

Fund Facts

Tier IV: **Self-Directed Brokerage Account**

What is the Self-Directed Brokerage Account?

The Self-Directed Brokerage Account (SDBA) allows you to select from thousands of publicly traded mutual funds in addition to your Plans' core investment options. The SDBA is offered through TD AMERITRADE. If you are in more than one Plan, you may invest in the SDBA through each Plan. The fees and minimums are effective for each Plan, and they are not aggregated. The annual recordkeeping and communication services fee of 19 basis points (0.19%) capped at combined account balances of \$130,000 will be deducted from your combined Plan account balance on a quarterly basis (0.0475% per quarter). There is an additional Plan fee of \$12.50 per quarter, as well as transaction fees charged by TD AMERITRADE, and investment management related fees and expenses for the mutual funds you select.

For whom is this investment option appropriate?

The SDBA is for *knowledgeable investors* who acknowledge and understand the risks and costs associated with many of the mutual fund investments contained in the SDBA. ***You will not be able to invest in individual securities, such as stocks, bonds or options.*** By utilizing the SDBA, you acknowledge that none of the available funds in the SDBA have been reviewed for suitability by your employer, the Plan Administrator or record keeper. You are solely responsible for determining suitability of the funds that are available in the SDBA. You agree to fully indemnify and hold harmless your employer, the Plan Administrator, record keeper and any and all service providers to the Plans against any claims, damages or other causes of actions that may arise as a result of any negative consequences resulting from your use of the SDBA.

Before investing in any investment company, investors should carefully consider a fund's investment objectives, risks, charges and expenses. Fund prospectuses contain this and other important information, and may be obtained by calling TD AMERITRADE at 1-866-766-4015. Investors should read prospectuses carefully before investing.

How do I get started?

Go to www.varetire.org and select a Plan under the *Defined Contribution Plans* tab. From the Forms section, download and complete the Self-Directed Brokerage Account package to open an account, which may take up to two weeks. You may fax or mail the completed enrollment form to Ameritrade at (402) 970-7979 or P.O. Box 2226, Omaha, NE, 68103-2226. You will need your Plan's group account number.¹

How do I transfer money into my SDBA?

Visit your account on www.varetire.org or call toll free at **1-VRS-DC-PLAN1 (1-877-327-5261)** to initiate transfers into the SDBA.² Transfers will first be made into a money market fund with the SDBA provider. Then, you can purchase other funds. Also, when moving money back to your Plan's core investment options, the Ameritrade assets will be liquidated and moved to the money market fund first, and then moved to the core investment options.

Transfers into each Plan's SDBA will be subject to a minimum transfer restriction of **\$1,000**. If your transfer request does not meet this minimum amount, your transfer will not be completed. You must also maintain a minimum balance of **\$2,500** in the Plan's core investment options.

Self-Directed Brokerage Account

How do I make changes to my SDBA?

Visit the TD AMERITRADE Web site at www.tdameritraderetirement.com or call **1-866-766-4015** to change your investment options in the SDBA.

How do I transfer money back to my Plan's core investment options?

Call TD AMERITRADE at **1-866-766-4015** to liquidate securities. Once the liquidation is complete and funds are moved to the SDBA money market fund, you may transfer the assets back to the Plan's core investment options by visiting the Web site at www.varetire.org or by calling the Plan Information Line toll free at **1-VRS-DC-PLAN1 (1-877-327-5261)**.² Once the money is received by the record keeper, it may be transferred into the core investment option(s) of your choice.

How do I manage my SDBA?

Visit www.tdameritraderetirement.com or call **1-866-766-4015** to inquire about your *daily* SDBA balance.

Who sends me my statements?

The Plans' record keeper, ING, and TD AMERITRADE send quarterly statements. Your quarterly ING statement will include your core investment option balances and your total SDBA balance. Ameritrade will also send you a monthly statement if you have account activity in any month.

Note: The account balance on your ING and your TD AMERITRADE statements may be slightly different due to different period-ending dates. (For example, one may be as of the last day of the quarter, while the other may be as of the last business day.)

Distributions from your Plan

When you terminate employment and qualify for a distribution, are approved for an unforeseeable emergency withdrawal or any other type of plan distribution, you are responsible to transfer money from your TD Ameritrade SDBA, if needed, to the core investments to cover your requested distribution amount. If you fail to do so, distributions will be made only up to the amount in your core investments and may result in your distribution being less than the amount requested.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

1 Plan group account numbers are as follows: *Deferred Compensation Plan*–650271; *Cash Match Plan*–650272; *ORPPA*–650273; *ORPSS*–650274; and the *Supplemental Retirement Plan*–650275.

2 Transfer requests made online or by phone received on business days prior to close of the New York Stock Exchange (4:00 p.m. Eastern Time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

Plan Administrative Fee - ING Institutional Plan Services ("ING"), the Plans' record keeper, will deduct an annual record keeping and communication services fee of 19 basis points (0.19%) capped at \$130,000 from your combined account balance on a quarterly basis (0.0475% per quarter).

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