlackRock LifePath® Index 2065 Fund (the “LifePath Index 2065 Fund”) (each, a “Fund”), each a series of BlackRock Funds III, is to seek to provide for retirement outcomes based on quantitatively measured risk. In pursuit of this objective, each Fund will be broadly diversified across global asset classes, with asset allocations becoming more conservative over time.

**Principal Investment Strategies.** Each Fund seeks to provide for retirement outcomes based on quantitatively measured risk. BlackRock employs a multi-dimensional approach to assess risk for each Fund and to determine each Fund’s allocation across asset classes. As part of this multi-dimensional approach, BFA aims to quantify risk using proprietary risk measurement tools that, among other things, analyze historical and forward-looking securities market data, including risk, asset class correlations, and expected returns. Under normal circumstances, each Fund intends to invest primarily in affiliated open-end index funds and affiliated exchange-traded funds (“ETFs”).

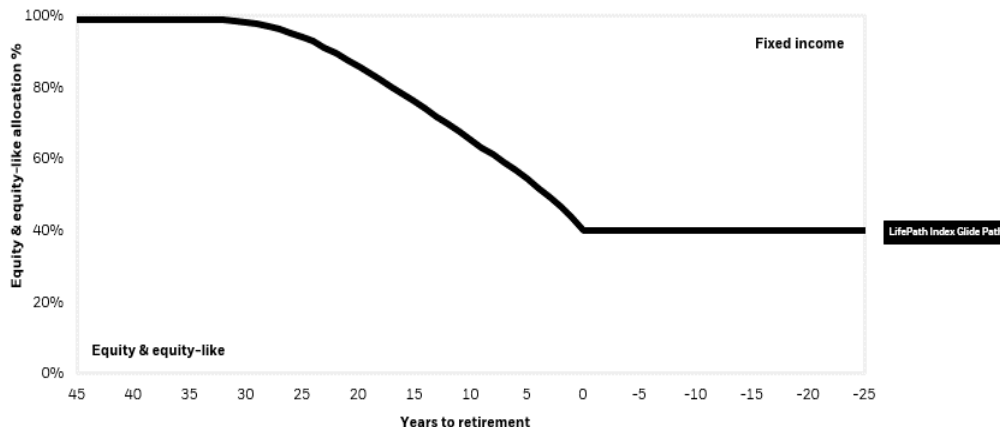


Each Fund employs a “passive” management approach, attempting to invest in a portfolio of assets whose performance is expected to track the performance of the Fund’s respective custom benchmark index.

Certain Underlying Investment Funds may invest in real estate investment trusts (“REITs”), foreign securities, emerging market securities, below investment-grade bonds and derivative securities or instruments, such as options and futures, the value of which is derived from another security, a currency or an index, when seeking to match the performance of a particular market index. Each Fund and certain Underlying Investment Funds may also lend securities with a value up to 33⅓% of their respective total assets to financial institutions that provide cash or securities issued or guaranteed by the U.S. Government as collateral.

Under normal circumstances, the asset allocation will change over time according to a predetermined “glide path” as each Fund approaches its target date. The glide path below represents the shifting of asset classes over time. As the glide path shows, each Fund’s asset allocations become more conservative — prior to retirement — as time elapses. This reflects the need for reduced investment risks as retirement approaches and the need for lower volatility of the Fund, which may be a primary source of income after retirement.

Each Fund is one of a group of funds referred to as the “LifePath Index Funds,” each of which seeks to provide for retirement outcomes based on quantitatively measured risk that investors on average may be willing to accept given a particular time horizon. The following chart illustrates the glide path — the target allocation among asset classes as the LifePath Index Funds approach their target dates.



Each Fund will invest, under normal circumstances, its assets among asset classes according to the target asset allocations in the table below. Each Fund is designed for investors expecting to retire or to begin withdrawing assets around each Funds respective target retirement year.

Name of Fund	Years Until Retirement	Equity Index Funds (includes REITs)	Fixed-Income Index Funds
BlackRock LifePath® Index 2065 Fund	41	99%	1%
BlackRock LifePath® Index 2060 Fund	36	99%	1%
BlackRock LifePath® Index 2055 Fund	31	99%	1%
BlackRock LifePath® Index 2050 Fund	26	95%	5%
BlackRock LifePath® Index 2045 Fund	21	88%	12%
BlackRock LifePath® Index 2040 Fund	16	78%	22%
BlackRock LifePath® Index 2035 Fund	11	68%	32%
BlackRock LifePath® Index 2030 Fund	6	57%	43%
BlackRock LifePath® Index 2025 Fund	1	44%	56%
BlackRock LifePath® Index Retirement Fund	0	40%	60%

The asset allocation targets are established by the portfolio managers. The investment team, including the portfolio managers, meets regularly to assess market conditions, review the asset allocation targets of each Fund, and determine whether any changes are required to enable the Fund to achieve its investment objective. Although the asset allocation targets listed for the glide path are general, long-term targets, BlackRock may periodically adjust the proportion of equity index funds and fixed-income index funds in a Fund, based on an assessment of the current market conditions, the potential contribution of each asset class to the expected risk and return characteristics of the Fund, reallocations of Fund composition to reflect intra-year movement along the glide path and other factors. In general, such adjustments will be limited; however, BlackRock may determine that a greater degree of variation is warranted to protect a Fund or achieve its investment objective. BlackRock’s second step in the structuring of a Fund is the selection of the Underlying Investment Funds. Factors such as fund classifications, historical risk and performance, and the relationship to other Underlying Investment Funds in the Fund are considered when selecting Underlying Investment Funds. The specific Underlying Investment Funds selected for a Fund are determined at BlackRock’s discretion and may change as deemed appropriate to allow the Fund to meet its investment objective. See the “Details About the Funds — Information About the Underlying Investment Funds” section of the prospectus for a list of the Underlying Investment Funds, their classification into equity, fixed income or money market funds and a brief description of their investment objectives and primary investment strategies. Within the prescribed percentage allocations to equity and fixed-income index funds, BlackRock seeks to diversify each Fund. The allocation to Underlying Investment Funds that track equity indexes may be further diversified by style (including both value and growth), market capitalization (including large cap, mid cap, small cap and emerging

growth), region (including domestic and international (including emerging markets)) or other factors. The allocation to Underlying Investment Funds that track fixed-income indexes may be further diversified by sector (including government, corporate, agency, and other sectors), duration (a calculation of the average life of a bond which measures its price risk), credit quality (including non-investment grade debt or junk bonds), geographic location (including U.S. and foreign-issued securities), or other factors. Though BlackRock seeks to diversify the Fund, certain Underlying Funds may concentrate their investments in specific sectors or geographic regions or countries. The percentage allocation to the various styles of equity and fixed-income Underlying Investment Funds is determined at the discretion of the investment team and can be changed to reflect the current market environment.

**Principal Risks.** In addition, each of the Funds are subject to the following risks: **Affiliated Fund Risk, Allocation Risk, Asset Class Risk, Authorized Participant Concentration Risk, Concentration Risk, Currency Risk, Debt Securities Risk, Depository Receipts Risk, Derivatives Risk, Emerging Markets Risk, Equity Securities Risk, Foreign Securities Risk, Geographic Risk, Income Risk, Index-Related Risk, Investments in Underlying Funds Risk, Issuer Risk, Management Risk, Market Risk and Selection Risk, Money Market Securities Risk, Mortgage- and Asset-Backed Securities Risks, National Closed Market Trading Risk, Passive Investment Risk, Preferred Securities Risk, Real Estate Related Securities Risk, REIT Investment Risk, Representative Sampling Risk, Retirement Income Risk, Shares of an ETF May Trade at Prices Other Than Net Asset Value, Small and Mid-Capitalization Company Risk, Structured Products Risk, Tracking Error Risk, Treasury Obligations Risk, U.S. Government Issuer Risk, and Valuation Risk.** These risks are discussed in the prospectus and SAI of the Underlying Investment Fund.

### **Schwab® U.S. Aggregate Bond Index Fund (SWAGX)**

**Investment Objective.** The Fund's goal is to track as closely as possible, before fees and expenses, the total return of an index that measures the performance of the broad U.S. investment-grade bond market.

**Principal Investment Strategies.** To pursue its goal, the Fund generally invests in securities that are included in the Bloomberg US Aggregate Bond Index. The index is a broad-based benchmark measuring the performance of the U.S. investment grade, taxable bond market, including U.S. Treasuries, government-related and corporate bonds, mortgage pass-through securities, commercial mortgage-backed securities, and asset-backed securities that are publicly available for sale in the United States. To be eligible for inclusion in the index, a security must be fixed rate, non-convertible, U.S. dollar-denominated and have one or more years remaining to maturity. The index excludes certain types of securities, including, bonds with equity type features (e.g., warrants, convertibles and preferreds), tax-exempt municipal securities, inflation-linked bonds, floating-rate issues, strips, private placements, U.S. dollar-denominated 25 and 50 par retail bonds, structured notes and pass-through certificates. The index is market capitalization weighted and the securities in the index are updated on the last business day of each month. As of August 31, 2023, there were approximately 13,371 securities in the index.

It is the Fund's policy that under normal circumstances it will invest at least 90% of its net assets (including, for this purpose, any borrowings for investment purposes) in securities included in the index, including TBA transactions, as defined below. The Fund will notify its shareholders at least 60 days before changing this policy. Under normal circumstances, the Fund may invest up to 10% of its net assets in securities not included in its index. The principal types of these investments include those that the investment adviser believes will help the Fund track the index, such as investments in (a) securities that are not represented in the index but the investment adviser anticipates will be added to the index; (b) high-quality liquid investments, such as securities issued by the U.S. government, its agencies or instrumentalities, including obligations that are not guaranteed by the U.S. Treasury, and obligations that are issued by private issuers; (c) other investment companies; and (d) derivatives, principally futures contracts. The Fund may use futures contracts and other derivatives primarily to help manage interest rate exposure. The Fund may also invest in cash and cash equivalents, including money market funds, and lend its securities to minimize the difference in performance that naturally exists between an index fund and its corresponding index.

Because it is not possible or practical to purchase all of the securities in the index, the Fund's investment adviser will seek to track the total return of the index by using sampling techniques. Sampling techniques involve investing in a limited number of index securities that, when taken together, are expected to perform similarly to the index as a whole. These techniques are based on a variety of factors, including interest rate and yield curve risk, maturity exposures, industry, sector and issuer weights, credit quality, and other risk factors and characteristics. The Fund expects that its portfolio will hold less than the total number of securities in the index, but reserves the right to hold as many securities as it believes necessary to achieve the Fund's investment objective. The Fund may sell securities that are represented in the index in anticipation of their removal from the index. The Fund generally expects that its duration will closely correspond to the duration of the index, which as of August 31, 2023, was approximately 6.17 years.

As of August 31, 2023, approximately 26.85% of the bonds represented in the index were U.S. fixed-rate agency mortgage pass-through securities. U.S. fixed-rate agency mortgage pass-through securities are securities issued by entities such as the Government National Mortgage Association (Ginnie Mae), the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac) that are backed by pools of mortgages. Many transactions in fixed-rate mortgage pass-through securities occur through standardized contracts for future delivery in which the exact mortgage pools to be delivered are not specified until a few days prior to settlement, and are often referred to as "to-be-announced transactions" or "TBA transactions." In a TBA transaction, the buyer and seller agree upon general trade parameters such as agency, settlement date, par amount and price. The actual pools delivered generally are determined two days prior to settlement date; however, it is not anticipated that the Fund will receive the pools, but will instead participate in rolling TBA transactions. The Fund anticipates that it may enter into such contracts on a regular basis. This may result in a significantly higher portfolio turnover for the Fund than a typical index fund. The Fund, pending settlement of such contracts, will invest its assets in high-quality liquid short-term instruments, including Treasury securities and shares of money market mutual funds. The Fund will assume its pro rata share of the fees and expenses of any money market fund that it may invest in, in addition to the Fund's own fees and expenses.

The Fund will concentrate its investments (i.e., hold 25% or more of its total assets) in a particular industry, group of industries or sector to approximately the same extent that its index is so concentrated. For purposes of this limitation, securities of the U.S. government (including its agencies and instrumentalities), and repurchase agreements collateralized by U.S. government securities are not considered to be issued by members of any industry.

The investment adviser seeks to achieve, over time, a correlation between the Fund's performance and that of its index, before fees and expenses, of 95% or better. However, there can be no guarantee that the Fund will achieve a high degree of correlation with the index. A number of factors may affect the Fund's ability to achieve a high correlation with its index, including the degree to which the Fund uses a sampling technique (or otherwise gives a different weighting to a security than the index does). The correlation between the performance of the Fund and its index may also diverge due to transaction costs, asset valuations, timing variances, and differences between the Fund's portfolio and the index resulting from legal restrictions (such as diversification requirements) that apply to the Fund but not to the index.

**Principal Risks.** The fund is subject to risks, any of which could cause an investor to lose money. In addition, the Underlying Investment Fund is subject to the following risks: **Concentration Risk, Credit Risk, Derivatives Risk, Interest Rate Risk, Investment Style Risk, Leverage Risk, Liquidity Risk, Market Risk, Money Market Fund Risk, Mortgage-Backed And Mortgage Pass-Through Securities Risk, Mortgage Dollar Rolls Risk, Non-U.S. Issuer Risk, Portfolio Turnover Risk, Prepayment And Extension Risk, Sampling Index Tracking Risk, Securities Lending Risk, Tracking Error Risk.** These risks are discussed in the prospectus and SAI of the Underlying Investment Fund.

### Schwab® S&P 500 Index Fund (SWPPX)

**Investment Objective.** The Fund's goal is to track the total return of the S&P 500® Index.

**Principal Investment Strategies.** To pursue its goal, the Fund generally invests in stocks that are included in the S&P 500® Index. It is the Fund's policy that under normal circumstances it will invest at least 80% of its net assets (including, for this purpose, any borrowings for investment purposes) in these stocks; typically, the actual percentage is considerably higher. The Fund will notify its shareholders at least 60 days before changing this policy.

The Fund generally will seek to replicate the performance of the index by giving the same weight to a given stock as the index does. However, when the investment adviser believes it is in the best interest of the Fund, such as to avoid purchasing odd-lots (i.e., purchasing less than the usual number of shares traded for a security), for tax considerations, or to address liquidity considerations with respect to a stock, the investment adviser may cause the Fund's weighting of a stock to be more or less than the index's weighting of the stock. The Fund may sell securities that are represented in the index in anticipation of their removal from the index, or buy securities that are not yet represented in the index in anticipation of their addition to the index.

The S&P 500® Index includes the stocks of 500 leading U.S. publicly traded companies from a broad range of industries. Standard & Poor's, the company that maintains the index, uses a variety of measures to determine which stocks are listed in the index. Each stock is represented in the index in proportion to its float-adjusted market capitalization.

The Fund may invest in derivatives, principally futures contracts, and lend its securities to minimize the gap in performance that naturally exists between any index fund and its corresponding index. This gap occurs mainly because, unlike the index, the Fund incurs expenses and must keep a small portion of its assets in cash for business operations. By using futures, the Fund potentially can offset a portion of the gap attributable to its cash holdings. In addition, any income realized through securities lending may help reduce the portion of the gap attributable to expenses.

The Fund may concentrate its investments (i.e., hold more than 25% of its total assets) in an industry or group of industries to the extent that the index the Fund is designed to track is also so concentrated.

**Principal Risks.** The fund is subject to risks, any of which could cause an investor to lose money. In addition, the Underlying Investment Fund is subject to the following risks: **Concentration Risk, Derivatives Risk, Equity Risk, Investment Style Risk, Large-Cap Company Risk, Liquidity Risk, Market Capitalization Risk, Market Risk, Securities Lending Risk, Tracking Error Risk.** These risks are discussed in the prospectus and SAI of the Underlying Investment Fund.

### INVESTMENT PERFORMANCE

The performance of the Investment Options will differ from the performance of the Underlying Investment Funds due to the assessment of Program fees against the assets in each Investment Option and the reinvestment of dividends and capital gains into the Investment Options. Additionally, each Investment Option will have a higher expense ratio than its Underlying Investment Fund because of the Program fees that are charged to the Investment Option. However, your investment in the Investment Options through your Secure Choice Account may receive certain tax benefits, including tax-free withdrawals of earnings on certain qualified distributions. Investment Option performance may also be affected by cash flows into and out of the Investment Options from the Program; typically, the purchases of Underlying Investment Fund shares are made one Business Day after the date funds are contributed to the Program and allocated to an Investment Option. Depending on market conditions, the collective impact of these differences may cause the performance of an Investment Option to trail or exceed the returns of the Underlying Investment Fund to which the assets are allocated.

Investment Option performance information represents past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate—your Secure Choice Account may be worth more or less than the original amount of your contribution. Current performance may be lower or higher than the performance data cited.

The following table shows how the performance of the Investment Options has varied over the periods listed. The performance data includes each Investment Option's Total Annualized Asset-Based Fee but does not include the Fixed Account Fee or any Activity-Based Fees that may be associated with an investment in the Program. See **Fees and Expenses**. For up-to-date price and performance information, go to [saver.ilsecurechoice.com](http://saver.ilsecurechoice.com) or call 855.650.6914.

AVERAGE ANNUAL TOTAL RETURNS (as of December 31, 2023)					
Investment Option	1 Year	3 Year	5 Year	Since Inception	Inception Date
90 Day Holding Vehicle <sup>1, 2</sup>	4.45%	1.82%	1.43%	1.41%	7/2/2018

<b>Capital Preservation Fund<sup>2</sup></b>	4.62%	1.94%	1.54%	1.55%	7/2/2018
<b>Target Date Retirement Fund</b>	10.72%	-0.32%	4.93%	3.82%	7/2/2018
<b>Target Date Retirement Fund 2025</b>	11.69%	0.37%	5.95%	4.46%	7/2/2018
<b>Target Date Retirement Fund 2030</b>	13.81%	1.52%	7.20%	5.40%	7/2/2018
<b>Target Date Retirement Fund 2035</b>	15.86%	2.56%	8.33%	6.25%	7/2/2018
<b>Target Date Retirement Fund 2040</b>	17.79%	3.57%	9.36%	7.00%	7/2/2018
<b>Target Date Retirement Fund 2045</b>	19.49%	4.43%	10.25%	7.68%	7/2/2018
<b>Target Date Retirement Fund 2050</b>	20.58%	4.89%	10.69%	8.03%	7/2/2018
<b>Target Date Retirement Fund 2055</b>	20.87%	5.00%	10.80%	8.11%	7/2/2018
<b>Target Date Retirement Fund 2060</b>	20.87%	5.00%	10.83%	8.11%	7/2/2018
<b>Target Date Retirement Fund 2065</b>	20.88%	5.01%	10.93%	8.18%	7/2/2018
<b>Target Date Retirement Fund 2070</b>	20.79%	5.00%	–	7.35%	11/12/2020
<b>Conservative Fund</b>	4.68%	-4.14%	0.24%	0.50%	7/2/2018
<b>Growth Fund</b>	25.31%	9.18%	14.83%	11.81%	7/2/2018

<sup>1</sup> The 90 Day Holding Vehicle is not a stand-alone Investment Option. The 90 Day Holding Vehicle is an administrative vehicle that seeks to preserve the value of Employee contributions into a Secure Choice Account for the length of the Account Revocation Period.

<sup>2</sup> Certain fees for the 90 Day Holding Vehicle and Capital Preservation Fund may be voluntarily reduced by the Investment Manager, in its sole discretion, in an effort to maintain a net yield of 0.00%. There is no guarantee that this agreement will be in effect at any given time or that a negative yield will be avoided.

### **UNDERLYING INVESTMENT FUND PERFORMANCE BENCHMARKS**

Each Underlying Investment Fund evaluates its performance against the respective benchmark listed in the table below. Benchmark performance may be higher, in part, because it does not reflect the impact on performance of fees borne by the Investment Option.

<b>Underlying Investment Fund (Ticker)</b>	<b>Benchmark</b>
State Street Institutional U.S. Government Money Market Fund – Cabrera Capital Markets Class (CAHXX)	N/A
BlackRock LifePath® Index Retirement K (LIRKX)	LifePath Index Retirement Fund Custom Benchmark
BlackRock LifePath® Index 2025 K (LIBKX)	LifePath Index 2025 Fund Custom Benchmark
BlackRock LifePath® Index 2030 K (LINKX)	LifePath Index 2030 Fund Custom Benchmark
BlackRock LifePath® Index 2035 K (LIJKX)	LifePath Index 2035 Fund Custom Benchmark
BlackRock LifePath® Index 2040 K (LIKXX)	LifePath Index 2040 Fund Custom Benchmark
BlackRock LifePath® Index 2045 K (LIHXX)	LifePath Index 2045 Fund Custom Benchmark
BlackRock LifePath® Index 2050 K (LIPKX)	LifePath Index 2050 Fund Custom Benchmark
BlackRock LifePath® Index 2055 K (LIVKX)	LifePath Index 2055 Fund Custom Benchmark
BlackRock LifePath® Index 2060 K (LIZKX)	LifePath Index 2060 Fund Custom Benchmark
BlackRock LifePath® Index 2065 K (LIWKX)	LifePath Index 2065 Fund Custom Benchmark
Schwab® U.S. Aggregate Bond Index Fund (SWAGX)	Bloomberg US Aggregate Bond Index
Schwab® S&P 500 Index Fund (SWPPX)	S&P 500® Index

### **PROGRAM GOVERNANCE**

**Board.** The Board is responsible for the administration, management, and oversight of the Program. The Office of the Illinois State Treasurer provides support staff to the Board.

**Program Administrator.** The Program Administrator is a third-party administrator chosen by the Board to assist in carrying out the requirements of the Act. The Program Administrator provides recordkeeping and administrative services. The Program Administrator and its affiliates are responsible for day-to-day program operations, such as establishing Secure Choice Accounts, processing the IRA owner's instructions as directed, and issuing Secure Choice Account statements. The Program Administrator and its affiliate also fulfill IRS reporting requirements.

**IRA Custodian.** The IRA Custodian provides a cashing function and other responsibilities under Section 408(a) and other applicable provisions of the Code.

**Municipal Securities Custodian.** The Bank of New York Mellon is the Program's custodian of the municipal securities (i.e., the Units). As the municipal securities custodian, the Bank of New York Mellon is responsible for maintaining the assets that are contributed to each Investment Option.

**Investment Manager.** The Investment Options are comprised of allocations to mutual funds managed by BlackRock, SSGA and Schwab.

### **GENERAL INFORMATION**

**Program Privacy Policy.** Offering excellent service along with protecting your privacy is important to the Program. When you do business with the Program you are asked to provide us with personal information. This information is important because it helps us to effectively process your transactions and manage your account, and it helps our efforts to prevent access to personal financial information by unauthorized persons. We also gather certain information to comply with laws and regulations that govern the financial services industry. The Program Administrator provides the day-to-day administrative services of the Program, including the gathering of personal information to effectively serve our customers.

We may disclose information we have collected to companies who help us maintain and service your Secure Choice Account. For example, we may share information with other companies and professionals who need information to process your account and provide other recordkeeping services. We may also disclose information to companies that perform research and marketing services, and you may receive periodic notifications of account or programmatic updates from the Program or the Office of the Illinois State Treasurer. As a Secure Choice Account owner, this policy details how we use and safeguard the information you provide to us. If you have any questions about our Program Privacy Policy, please contact us at **855.650.6913**.

**The Information We Collect.** We collect information about you from the following sources: (i) information provided to us by your Employer; (2) information you give us on applications or other forms; and (iii) information about your transactions with us.

**Disclosure of Information.** As stated above, we may disclose information collected, as described above, to companies that perform research and marketing services. The Program does not disclose the personal information of current or former Secure Choice Account owners to any other person outside the Program unless you consent, or it is permitted under the Program Documents and/or applicable federal and state laws. With your consent and if allowed by law, we will provide your personal information to the financial professional you designate.

**Confidentiality and Security.** We restrict access to information about you to those employees and entities who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect this information, and each company with whom we share information has agreed to abide by these safeguards and is strictly prohibited from disclosing or using the information for any purpose other than the purposes for which it is provided to them.

**Changes to this Program Description.** The information in this Program Description is believed to be accurate as of the cover date and is subject to change without notice. No one is authorized to provide information that is different from the information in the most current form of this Program Description and any subsequent amendments or notices. Third-party websites referenced in this Program Description are not operated by the Program and the Program, the Program Administrator, the Board, the Board members, and the State of Illinois are not responsible for their content. The Board may amend this Program Description from time to time to comply with changes in the law or regulations or if the Board determines that it is in the Program's best interest to do so. However, we will not retroactively modify existing terms and conditions applicable to a Secure Choice Account in a manner adverse to you, except to the extent necessary to assure compliance with applicable state and federal laws or regulations, or to preserve the favorable tax treatment for you, the Board, Office of the Illinois State Treasurer or the Program. You should retain this Program Description for your records. If material modifications are made to the Program, a revised Program Description, amendment or notice will be sent to your address of record, or you will be notified by email if you receive documents electronically. In these cases, the new amendment/notice and/or Program Description will supersede all prior versions. Please note that we periodically match and update the addresses of record against a change of address database maintained by the U.S. Postal Service to reduce the possibility that items sent First Class Mail, such as Secure Choice Account statements, will be undeliverable.

**Independent Registered Public Accounting Firm.** We have engaged an independent public accounting firm to audit the financial statements for the Program.

## **PROGRAM CONTACT INFORMATION**

**Phone:** 855.650.6914; Monday through Friday, 8:00 a.m. to 8:00 p.m. Central Time

**Online:** [saver.ilsecurechoice.com](http://saver.ilsecurechoice.com)

**Email:** [clientservices@ilsecurechoice.com](mailto:clientservices@ilsecurechoice.com)

**Regular Mail:** Illinois Secure Choice P.O. Box 56000, Boston, MA 02205-6000

**Overnight Delivery:** Illinois Secure Choice, 95 Wells Avenue, Suite 155, Newton, MA 02459