

What is Illinois Secure Choice?

Illinois Secure Choice is a retirement savings program for private-sector workers who do not currently have a way to save at work.

- Funded by employee savings (no employer fees or contributions)
- Employee participation is completely voluntary; employees can opt in or out at any time
- Administered by a private-sector financial services firm overseen by a public board chaired by the State Treasurer

Limited Employer Role

- Easy and convenient to start/facilitate the program
- Participating employers are not fiduciaries of the program
- Employer responsibilities are limited:
 - Upload employee information to Illinois Secure Choice
 - Set up the payroll deduction process
 - Submit participating employee contributions each pay period.



Employer Registration

The Illinois Secure Choice Savings Program Act (Public Act 098-1150; 820 ILCS 80) requires certain businesses to either sponsor or contribute to a qualified retirement plan or facilitate employee enrollment in the Illinois Secure Choice retirement savings program.

Employers covered by the Act are private-sector employers operating in Illinois that have been in business for at least two years and that had at least five Illinois employees in every quarter of the previous calendar year.

Covered employers will be contacted by Illinois Secure Choice with information on next steps. For more information, visit employer.ilsecurechoice.com.

A simple way for employees to start saving for retirement:

- Program enrollment is easy and automated
- Employees save into Individual Retirement Accounts (IRA) through payroll deduction
- Accounts are portable, so an employee keeps their account even if they change jobs



Flexible Employee Participation and Investment Choice

- Flexibility to choose savings rate¹ and investments
- Ability to opt out or back in at any time²



Cost to Employee

Participants pay Administrative Fees including a Fixed Account Fee of \$4 per quarter (\$16 annually) and an Annual Asset-Based Fee that ranges from 0.32% to 0.45% of assets based on the employee's investment choices.

This pays for administration of the program and the underlying fund expenses.



Investment Options

Illinois Secure Choice offers a range of investment options, from aggressive investments seeking higher returns to conservative investment options that seek to protect the principal.

Employees can stick with the default investment options³ or choose from a simple menu of investment options, including:

- Target Retirement Date Funds
- Capital Preservation Fund
- Growth Fund
- Conservative Fund

Employees can access the full list of investment options at saver.ilsecurechoice.com.

¹ Contributions may be made up to the federal contribution limits set for a Roth IRA.

² By opting out, an employee can leave any remaining balance in the account, transfer or roll it over to another Roth IRA, or request a distribution. Requesting a distribution may result in taxes and penalties.

³ Initial contributions will be invested in the 90 Day Holding Vehicle for participants in the program for the first 90 days after the initial contribution made to an account after enrollment. After this period, earnings and future contributions will be invested in a Target Retirement Date Fund based on the employee's age.

The Illinois Secure Choice Savings Program ("IL Secure Choice" or the "Program") is an automatic enrollment payroll deduction retirement savings program overseen by the Illinois Secure Choice Savings Board ("Board"). Ascensus College Savings Recordkeeping Services, LLC ("ACSR") is the program administrator. ACSR and its affiliates are responsible for day-to-day program operations. Participants saving through IL Secure Choice beneficially own and have control over their IRAs, as provided in the Program Description available at saver.ilsecurechoice.com. IL Secure Choice is not sponsored by the employer, and therefore the employer is not responsible for the Program or liable as a Program sponsor. Employers are not permitted to endorse the Program or encourage or advise employees on whether to participate, how much (if any) to contribute, or provide investment help.

IL Secure Choice offers investment options selected by the Board. For more information on IL Secure Choice's investment options go to saver.ilsecurechoice.com. Account balances in IL Secure Choice will vary with market conditions. Investments in IL Secure Choice are not guaranteed or insured by the Board, the State of Illinois, the Federal Deposit Insurance Corporation or any other organization.

IL Secure Choice is a completely voluntary retirement program. Participants may opt out at any time or reduce or increase the amount of payroll contributions. If a participant opts out, they can later opt back into IL Secure Choice.

Saving through an IRA will not be appropriate for all individuals. Employer facilitation of IL Secure Choice should not be considered an endorsement or recommendation by a participating employer of IL Secure Choice, IRAs, or the investment options offered through IL Secure Choice. IRAs are not exclusive to IL Secure Choice and can be obtained outside of the Program and contributed to outside of payroll deduction. Contributing to an IL Secure Choice IRA through payroll deduction offers some tax benefits and consequences. However, not everyone is eligible to contribute to a Roth IRA and a participant should consult their tax or financial advisor if they have questions related to taxes or investments. Employers do not provide financial advice and employees should not contact an employer for financial advice. Employers should refer all questions about the Program to IL Secure Choice.