

COUNTY of KANE  
PURCHASING DEPARTMENT  
KANE COUNTY GOVERNMENT CENTER

Theresa Dobersztyn, C.P.M., CPPB  
Director of Purchasing

719 S. Batavia Ave., Bldg. A, 2<sup>nd</sup> Floor  
Geneva, Illinois 60134  
Telephone: (630)232-5929  
Fax: (630) 208-5107



February 14, 2017

**ADDENDUM 2**

**Request for Proposal:**      **#07-017**  
**Title:**    **Deferred Compensation Providers**

The attention of all offerors is called to the following questions received before the deadline of February 15, 2017. The answers follow each question in **bold**.

1. Please confirm how many participants have a balance in the plan. **Approximately 203 participants including about 80 currently contributing employees VOYA. Approximately 66 participants, including about 23 currently contributing employees have a balance with Nationwide**
2. Lastly regarding a surrender or MVA fee. **See attached documents**
3. What is the current crediting rate or rate of return for the fixed account/stable value option for both vendors? **See attached documents**
4. What is the Minimum guarantee. **See attached documents**
5. What are the annual plan expenses or fees associated with each vendor? What are the annual participant fees? **See attached documents.**
6. Please provide a complete breakdown of assets by fund including ticker symbols for each provider. **See attached documents**
7. What goals does the County hope to accomplish through this RFP? **Various companies have asked to join the list of approved providers. As a public entity, the Kane County Purchasing Ordinance provides the best method of providing a level playing field to all interested.**
8. How many participants currently have a balance (regardless of active vs. terminated)? **See attached documents for most current information that is available**
9. Please provide the total contributions to the plan in 2014, 2015, & 2016 for each provider. **See attached documents for most current information that is available**
10. Please provide the total distributions to the plan in 2014, 2015, & 2016 for each provider. **See attached documents for most current information that is available**
11. Does the plan currently offer loans? If so, please provide the total number of loans outstanding as well as the total number of loans issued in 2016. **Emergency loans may be made at the discretion of the plan provider**
12. Please indicate the current process for submitting loan payments. Is it done through a payroll file or directly with a participant bank account (ACH)? **Any loan payments are handled directly with the participant bank account.**
13. Please provide the current service days provided by your recordkeepers. How many group meetings and how many individual meetings were held in 2016? How many days per year would the County prefer going forward? **Providers are offered the opportunity to make**

**presentations to new employees during orientation, which is typically held once per month. The number of individual meetings is unknown.**

14. Please provide information on the fixed funds in the plan today for each provider. What is the current crediting rate? What are the expense ratios? Are there any termination provisions or liquidity restrictions (i.e. MVA, 12 month put, etc.)? **See attached documents**
15. Please provide the current service agreements with each provider. **Unavailable at this time.**
16. What are the current fees for the plan today with each provider? **See attached documents**
17. Please provide a list of any ancillary fees that are currently being charged to the plan and or its participants. i.e. QDRO's, financial advice, etc. **See attached documents.**
18. Please provide the current plan document. **See attached Kane County Deferred Compensation Plan**
19. Does the plan currently have managed account programs with each provider? If so, please provide the total assets in those programs today. **No**
20. Does the plan currently utilize a self directed brokerage option? If so, please provide the company being used as well as the total assets in the program today. **No**
21. Please Clarify question A6 - "What is the highest number of plan participants from Kane County specifically that you have serviced in any single year?" Do you mean participants who live within Kane County or participants who work in Kane County? **Participants who are employees or retirees with County of Kane.**
22. Does the County currently have an Investment Policy Statement? If yes, please provide. **No**
23. Will the County of Kane accept an exclusive, open architecture mutual fund platform proposal? **Yes**
24. Will the County of Kane accept a proposal assuming inclusion of our propriety Fixed-Interest Option? **Yes**

Please acknowledge receipt of this addendum in the space provided on Page 18 of the Proposal document. Thank you for your interest in the Kane County procurement process.

Sincerely,

*Maria C. Calamia*

Maria C. Calamia, CPPB  
Assistant Director of Purchasing

Enclosures (3)

# Participation

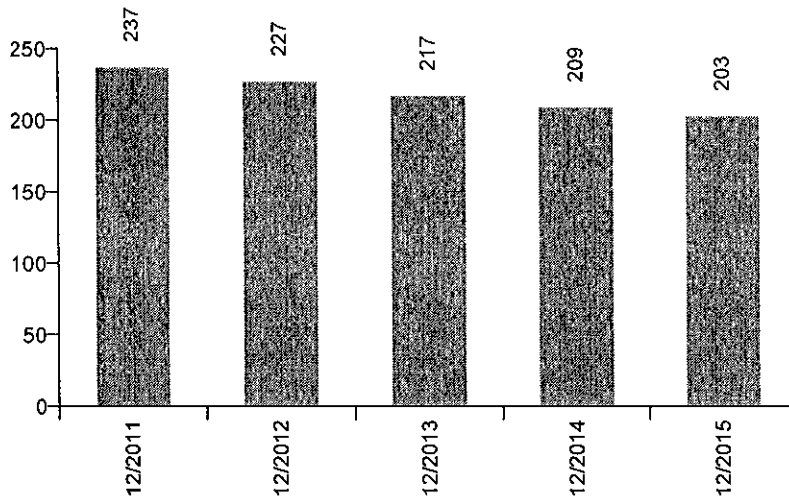
Participation is a key indicator of the success of your plan. Check out your progress. We can help you devise a plan to boost participation among employees as well as increase the deferral rates of existing participants.

VoyAO

## Participant Account Reconciliation (01/01/2015 - 12/31/2015)

|                     |     |
|---------------------|-----|
| Beginning of Period | 209 |
| New Accounts        | 2   |
| Closed Accounts     | -8  |
| End of Period       | 203 |

## Participant Accounts by Year



## Plan Participants by Age Group

| As of   | <30 |        | 30s |         | 40s |         | 50s |         | 60+ |         | N/A |        |
|---------|-----|--------|-----|---------|-----|---------|-----|---------|-----|---------|-----|--------|
| 12/2011 | 5   | 2.11 % | 42  | 17.72 % | 76  | 32.07 % | 58  | 24.47 % | 56  | 23.63 % | 0   | 0.00 % |
| 12/2012 | 4   | 1.76 % | 40  | 17.62 % | 65  | 28.63 % | 57  | 25.11 % | 61  | 26.87 % | 0   | 0.00 % |
| 12/2013 | 3   | 1.38 % | 36  | 16.59 % | 57  | 26.27 % | 60  | 27.65 % | 61  | 28.11 % | 0   | 0.00 % |
| 12/2014 | 4   | 1.91 % | 28  | 13.40 % | 51  | 24.40 % | 65  | 31.10 % | 61  | 29.19 % | 0   | 0.00 % |
| 12/2015 | 3   | 1.48 % | 25  | 12.32 % | 50  | 24.63 % | 65  | 32.02 % | 60  | 29.56 % | 0   | 0.00 % |

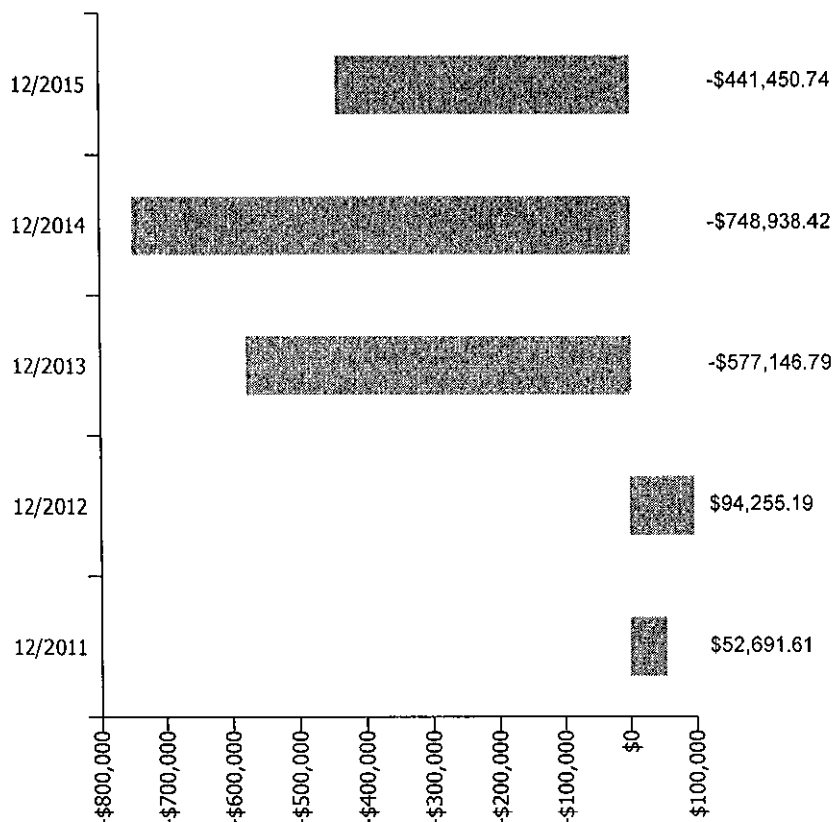
Voya 1

## Transaction Activity Detail

Below is a summary of your plan's transaction activity and net cash flow, along with highlights of the more notable transactions for the current period and prior periods. Monitor this data over time to ensure contribution levels are satisfactory and that distributions haven't risen unexpectedly, possibly indicating a need for further employee education.

| Summary Activity | (01/01/2015 - 12/31/2015) |              | (01/01/2014 - 12/31/2014) |              |
|------------------|---------------------------|--------------|---------------------------|--------------|
|                  | Amount                    | Participants | Amount                    | Participants |
| Contributions    | \$336,505.42              | 97           | \$374,134.37              | 106          |
| Distributions    | -\$777,956.16             | 22           | -\$1,123,072.79           | 23           |
| Other Activity   | \$2,013.07                | 1            | -\$41,081.94              | 5            |

### Net Cash Flow by Period End (Contributions vs Distributions)



The Summary Activity section does not include daily valuations of investment options; thus it does not reflect market appreciation or depreciation. Net Cash Flow above is determined by subtracting the total Distributions from the total Contributions for the period.

Voya 2

| Activity Highlights | Current Period<br>(01/01/2016 - 12/31/2015) |              | Prior Period<br>(01/01/2014 - 12/31/2014) |              | Change Over<br>Prior Period |              |
|---------------------|---|--------------|---|--------------|-----------------------------|--------------|
|                     | Amount                                      | Participants | Amount                                    | Participants | Amount                      | Participants |
| Contributions       | \$336,505.42                                | 97           | \$374,134.37                              | 106          | -10.06 %                    | -9           |
| Deferred Comp.      | \$336,505.42                                | 97           | \$374,134.37                              | 106          | -10.06 %                    | -9           |
| Distributions       | -\$777,956.16                               | 22           | -\$1,123,072.79                           | 23           | -30.73 %                    | -1           |
| Hardship Withdrawal | -\$10,400.00                                | 4            | -\$21,989.70                              | 5            | -52.71 %                    | -1           |
| Periodic Payment    | -\$45,699.79                                | 8            | -\$44,272.31                              | 7            | +3.22 %                     | 1            |
| Withdrawal          | -\$721,856.37                               | 11           | -\$1,056,810.78                           | 11           | -31.69 %                    | 0            |
| Other Activity      | \$2,013.07                                  | 1            | -\$41,081.94                              | 5            |                             |              |
| Asset Transfer      | \$2,013.07                                  | 1            | -\$41,081.94                              | 5            |                             |              |

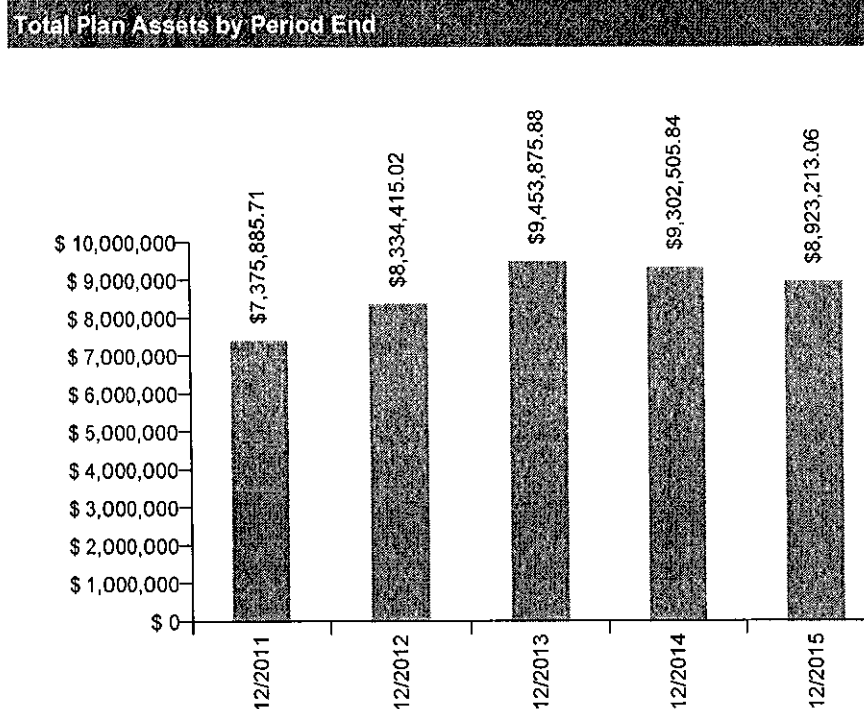
If applicable, "Asset Transfer" may refer to internal or external transfers of assets as a result of various transactions including, but not limited to, 90-24 transfers, 1035 exchanges, rollover contributions, mergers or product conversions. If applicable, "Fee," aside from "TPA Fee Deduction" and "Maintenance Fee," may refer to asset based administration, service or loan fees. If applicable, "Dividends" may represent dividends earned on assets held in NAV Funds or Self Directed Brokerage Option accounts.

Voya 3

## Plan Statement

Here's a summary of your plan's current and prior period assets. In addition, total assets are graphed in the chart below for the 5 most recent periods. Please note, in some cases there may be differences between amounts noted here and in other reports or statements you receive. Differences may be due to timing and reporting methods. For this reason, we suggest you do not rely solely on the Plan Review for audit purposes.

| Plan Summary                    | (01/01/2015 - 12/31/2015) | (01/01/2014 - 12/31/2014) |
|---------------------------------|---------------------------|---------------------------|
|                                 | Amount                    | Amount                    |
| Beginning of Period Plan Assets | \$9,302,505.84            | \$9,453,875.88            |
| Contributions                   | \$336,505.42              | \$374,134.37              |
| Distributions                   | -\$777,956.16             | -\$1,123,072.79           |
| Other Activity                  | \$2,013.07                | -\$41,081.94              |
| Appreciation\Depreciation       | \$60,144.89               | \$638,650.32              |
| End of Period Plan Assets       | \$8,923,213.06            | \$9,302,505.84            |



Appreciation\Depreciation reflects the investment gains\losses during the period reported excluding assets held outside Voya. If applicable, Dividends may represent dividends earned on assets held in NAV Funds or Self Directed Brokerage Option accounts.

# PERFORMANCE UPDATE

## Voya Retirement Insurance and Annuity Company

Voya 4

### COUNTY OF KANE

#### Separate Account D

#### Average Annual Total Returns as of: 07/31/2016 (shown in percentages)

Variable annuities and funding agreements are long-term investment vehicles designed for retirement purposes which allow you to allocate contributions among variable investment options that have the potential to grow tax-deferred with an option to receive a stream of income at a later date.

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-232-5422. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

These numbers reflect total Separate Account charges, ranging from 0.65% to 0.80% on an annual basis. They also assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses. See "Additional Notes" section for charges by investment option.

Depending upon the type of contract in which you participate, you have either received disclosure booklets for the separate account and/or fund prospectuses. You should consider the investment objectives, risks and charges, and expenses of the variable product and its underlying fund options carefully before investing. The disclosure booklet contains this and other information. Anyone who wishes to obtain a free copy of the separate account disclosure booklet and/or fund prospectuses may call their Voya representative or the number above. Please read the separate account disclosure booklet and/or the fund prospectuses carefully before investing.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

| Investment Options  | 1-Mo  | 3-Mo  | YTD   | 1-Yr  | 3-Yr  | 5-Yr  | 10-Yr | Incept | Fund Inception Date |
|---|-------|-------|-------|-------|-------|-------|-------|--------|---------------------|
| <b>Stability of Principal</b>   |       |       |       |       |       |       |       |        |                     |
| <b>Money Market</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Government Money Market Portfolio - Class I - 003  | -0.05 | -0.13 | -0.31 | -0.58 | -0.62 | -0.62 | 0.40  |        | 01/01/1980          |
| The 7-day annualized Subaccount yield as of 07/31/2016 is -0.65%, which more closely reflects current earnings. (7) |       |       |       |       |       |       |       |        |                     |
| <b>Stability of Principal</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Account - 002 (1)(6)   | 0.11  | 0.33  | 0.75  | 1.30  | 1.33  | 1.49  | 2.02  |        |                     |
| This fund is not part of the product's separate account.  |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Plus Account - 019 (2)(6)  | 0.25  | 0.75  | 1.74  | 3.00  | 3.00  | 3.00  | 3.13  |        |                     |
| This fund is not part of the product's separate account.  |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Account - 457/401 - 043 (3)(6)   | 0.25  | 0.75  | 1.74  | 3.00  | 3.00  | 3.00  | 3.07  |        |                     |
| This fund is not part of the product's separate account.  |       |       |       |       |       |       |       |        |                     |
| <b>Bonds</b>  |       |       |       |       |       |       |       |        |                     |
| <b>Intermediate-Term Bond</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Intermediate Bond Portfolio - Class I - 004  | 1.07  | 2.84  | 6.23  | 5.64  | 4.33  | 4.37  | 4.46  |        | 05/23/1973          |
| Voya Intermediate Bond Portfolio - Class S - 1233   | 1.05  | 2.79  | 6.12  | 5.42  | 4.09  | 4.11  | 4.20  |        | 05/23/1973          |
| <b>World Bond</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Global Bond Portfolio - Initial Class - 422  | 1.54  | 1.74  | 9.92  | 7.40  | 1.72  | 0.44  | 3.80  |        | 11/08/2004          |
| Voya Global Bond-Int / Janus Aspen Flexible Inc-Inst (4)  | 1.54  | 1.73  | 9.91  | 7.39  | 1.71  | 0.44  | 3.80  |        | 09/13/1993          |
| <b>Asset Allocation</b>   |       |       |       |       |       |       |       |        |                     |
| <b>Lifestyle</b>  |       |       |       |       |       |       |       |        |                     |

**VOYA**  
FINANCIAL™

VOYAS

| Investment Options   | 1-Mo | 3-Mo | YTD   | 1-Yr  | 3-Yr  | 5-Yr  | 10-Yr | Incept | Fund Inception Date |
|--|------|------|-------|-------|-------|-------|-------|--------|---------------------|
| Voya Strategic Allocation Growth Portfolio - Class I - 031         | 3.29 | 4.12 | 4.68  | -0.40 | 5.72  | 7.18  | 4.00  |        | 07/05/1995          |
| Voya Strategic Allocation Moderate Portfolio - Class I - 032       | 2.63 | 3.71 | 4.79  | 0.93  | 5.41  | 6.48  | 4.11  |        | 07/05/1995          |
| Voya Strategic Allocation Conservative Portfolio - Class I - 033   | 1.99 | 3.08 | 4.71  | 1.84  | 4.91  | 5.88  | 4.22  |        | 07/05/1995          |
| <b>Balanced</b>  |      |      |       |       |       |       |       |        |                     |
| <b>Allocation--50% to70% Equity</b>                                |      |      |       |       |       |       |       |        |                     |
| Voya Balanced Portfolio - Class I - 008                            | 2.62 | 3.72 | 5.18  | 0.89  | 4.96  | 6.08  | 4.15  |        | 04/03/1989          |
| Calvert VP SRI Balanced Portfolio - 101                            | 2.25 | 3.51 | 5.88  | 0.80  | 5.98  | 7.22  | 4.39  |        | 09/02/1986          |
| VY Inv Eqty & Inc Port I/Janus Asp Balanced I (4)                  | 3.24 | 3.51 | 5.11  | 0.20  | 5.41  | 8.19  | 5.56  |        | 09/13/1993          |
| VY@ Invesco Equity and Income Portfolio - Initial Class - 452      | 3.24 | 3.51 | 5.11  | 0.20  | 5.41  | 8.19  | 5.56  |        | 12/10/2001          |
| <b>Large Cap Value</b>   |      |      |       |       |       |       |       |        |                     |
| <b>Large Blend</b>   |      |      |       |       |       |       |       |        |                     |
| Voya Growth and Income Portfolio - Class I - 001                   | 2.14 | 5.03 | 5.25  | 1.09  | 7.54  | 10.55 | 6.08  |        | 12/31/1979          |
| Voya Index Plus LargeCap Portfolio - Class I - 035                 | 3.87 | 5.24 | 5.96  | 3.22  | 9.76  | 11.73 | 6.02  |        | 09/16/1996          |
| Invesco V.I. Core Equity Fund - Series I Shares - 079              | 3.92 | 5.06 | 8.13  | 0.08  | 5.71  | 8.33  | 5.92  |        | 05/02/1994          |
| Pioneer Fund VCT Portfolio - Class I - 224                         | 3.04 | 5.06 | 5.91  | 2.00  | 8.40  | 9.55  | 5.39  |        | 10/31/1997          |
| Lord Abbett Series Fund Growth and Income Portfolio - CI VC - 226  | 2.76 | 4.41 | 7.34  | 2.76  | 6.42  | 9.23  | 4.07  |        | 12/11/1989          |
| VY@ Columbia Contrarian Core Portfolio - Service Class - 264       | 3.90 | 4.83 | 5.63  | 3.67  | 10.16 | 11.14 | 5.36  |        | 12/10/2001          |
| Voya Growth and Income Portfolio - Class S - 1290                  | 2.09 | 4.99 | 5.06  | 0.83  | 7.27  | 10.27 | 5.80  |        | 12/31/1979          |
| <b>Large Value</b>   |      |      |       |       |       |       |       |        |                     |
| Fidelity VIP Equity-Income Portfolio - Initial Class - 108         | 3.66 | 4.87 | 8.89  | 2.28  | 5.94  | 9.95  | 4.63  |        | 10/09/1986          |
| Pioneer Equity Income VCT Portfolio - Class I - 225                | 2.21 | 4.81 | 10.56 | 8.32  | 9.91  | 11.67 | 6.40  |        | 03/01/1995          |
| VY@ Invesco Comstock Portfolio - Service Class - 437               | 3.95 | 2.40 | 3.61  | -3.95 | 4.67  | 9.37  | 4.60  |        | 05/01/2002          |
| VY@ T. Rowe Price Equity Income Portfolio - Service Class - 617    | 3.33 | 4.23 | 9.46  | 3.83  | 5.22  | 9.51  | 5.03  |        | 01/24/1989          |
| <b>Large Cap Growth</b>  |      |      |       |       |       |       |       |        |                     |
| <b>Large Growth</b>  |      |      |       |       |       |       |       |        |                     |
| Fidelity VIP Growth Portfolio - Initial Class - 109                | 4.98 | 5.99 | 1.36  | -0.56 | 10.86 | 11.04 | 7.45  |        | 10/09/1986          |
| VY@ T. Rowe Price Growth Equity Portfolio - Initial Class - 111    | 6.08 | 5.56 | -0.62 | -2.23 | 11.61 | 12.48 | 8.15  |        | 11/28/1997          |
| Fidelity VIP Contrafund Portfolio - Initial Class - 133            | 4.01 | 4.67 | 4.35  | 0.08  | 8.78  | 10.25 | 6.65  |        | 01/03/1995          |
| Voya Large Cap Growth Portfolio - Institutional Class - 742        | 4.78 | 5.72 | 3.51  | 2.27  | 11.54 | 12.67 | 11.02 |        | 05/03/2004          |
| Invesco V.I. American Franchise Fund - Series I Shares - 3384      | 6.16 | 7.98 | 1.62  | 0.91  | 10.46 | 9.45  | 7.46  |        | 07/03/1995          |
| <b>Small/Mid/Specialty</b>   |      |      |       |       |       |       |       |        |                     |
| <b>Mid-Cap Blend</b>   |      |      |       |       |       |       |       |        |                     |
| Voya Index Plus MidCap Portfolio - Class I - 053                   | 4.24 | 6.48 | 9.84  | 2.76  | 8.71  | 11.34 | 7.12  |        | 12/16/1997          |
| Lord Abbett Series Fund - Mid Cap Stock Portfolio - CI VC - 075    | 3.25 | 5.07 | 8.58  | 1.27  | 7.26  | 9.17  | 5.57  |        | 09/15/1999          |
| <b>Mid-Cap Growth</b>  |      |      |       |       |       |       |       |        |                     |
| Voya MidCap Opportunities Portfolio - Class I - 081                | 4.70 | 6.49 | 8.08  | 2.85  | 8.44  | 10.27 | 10.11 |        | 05/05/2000          |
| VY@ Baron Growth Portfolio - Service Class - 436                   | 2.93 | 5.21 | 6.69  | -2.89 | 5.86  | 10.33 | 7.33  |        | 05/01/2002          |
| VY T.Rowe Price Div MidCap-I/Janus Aspen MidCap - I (4)            | 5.22 | 6.86 | 6.68  | 0.51  | 10.17 | 11.30 | 8.70  |        | 09/13/1993          |
| VY@ T. Rowe Price Diversified Mid Cap Growth Port - Initial - 449  | 5.22 | 6.86 | 6.68  | 0.51  | 10.18 | 11.31 | 8.71  |        | 12/10/2001          |
| <b>Mid-Cap Value</b>   |      |      |       |       |       |       |       |        |                     |
| Pioneer Mid Cap Value VCT Portfolio - Class I - 074                | 3.85 | 6.90 | 8.32  | 1.76  | 7.89  | 9.15  | 6.00  |        | 03/01/1995          |
| VY@ JPMorgan Mid Cap Value Portfolio - Service Class - 435         | 2.47 | 4.30 | 8.76  | 2.40  | 8.88  | 12.80 | 7.79  |        | 05/01/2002          |
| VY@ American Century Small-Mid Cap Value Portfolio - Service - 440 | 3.40 | 5.43 | 11.34 | 7.45  | 9.57  | 12.06 | 8.45  |        | 05/01/2002          |
| <b>Small Blend</b>   |      |      |       |       |       |       |       |        |                     |
| Voya Small Company Portfolio - Class I - 042                       | 4.68 | 7.74 | 10.34 | 3.73  | 8.84  | 11.63 | 8.06  |        | 12/27/1996          |
| Voya Index Plus SmallCap Portfolio - Class I - 052                 | 4.54 | 7.27 | 11.57 | 4.61  | 8.75  | 11.28 | 5.94  |        | 12/19/1997          |
| <b>Small Growth</b>  |      |      |       |       |       |       |       |        |                     |
| Voya SmallCap Opportunities Portfolio - Class I - 080              | 6.25 | 8.57 | 6.76  | -1.90 | 7.18  | 11.38 | 9.00  |        | 05/06/1994          |
| <b>Small Value</b>   |      |      |       |       |       |       |       |        |                     |
| Franklin Small Cap Value VIP Fund - Class 2 - 073 (5)              | 4.05 | 8.86 | 15.26 | 6.84  | 6.22  | 10.44 | 6.22  |        | 05/01/1998          |
| <b>Global / International</b>                                      |      |      |       |       |       |       |       |        |                     |



Voya

| Investment Options  | 1-Mo | 3-Mo  | YTD   | 1-Yr   | 3-Yr  | 5-Yr | 10-Yr | Incept | Fund Inception Date |
|---|------|-------|-------|--------|-------|------|-------|--------|---------------------|
| <b>Foreign Large Blend</b>                                    |      |       |       |        |       |      |       |        |                     |
| Voya International Index Portfolio - Class I - 1551           | 4.09 | 1.00  | 0.23  | -8.28  | 0.86  | 2.12 |       | 0.16   | 03/04/2008          |
| <b>Foreign Large Growth</b>                                   |      |       |       |        |       |      |       |        |                     |
| Fidelity VIP Overseas Portfolio - Initial Class - 107         | 4.37 | -0.04 | -2.91 | -9.68  | 1.57  | 2.29 | 1.73  |        | 01/28/1987          |
| <b>Foreign Large Value</b>                                    |      |       |       |        |       |      |       |        |                     |
| VY® Templeton Foreign Equity Portfolio - Initial Class - 1586 | 3.89 | -1.10 | -1.97 | -11.52 | -1.14 | 0.95 | 1.64  |        | 01/03/2006          |
| <b>World Stock</b>  |      |       |       |        |       |      |       |        |                     |
| VY Oppenheimer Global-Int/Janus Aspen Worldwide Gr-Inst (4)   | 6.05 | 2.19  | -2.90 | -10.53 | 4.24  | 6.45 | 4.89  |        | 09/13/1993          |
| VY® Oppenheimer Global Portfolio - Initial Class - 432        | 6.05 | 2.19  | -2.90 | -10.53 | 4.24  | 6.45 | 4.89  |        | 05/01/2002          |
| Voya Global Equity Portfolio - Class I - 3056                 | 2.82 | 2.96  | 2.51  | -4.11  | 4.24  | 3.79 |       | 0.51   | 01/28/2008          |

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

# PERFORMANCE UPDATE

Voya 7

## Voya Retirement Insurance and Annuity Company

### COUNTY OF KANE

#### Separate Account D

**Average Annual Total Returns as of: 06/30/2016** (shown in percentages)

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-232-5422. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

These numbers reflect total Separate Account charges, ranging from 0.65% to 0.80% on an annual basis. They also assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses. See "Additional Notes" section for charges by investment option.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

| Investment Options   | 1-Mo  | 3-Mo  | YTD   | 1-Yr  | 3-Yr  | 5-Yr  | 10-Yr | Incept | Fund Inception Date |
|--|-------|-------|-------|-------|-------|-------|-------|--------|---------------------|
| <b>Stability of Principal</b>  |       |       |       |       |       |       |       |        |                     |
| <b>Money Market</b>  |       |       |       |       |       |       |       |        |                     |
| Voya Government Money Market Portfolio - Class I - 003   | -0.05 | -0.13 | -0.26 | -0.59 | -0.62 | -0.62 | 0.44  |        | 01/01/1980          |
| <i>The 7-day annualized Subaccount yield as of 06/30/2016 is -0.65%, which more closely reflects current earnings. (7)</i> |       |       |       |       |       |       |       |        |                     |
| <b>Stability of Principal</b>  |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Account - 002 (1)(6)  | 0.11  | 0.32  | 0.64  | 1.30  | 1.33  | 1.50  | 2.04  |        |                     |
| <i>This fund is not part of the product's separate account.</i>  |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Plus Account - 019 (2)(6)   | 0.24  | 0.74  | 1.48  | 3.00  | 3.00  | 3.00  | 3.13  |        |                     |
| <i>This fund is not part of the product's separate account.</i>  |       |       |       |       |       |       |       |        |                     |
| Voya Fixed Account - 457/401 - 043 (3)(6)  | 0.24  | 0.74  | 1.48  | 3.00  | 3.00  | 3.00  | 3.08  |        |                     |
| <i>This fund is not part of the product's separate account.</i>  |       |       |       |       |       |       |       |        |                     |
| <b>Bonds</b>   |       |       |       |       |       |       |       |        |                     |
| <b>Intermediate-Term Bond</b>  |       |       |       |       |       |       |       |        |                     |
| Voya Intermediate Bond Portfolio - Class I - 004   | 1.84  | 2.49  | 5.11  | 5.12  | 4.11  | 4.42  | 4.48  |        | 05/23/1973          |
| Voya Intermediate Bond Portfolio - Class S - 1233  | 1.75  | 2.47  | 5.02  | 4.83  | 3.84  | 4.17  | 4.21  |        | 05/23/1973          |
| <b>World Bond</b>  |       |       |       |       |       |       |       |        |                     |
| Voya Global Bond Portfolio - Initial Class - 422   | 1.17  | 1.92  | 8.25  | 5.69  | 1.65  | 0.60  | 3.81  |        | 11/08/2004          |
| Voya Global Bond-Int / Janus Aspen Flexible Inc-Inst (4)   | 1.17  | 1.92  | 8.24  | 5.69  | 1.64  | 0.60  | 3.81  |        | 09/13/1993          |
| <b>Asset Allocation</b>  |       |       |       |       |       |       |       |        |                     |
| <b>Lifestyle</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Strategic Allocation Growth Portfolio - Class I - 031   | -0.13 | 1.82  | 1.35  | -2.72 | 6.23  | 6.09  | 3.67  |        | 07/05/1995          |
| Voya Strategic Allocation Moderate Portfolio - Class I - 032   | 0.26  | 1.94  | 2.10  | -0.81 | 5.82  | 5.69  | 3.87  |        | 07/05/1995          |
| Voya Strategic Allocation Conservative Portfolio - Class I - 033   | 0.69  | 1.99  | 2.66  | 0.76  | 5.18  | 5.39  | 4.09  |        | 07/05/1995          |
| <b>Balanced</b>  |       |       |       |       |       |       |       |        |                     |
| <b>Allocation--50% to 70% Equity</b>   |       |       |       |       |       |       |       |        |                     |
| Voya Balanced Portfolio - Class I - 008  | 0.16  | 2.02  | 2.50  | -0.99 | 5.45  | 5.38  | 3.93  |        | 04/03/1989          |
| Calvert VP SRI Balanced Portfolio - 101  | 0.22  | 1.91  | 3.55  | -0.63 | 6.59  | 6.69  | 4.19  |        | 09/02/1986          |
| VY Inv Eqty & Inc Port I/Janus Asp Balanced I (4)  | -0.86 | 2.86  | 1.81  | -2.00 | 5.67  | 7.00  | 5.40  |        | 09/13/1993          |

Voya

| Investment Options   | 1-Mo  | 3-Mo  | YTD   | 1-Yr   | 3-Yr  | 5-Yr  | 10-Yr | Incept | Fund Inception Date |
|--|-------|-------|-------|--------|-------|-------|-------|--------|---------------------|
| VY® Invesco Equity and Income Portfolio - Initial Class - 452      | -0.86 | 2.86  | 1.81  | -2.00  | 5.67  | 7.00  | 5.40  |        | 12/10/2001          |
| <b>Large Cap Value</b>   |       |       |       |        |       |       |       |        |                     |
| <b>Large Blend</b>   |       |       |       |        |       |       |       |        |                     |
| Voya Growth and Income Portfolio - Class I - 001                   | 0.41  | 4.11  | 3.05  | -0.41  | 8.95  | 9.68  | 5.89  |        | 12/31/1979          |
| Voya Index Plus LargeCap Portfolio - Class I - 035                 | -0.10 | 1.81  | 2.01  | 1.31   | 10.36 | 10.36 | 5.69  |        | 09/16/1996          |
| Invesco V.I. Core Equity Fund - Series I Shares - 079              | -0.68 | 1.52  | 4.05  | -2.56  | 5.82  | 6.97  | 5.58  |        | 05/02/1994          |
| Pioneer Fund VCT Portfolio - Class I - 224                         | 0.48  | 1.75  | 2.79  | 1.50   | 9.36  | 8.13  | 5.16  |        | 10/31/1997          |
| Lord Abbett Series Fund Growth and Income Portfolio - CI VC - 226  | -0.18 | 4.57  | 4.46  | 0.38   | 7.71  | 7.99  | 4.01  |        | 12/11/1989          |
| VY® Columbia Contrarian Core Portfolio - Service Class - 264       | -1.16 | 1.41  | 1.67  | 1.17   | 10.97 | 9.87  | 5.04  |        | 12/10/2001          |
| Voya Growth and Income Portfolio - Class S - 1290                  | 0.41  | 4.05  | 2.91  | -0.65  | 8.69  | 9.41  | 5.62  |        | 12/31/1979          |
| <b>Large Value</b>   |       |       |       |        |       |       |       |        |                     |
| Fidelity VIP Equity-Income Portfolio - Initial Class - 108         | 0.18  | 2.97  | 5.05  | -0.60  | 6.31  | 8.57  | 4.41  |        | 10/09/1986          |
| Pioneer Equity Income VCT Portfolio - Class I - 225                | 1.32  | 3.70  | 8.17  | 8.72   | 10.92 | 10.50 | 6.40  |        | 03/01/1995          |
| VY® Invesco Comstock Portfolio - Service Class - 437               | -1.62 | 1.68  | -0.33 | -7.28  | 4.99  | 7.94  | 4.32  |        | 05/01/2002          |
| VY® T. Rowe Price Equity Income Portfolio - Service Class - 617    | -0.14 | 3.25  | 5.93  | -0.02  | 5.71  | 8.04  | 4.79  |        | 01/24/1989          |
| <b>Large Cap Growth</b>  |       |       |       |        |       |       |       |        |                     |
| <b>Large Growth</b>  |       |       |       |        |       |       |       |        |                     |
| Fidelity VIP Growth Portfolio - Initial Class - 109                | -1.72 | 1.06  | -3.45 | -2.31  | 11.34 | 9.87  | 6.68  |        | 10/09/1986          |
| VY® T. Rowe Price Growth Equity Portfolio - Initial Class - 111    | -2.48 | -0.85 | -6.32 | -3.40  | 11.49 | 11.13 | 7.41  |        | 11/28/1997          |
| Fidelity VIP Contrafund Portfolio - Initial Class - 133            | -0.89 | 1.83  | 0.33  | -2.65  | 9.26  | 9.09  | 6.07  |        | 01/03/1995          |
| Voya Large Cap Growth Portfolio - Institutional Class - 742        | -1.35 | 0.15  | -1.20 | 0.78   | 11.81 | 11.33 | 10.06 |        | 05/03/2004          |
| Invesco V.I. American Franchise Fund - Series I Shares - 3384      | -1.97 | 1.03  | -4.27 | -2.29  | 11.15 | 8.17  | 6.38  |        | 07/03/1995          |
| <b>Small/Mid/Specialty</b>   |       |       |       |        |       |       |       |        |                     |
| <b>Mid-Cap Blend</b>   |       |       |       |        |       |       |       |        |                     |
| Voya Index Plus MidCap Portfolio - Class I - 053                   | -0.21 | 2.97  | 5.38  | -1.07  | 9.41  | 9.60  | 6.37  |        | 12/16/1997          |
| Lord Abbett Series Fund - Mid Cap Stock Portfolio - CI VC - 075    | -0.63 | 3.51  | 5.16  | -1.24  | 8.04  | 7.61  | 4.93  |        | 09/15/1999          |
| <b>Mid-Cap Growth</b>  |       |       |       |        |       |       |       |        |                     |
| Voya MidCap Opportunities Portfolio - Class I - 081                | -0.57 | 2.53  | 3.23  | -0.25  | 9.06  | 8.32  | 9.01  |        | 05/05/2000          |
| VY® Baron Growth Portfolio - Service Class - 436                   | 0.60  | 3.33  | 3.65  | -4.87  | 6.62  | 8.75  | 6.32  |        | 05/01/2002          |
| VY T.Rowe Price Div MidCap-I/Janus Aspen MidCap - I (4)            | -0.53 | 1.78  | 1.39  | -3.21  | 10.57 | 9.20  | 7.75  |        | 09/13/1993          |
| VY® T. Rowe Price Diversified Mid Cap Growth Port - Initial - 449  | -0.53 | 1.78  | 1.39  | -3.21  | 10.55 | 9.21  | 7.76  |        | 12/10/2001          |
| <b>Mid-Cap Value</b>   |       |       |       |        |       |       |       |        |                     |
| Pioneer Mid Cap Value VCT Portfolio - Class I - 074                | 0.30  | 2.72  | 4.31  | -1.49  | 8.91  | 7.47  | 5.38  |        | 03/01/1995          |
| VY® JPMorgan Mid Cap Value Portfolio - Service Class - 435         | 0.74  | 2.29  | 6.14  | 0.99   | 9.87  | 11.41 | 7.44  |        | 05/01/2002          |
| VY® American Century Small-Mid Cap Value Portfolio - Service - 440 | -0.15 | 4.18  | 7.68  | 3.57   | 10.16 | 10.52 | 7.96  |        | 05/01/2002          |
| <b>Small Blend</b>   |       |       |       |        |       |       |       |        |                     |
| Voya Small Company Portfolio - Class I - 042                       | -0.48 | 4.46  | 5.41  | -1.20  | 9.54  | 9.51  | 7.20  |        | 12/27/1996          |
| Voya Index Plus SmallCap Portfolio - Class I - 052                 | 0.61  | 2.87  | 6.73  | -0.84  | 9.38  | 9.55  | 5.10  |        | 12/19/1997          |
| <b>Small Growth</b>  |       |       |       |        |       |       |       |        |                     |
| Voya SmallCap Opportunities Portfolio - Class I - 080              | -1.20 | 3.44  | 0.48  | -7.81  | 7.46  | 8.74  | 7.83  |        | 05/06/1994          |
| <b>Small Value</b>   |       |       |       |        |       |       |       |        |                     |
| Franklin Small Cap Value VIP Fund - Class 2 - 073 (5)              | 2.83  | 5.57  | 10.78 | 0.71   | 7.07  | 8.61  | 5.43  |        | 05/01/1998          |
| <b>Global / International</b>                                      |       |       |       |        |       |       |       |        |                     |
| <b>Foreign Large Blend</b>   |       |       |       |        |       |       |       |        |                     |
| Voya International Index Portfolio - Class I - 1551                | -2.59 | -0.70 | -3.71 | -10.48 | 1.26  | 0.90  | -0.32 |        | 03/04/2008          |
| <b>Foreign Large Growth</b>  |       |       |       |        |       |       |       |        |                     |
| Fidelity VIP Overseas Portfolio - Initial Class - 107              | -5.48 | -3.08 | -6.97 | -12.21 | 2.31  | 1.12  | 1.25  |        | 01/28/1987          |
| <b>Foreign Large Value</b>   |       |       |       |        |       |       |       |        |                     |
| VY® Templeton Foreign Equity Portfolio - Initial Class - 1586      | -3.96 | -2.41 | -5.64 | -14.82 | -0.36 | -0.40 | 1.40  |        | 01/03/2006          |
| <b>World Stock</b>   |       |       |       |        |       |       |       |        |                     |

Voya 9

| Investment Options  | 1-Mo  | 3-Mo  | YTD   | 1-Yr   | 3-Yr | 5-Yr | 10-Yr | Incept | Fund Inception Date |
|---|-------|-------|-------|--------|------|------|-------|--------|---------------------|
| VY Oppenheimer Global-Int/Janus Aspen Worldwide Gr-Inst (4) | -3.74 | -1.86 | -8.43 | -14.15 | 4.03 | 4.41 | 4.15  |        | 09/13/1993          |
| VY® Oppenheimer Global Portfolio - Initial Class - 432      | -3.74 | -1.86 | -8.43 | -14.15 | 4.03 | 4.41 | 4.15  |        | 05/01/2002          |
| Voya Global Equity Portfolio - Class I - 3056               | -0.63 | 0.98  | -0.31 | -7.08  | 4.74 | 2.61 |       | 0.19   | 01/28/2008          |

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

#### Additional Notes

These numbers reflect the fund's investment advisory fees, other fund expenses, and the annual deduction from the Separate Account as stated below:

Voya Balanced Portfolio I, Voya Global Equity Portfolio I, Voya Govt Money Market Portfolio I, Voya Growth and Income Port I, Voya Growth and Income Port S, Voya Index Plus LargeCap Portfolio I, Voya Index Plus MidCap Portfolio I, Voya Index Plus SmallCap Portfolio I, Voya Intermediate Bond Port I, Voya Intermediate Bond Port S, Voya International Index Port I, Voya Large Cap Growth Port Inst, Voya MidCap Opportunities Port I, Voya Small Company Portfolio I, Voya SmallCap Opportunities Port I, Voya Strategic Alloc Conserv Port I, Voya Strategic Alloc Growth Port I, Voya Strategic Alloc Moderate Port I: 0.65%  
All Other funds: 0.80%

(1)The CURRENT rate for the Voya Fixed Account Regular is 1.30%, expressed as an annual effective yield, and is guaranteed not to drop below 1.15% through 12/31/2016. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

(2)The CURRENT rate for the Voya Fixed Plus Account Regular is 3.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.00% through 12/31/2016. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

(3)The CURRENT rate for the Voya Fixed Account - 457/401 Base+15 is 3.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.00% through 12/31/2016. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

**An investment in the 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.**

(4)The latter fund listed was replaced with the applicable Voya Investment Trust Co. Portfolio (the first fund listed). For most Plans this occurred after the close of business on December 3, 2004. The performance shown is based on the performance of the replaced fund until December 3, 2004, and the performance of the applicable Voya Investment Trust Co. Portfolio after that date. The replaced fund may not have been available under all contracts.

(5)The FTVIP Franklin Small Cap Value Securities Fund - Class 2 commenced operations on January 6, 1999. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class 1 of this fund. The performance information for the FTVIP Franklin Small Cap Value Securities Fund - Class 2 prior to January 6, 1999 is based upon the Class 1 performance, adjusted by fees associated with the Class 2.

(6)The Investment Option is neither a mutual fund nor part of a Separate Account. The returns listed do not include the impact of contract charges. Please refer to the contract or disclosure book to determine which Fixed Interest Options are available for your specific plan. The Investment Option is offered through Voya Retirement Insurance and Annuity Company.

The CURRENT rate for the Voya Short Term Guaranteed Accumulation Account is 1.00%, expressed as an annual effective yield, and is guaranteed between 07/30/2016 and 08/30/2019.

The CURRENT rate for the Voya Long Term Guaranteed Accumulation Account is 1.00%, expressed as an annual effective yield, and is guaranteed between 07/30/2016 and 09/30/2021.

**Additional Notes**

Deposits received from 07/30/2016 through 08/31/2016 will receive this rate of interest. The annual rate of interest applied to your account may be higher or lower than the current rate. For more information regarding the GAA rates and terms, call 1-800-GAA-FUND.

**(7) The current yield reflects the deduction of all charges that are deducted from the total return quotations shown.**

Insurance products, annuities and funding agreements issued by Voya Retirement Insurance and Annuity Company, One Orange Way Windsor, CT 06095, (VRIAC), which is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC. All companies are members of the Voya family of companies. Securities are distributed by or offered through Voya Financial Partners, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

The returns do not reflect the impact of a Deferred Surrender Charge. If included, performance would be less favorable.

Not all investments options are available under all contracts; please check your disclosure booklet for options available under your plan.

Voya-10

# Voya 11

## Investment Expenses and Indirect Compensation

**Plan Name:** COUNTY OF KANE

**Voya Contract/Plan** VK0292

**Date:** 08/30/2016

The chart below shows the components of the investment expenses for the non-fixed interest funds available under your plan as well as the revenue paid to Voya Financial Inc. (Voya) from the funds in support of the recordkeeping and administrative services we provide in connection with your plan. The revenue received by Voya from the fund is paid by the fund itself or a related party (e.g. the fund's investment manager) and is not an additional expense above the fund fees. Voya uses this revenue to maintain the investment, administrative and technological platforms and other supporting services used by your plan. Part of this revenue may also be used to compensate your adviser. Amounts shown below are based on charges in effect as of the date above and are subject to change. If there is any conflict between the information below and the governing fund and contract documents, the terms of the governing documents will control.

\*Fund currently selected by Plan

| Record/Keeping Revenue to Voya |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
|--------------------------------|---|------------------------|-------------------|-----------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------|---------------------------|---------------------------------------|---|--------------------------------------|------------------|--------------------|--|
| Expenses Paid                  |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| Fund Expenses                  |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| Voya Contract Charge           |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| Total                          |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
|                                |   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| Fund No.                       | Fund Name   | (A)<br>Management fees | (B)<br>12b-1 fees | (C)<br>Other Expenses | (D)<br>Gross Fund Expense (A+B+C) | (E)<br>Waivers and Adjustments | (F)<br>Net Fund Expenses (D-E) | Prospectus Date | (G)<br>Daily Asset Charge | (H)<br>Total Investment Expense (F+G) | (I)<br>Daily Asset Charge (Derived From Column G) | (J)<br>Sub T/A Expense Reimbursement | (K)<br>12b-1 Fee | (L)<br>Service Fee | (M)<br>Total Revenue to Voya (I+J+K+L) |
|                                | Stability of Principal                            |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 043                            | Voya Fixed Account - 457/401*                     | N/A                    | N/A               | N/A                   | N/A                               | N/A                            | N/A                            | N/A             | N/A                       | N/A                                   | N/A   | N/A                                  | N/A              | 0.41%              | 0.41%                                  |
| 002                            | Voya Fixed Account*                               | N/A                    | N/A               | N/A                   | N/A                               | N/A                            | N/A                            | N/A             | N/A                       | N/A                                   | N/A   | N/A                                  | N/A              | 0.41%              | 0.41%                                  |
| 019                            | Voya Fixed Plus Account*                          | N/A                    | N/A               | N/A                   | N/A                               | N/A                            | N/A                            | N/A             | N/A                       | N/A                                   | N/A   | N/A                                  | N/A              | 0.41%              | 0.41%                                  |
| 003                            | Voya Government Money Market Portfolio - Class 1* | 0.35%                  | N/A               | 0.03%                 | 0.38%                             | -0.05%                         | 0.33%                          | 05/01/2016      | 0.65%                     | 0.98%                                 | 0.65%   | 0.17%                                | 0.00%            | 0.00%              | 0.82%                                  |
| 006                            | Voya Long-Term Guaranteed Accumulation Account*   | N/A                    | N/A               | N/A                   | N/A                               | N/A                            | N/A                            | N/A             | N/A                       | N/A                                   | N/A   | N/A                                  | N/A              | 0.41%              | 0.41%                                  |
| 005                            | Voya Short-Term Guaranteed Accumulation Account*  | N/A                    | N/A               | N/A                   | N/A                               | N/A                            | N/A                            | N/A             | N/A                       | N/A                                   | N/A   | N/A                                  | N/A              | 0.41%              | 0.41%                                  |

Voya 12

| Fund No. | Fund Name   | (A)<br>Management fees | (B)<br>12b-1 fees | (C)<br>Other Expenses | (D)<br>Gross Fund Expense (A+B+C) | (E)<br>Waivers and Adjustments | (F)<br>Net Fund Expenses (D+E) | Prospectus Date | (G)<br>Daily Asset Charge | (H)<br>Total Investment Expense (F+G) | (I)<br>Daily Asset Charge (Derived From Column G) | (J)<br>Sub T/A Expense Reimbursement | (K)<br>12b-1 Fee | (L)<br>Service Fee | (M)<br>Total Revenue to Voya (H-J+K+L) |
|----------|---|------------------------|-------------------|-----------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------|---------------------------|---------------------------------------|---|--------------------------------------|------------------|--------------------|--|
|          | <b>Bonds</b>  |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 422      | Voya Global Bond Portfolio - Initial Class*                 | 0.60%                  | N/A               | 0.08%                 | 0.68%                             | -0.05%                         | 0.63%                          | 05/01/2016      | 0.80%                     | 1.43%                                 | 0.80%   | 0.31%                                | 0.00%            | 0.00%              | 1.11%                                  |
| 004      | Voya Intermediate Bond Portfolio - Class I*                 | 0.50%                  | N/A               | 0.04%                 | 0.54%                             | -0.05%                         | 0.49%                          | 05/01/2016      | 0.65%                     | 1.14%                                 | 0.65%   | 0.17%                                | 0.00%            | 0.00%              | 0.82%                                  |
| 1233     | Voya Intermediate Bond Portfolio - Class S*                 | 0.50%                  | 0.25%             | 0.04%                 | 0.79%                             | -0.05%                         | 0.74%                          | 05/01/2016      | 0.65%                     | 1.38%                                 | 0.65%   | 0.17%                                | 0.25%            | 0.00%              | 1.07%                                  |
|          | <b>Asset Allocation</b>                                     |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 033      | Voya Strategic Allocation Conservative Portfolio - Class I* | 0.22%                  | N/A               | 0.54%                 | 0.76%                             | -0.05%                         | 0.71%                          | 05/01/2016      | 0.65%                     | 1.36%                                 | 0.65%   | 0.24%                                | 0.00%            | 0.00%              | 0.89%                                  |
| 031      | Voya Strategic Allocation Growth Portfolio - Class I*       | 0.21%                  | N/A               | 0.63%                 | 0.84%                             | -0.07%                         | 0.77%                          | 05/01/2016      | 0.65%                     | 1.42%                                 | 0.65%   | 0.24%                                | 0.00%            | 0.00%              | 0.89%                                  |
| 032      | Voya Strategic Allocation Moderate Portfolio - Class I*     | 0.21%                  | N/A               | 0.59%                 | 0.80%                             | -0.05%                         | 0.75%                          | 05/01/2016      | 0.65%                     | 1.40%                                 | 0.65%   | 0.24%                                | 0.00%            | 0.00%              | 0.89%                                  |
|          | <b>Balanced</b>   |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 101      | Calvert VP SRI Balanced Portfolio*                          | 0.53%                  | N/A               | 0.17%                 | 0.70%                             | N/A                            | 0.70%                          | 05/01/2016      | 0.80%                     | 1.50%                                 | 0.80%   | 0.20%                                | 0.00%            | 0.00%              | 1.00%                                  |
| 008      | Voya Balanced Portfolio - Class I*                          | 0.60%                  | N/A               | 0.13%                 | 0.73%                             | -0.05%                         | 0.68%                          | 05/01/2016      | 0.65%                     | 1.33%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 452      | VY@ Invesco Equity and Income Portfolio - Initial Class*    | 0.63%                  | N/A               | 0.04%                 | 0.67%                             | -0.02%                         | 0.65%                          | 05/01/2016      | 0.80%                     | 1.45%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.00%              | 1.16%                                  |
|          | <b>Large Cap Value</b>                                      |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 108      | Fidelity VIP Equity-Income Portfolio - Initial Class*       | 0.45%                  | N/A               | 0.17%                 | 0.62%                             | N/A                            | 0.62%                          | 04/28/2016      | 0.80%                     | 1.42%                                 | 0.80%   | 0.21%                                | 0.00%            | 0.00%              | 1.01%                                  |

Voya 13

| Fund No. | Fund Name  | (A)<br>Management fees | (B)<br>12b-1 fees | (C)<br>Other Expenses | (D)<br>Gross Fund Expense (A+B+C) | (E)<br>Waivers and Adjustments | (F)<br>Net Fund Expenses (D+E) | Prospectus Date | (G)<br>Daily Asset Charge | (H)<br>Total Investment Expense (F+G) | (I)<br>Daily Asset Charge (Derived From Column G) | (J)<br>Sub T/A Expense Reimbursement | (K)<br>12b-1 Fee | (L)<br>Service Fee | (M)<br>Total Revenue to Voya (K+L+M) |
|----------|--|------------------------|-------------------|-----------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------|---------------------------|---------------------------------------|---|--------------------------------------|------------------|--------------------|--------------------------------------|
| 079      | Invesco V.I. Core Equity Fund - Series I Shares*             | 0.61%                  | N/A               | 0.30%                 | 0.91%                             | -0.01%                         | 0.90%                          | 04/29/2016      | 0.80%                     | 1.70%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                |
| 226      | Lord Abbett Series Fund Growth and Income Portfolio - CI VC* | 0.50%                  | N/A               | 0.44%                 | 0.94%                             | N/A                            | 0.94%                          | 05/01/2016      | 0.80%                     | 1.74%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                |
| 225      | Pioneer Equity Income VCT Portfolio - Class I*               | 0.65%                  | 0.00%             | 0.07%                 | 0.72%                             | N/A                            | 0.72%                          | 05/01/2016      | 0.80%                     | 1.52%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                |
| 224      | Pioneer Fund VCT Portfolio - Class I*                        | 0.65%                  | 0.00%             | 0.10%                 | 0.75%                             | N/A                            | 0.75%                          | 05/01/2016      | 0.80%                     | 1.55%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                |
| 001      | Voya Growth and Income Portfolio - Class I*                  | 0.60%                  | N/A               | 0.03%                 | 0.63%                             | -0.05%                         | 0.58%                          | 05/01/2016      | 0.65%                     | 1.23%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                |
| 1290     | Voya Growth and Income Portfolio - Class S*                  | 0.60%                  | 0.25%             | 0.03%                 | 0.88%                             | -0.05%                         | 0.83%                          | 05/01/2016      | 0.65%                     | 1.48%                                 | 0.65%   | 0.30%                                | 0.25%            | 0.00%              | 1.20%                                |
| 035      | Voya Index Plus LargeCap Portfolio - Class I*                | 0.45%                  | N/A               | 0.04%                 | 0.49%                             | -0.05%                         | 0.44%                          | 05/01/2016      | 0.65%                     | 1.09%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                |
| 264      | VY® Columbia Contrarian Core Portfolio - Service Class*      | 0.90%                  | 0.25%             | 0.04%                 | 1.19%                             | -0.23%                         | 0.96%                          | 05/01/2016      | 0.80%                     | 1.76%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.25%              | 1.41%                                |
| 437      | VY® Invesco Comstock Portfolio - Service Class*              | 0.70%                  | 0.25%             | 0.05%                 | 1.00%                             | -0.02%                         | 0.98%                          | 05/01/2016      | 0.80%                     | 1.78%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.25%              | 1.41%                                |
| 617      | VY® T. Rowe Price Equity Income Portfolio - Service Class*   | 0.64%                  | 0.25%             | 0.00%                 | 0.89%                             | N/A                            | 0.89%                          | 05/01/2016      | 0.80%                     | 1.69%                                 | 0.80%   | 0.28%                                | 0.00%            | 0.25%              | 1.33%                                |
|          | <b>Large Cap Growth</b>                                      |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |                                      |
| 133      | Fidelity VIP Contrafund Portfolio - Initial Class*           | 0.55%                  | N/A               | 0.08%                 | 0.63%                             | N/A                            | 0.63%                          | 04/28/2016      | 0.80%                     | 1.43%                                 | 0.80%   | 0.21%                                | 0.00%            | 0.00%              | 1.01%                                |
| 109      | Fidelity VIP Growth Portfolio - Initial Class*               | 0.55%                  | N/A               | 0.09%                 | 0.64%                             | N/A                            | 0.64%                          | 04/28/2016      | 0.80%                     | 1.44%                                 | 0.80%   | 0.21%                                | 0.00%            | 0.00%              | 1.01%                                |
| 3384     | Invesco V.I. American Franchise Fund - Series I Shares*      | 0.67%                  | N/A               | 0.29%                 | 0.96%                             | N/A                            | 0.96%                          | 04/29/2016      | 0.80%                     | 1.76%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                |



Voya 14

| Fund No. | Fund Name   | (A)<br>Management fees | (B)<br>12b-1 fees | (C)<br>Other Expenses | (D)<br>Gross Fund Expense (A+B+C) | (E)<br>Waivers and Adjustments | (F)<br>Net Fund Expenses (D+E) | Prospectus Date | (G)<br>Daily Asset Charge | (H)<br>Total Investment Expense (F+G) | (I)<br>Daily Asset Charge (Derived From Column G) | (J)<br>Sub T/A Expense Reimbursement | (K)<br>12b-1 Fee | (L)<br>Service Fee | (M)<br>Total Revenue to Voya (I+J+K+L) |
|----------|---|------------------------|-------------------|-----------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------|---------------------------|---------------------------------------|---|--------------------------------------|------------------|--------------------|--|
| 742      | Voya Large Cap Growth Portfolio - Institutional Class*        | 0.65%                  | N/A               | 0.02%                 | 0.67%                             | N/A                            | 0.67%                          | 05/01/2016      | 0.65%                     | 1.32%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 111      | VY@ T. Rowe Price Growth Equity Portfolio - Initial Class*    | 0.70%                  | N/A               | 0.04%                 | 0.74%                             | -0.01%                         | 0.73%                          | 05/01/2016      | 0.80%                     | 1.53%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.00%              | 1.16%                                  |
|          | <b>Small/Mid/Specialty</b>                                    |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 073      | Franklin Small Cap Value VIP Fund - Class 2*                  | 0.62%                  | 0.25%             | 0.04%                 | 0.91%                             | -0.01%                         | 0.90%                          | 05/01/2016      | 0.80%                     | 1.70%                                 | 0.80%   | 0.20%                                | 0.25%            | 0.00%              | 1.25%                                  |
| 075      | Lord Abbett Series Fund - Mid Cap Stock Portfolio - CI VC*    | 0.75%                  | N/A               | 0.43%                 | 1.18%                             | N/A                            | 1.18%                          | 05/01/2016      | 0.80%                     | 1.98%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                  |
| 074      | Pioneer Mid Cap Value VCT Portfolio - Class 1*                | 0.65%                  | 0.00%             | 0.06%                 | 0.71%                             | N/A                            | 0.71%                          | 05/01/2016      | 0.80%                     | 1.51%                                 | 0.80%   | 0.25%                                | 0.00%            | 0.00%              | 1.05%                                  |
| 063      | Voya Index Plus MidCap Portfolio - Class 1*                   | 0.50%                  | N/A               | 0.04%                 | 0.54%                             | -0.05%                         | 0.49%                          | 05/01/2016      | 0.65%                     | 1.14%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 062      | Voya Index Plus SmallCap Portfolio - Class 1*                 | 0.50%                  | N/A               | 0.05%                 | 0.55%                             | -0.05%                         | 0.50%                          | 05/01/2016      | 0.65%                     | 1.15%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 081      | Voya MidCap Opportunities Portfolio - Class 1*                | 0.77%                  | N/A               | 0.04%                 | 0.81%                             | 0.00%                          | 0.81%                          | 05/01/2016      | 0.65%                     | 1.46%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 042      | Voya Small Company Portfolio - Class 1*                       | 0.85%                  | N/A               | 0.05%                 | 0.90%                             | -0.05%                         | 0.85%                          | 05/01/2016      | 0.65%                     | 1.50%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 080      | Voya SmallCap Opportunities Portfolio - Class 1*              | 0.84%                  | N/A               | 0.05%                 | 0.89%                             | N/A                            | 0.89%                          | 05/01/2016      | 0.65%                     | 1.54%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 440      | VY@ American Century Small-Mid Cap Value Portfolio - Service* | 1.09%                  | 0.25%             | 0.08%                 | 1.42%                             | -0.30%                         | 1.12%                          | 05/01/2016      | 0.80%                     | 1.92%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.25%              | 1.41%                                  |
| 436      | VY@ Baron Growth Portfolio - Service Class*                   | 0.95%                  | 0.25%             | 0.04%                 | 1.24%                             | N/A                            | 1.24%                          | 05/01/2016      | 0.80%                     | 2.04%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.25%              | 1.41%                                  |
| 435      | VY@ JPMorgan Mid Cap Value Portfolio - Service Class*         | 0.82%                  | 0.25%             | 0.04%                 | 1.11%                             | N/A                            | 1.11%                          | 05/01/2016      | 0.80%                     | 1.91%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.25%              | 1.41%                                  |

Voy\* 15

| Fund No. | Fund Name  | (A)<br>Management fees | (B)<br>12b-1 fees | (C)<br>Other Expenses | (D)<br>Gross Fund Expense (A+B+C) | (E)<br>Waivers and Adjustments | (F)<br>Net Fund Expenses (D+E) | Prospectus Date | (G)<br>Daily Asset Charge | (H)<br>Total Investment Expense (F+G) | (I)<br>Daily Asset Charge (Derived From Column G) | (J)<br>Sub T/A Expense Reimbursement | (K)<br>12b-1 Fee | (L)<br>Service Fee | (M)<br>Total Revenue to Voya (H-J+K+L) |
|----------|--|------------------------|-------------------|-----------------------|-----------------------------------|--------------------------------|--------------------------------|-----------------|---------------------------|---------------------------------------|---|--------------------------------------|------------------|--------------------|--|
| 449      | VY® T. Rowe Price Diversified Mid Cap Growth Port - Initial* | 0.74%                  | N/A               | 0.03%                 | 0.77%                             | N/A                            | 0.77%                          | 05/01/2016      | 0.80%                     | 1.57%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.00%              | 1.16%                                  |
|          | Global / International                                       |                        |                   |                       |                                   |                                |                                |                 |                           |                                       |   |                                      |                  |                    |  |
| 107      | Fidelity VIP Overseas Portfolio - Initial Class*             | 0.67%                  | N/A               | 0.13%                 | 0.80%                             | N/A                            | 0.80%                          | 04/28/2016      | 0.80%                     | 1.60%                                 | 0.80%   | 0.21%                                | 0.00%            | 0.00%              | 1.01%                                  |
| 3056     | Voya Global Equity Portfolio - Class I*                      | 0.55%                  | N/A               | 0.06%                 | 0.61%                             | N/A                            | 0.61%                          | 05/01/2016      | 0.65%                     | 1.26%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 1551     | Voya International Index Portfolio - Class I*                | 0.46%                  | N/A               | 0.10%                 | 0.56%                             | -0.08%                         | 0.48%                          | 05/01/2016      | 0.65%                     | 1.13%                                 | 0.65%   | 0.30%                                | 0.00%            | 0.00%              | 0.95%                                  |
| 432      | VY® Oppenheimer Global Portfolio - Initial Class*            | 0.70%                  | N/A               | 0.05%                 | 0.75%                             | N/A                            | 0.75%                          | 05/01/2016      | 0.80%                     | 1.55%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.00%              | 1.16%                                  |
| 1586     | VY® Templeton Foreign Equity Portfolio - Initial Class*      | 0.88%                  | N/A               | 0.07%                 | 0.95%                             | -0.02%                         | 0.93%                          | 05/01/2016      | 0.80%                     | 1.73%                                 | 0.80%   | 0.36%                                | 0.00%            | 0.00%              | 1.16%                                  |

Certain data provided by Morningstar, Inc. ("Morningstar data"). All Morningstar data is © 2016 Morningstar, Inc. All Rights Reserved. Morningstar data contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of the Morningstar data. Past performance is no guarantee of future results.

If your plan uses the Voya Fixed Account or Voya Guaranteed Accumulation Account (GAA), the amount shown in the "Service Fee" column represents our reasonable and good faith estimate of the cost of the recordkeeping and other administrative services being offset through a reduction in the rates of interest that would otherwise be credited. In developing our estimate, we applied guidance issued by the Department of Labor in connection with Form 5500 Schedule C reporting. Under that guidance, if the rate of return on a fixed rate investment

Voya 16

contract is net of the expense of recordkeeping and similar administrative services, then the amount so "netted" should be reported as a fee charged against the Plan's investment in order to avoid the inference that the Plan services were being provided free of charge. Estimates of those amounts are permitted so long as the estimate is reasonable, and the methodology and assumptions used to prepare the estimate are disclosed. The rate credited to your Plan's Fixed Account and/or GAA ("fixed accounts") balance is a "net" rate that reflects the costs of the recordkeeping and other administrative services we provide. We have estimated the amount of that rate reduction and reported it in the "Service Fee" column of our indirect compensation report in order to inform your understanding of the costs of our recordkeeping and administrative services. Set forth below is a description of the method we used in developing our estimate: First, we determined the ratio of (1) our estimated internal costs for providing plan recordkeeping, trusteeship and similar services to all of our Plan customers as of the prior calendar year end, to (2) our average total assets during the same calendar year. We applied that ratio to your Plan's fixed account(s) to arrive at an estimate of the dollar amount of reportable compensation attributable to netting the costs of providing such services against the Fixed Account/GAA rate.

**Voya Global Bond Portfolio - Initial Class:** The adviser is contractually obligated to limit expenses to 0.60% for Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. This obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the management agreement and is subject to possible recoupment by the adviser within three years. In addition, the adviser is contractually obligated to waive a portion of the management fee through May 1, 2014. Based upon net assets as of December 31, 2012, the management fee waiver for the Portfolio would be (0.02)%. There is no guarantee that this management fee waiver will continue after May 1, 2014. This management fee waiver will continue only if the adviser elects to renew it.

**Voya Strategic Allocation Conservative Portfolio - Class I:** The adviser is contractually obligated to limit expenses to 0.65% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions and extraordinary expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

**Voya Strategic Allocation Growth Portfolio - Class I:** The adviser is contractually obligated to limit expenses to 0.75% through May 1, 2014. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years. In addition, the adviser is contractually obligated to further limit expenses to 0.71% through May 1, 2014. This obligation is subject to possible recoupment by the adviser within three years. There is no guarantee this obligation will continue after May 1, 2014 and the obligation will only renew if the adviser elects to renew it. These obligations do not extend to interest, taxes, brokerage commissions and extraordinary expenses.

**Voya Strategic Allocation Moderate Portfolio - Class I:** The adviser is contractually obligated to limit expenses to 0.70% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions and extraordinary expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

**VY Invesco Equity and Income Portfolio - Initial Class:** The adviser is contractually obligated to limit expenses to 0.65% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

**VY Columbia Contrarian Core Portfolio - Service Class:** The adviser is contractually obligated to limit expenses to 1.00% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. There is no guarantee that this obligation will continue after May 1, 2014. The obligation will only continue if the adviser elects to renew it. Any fees waived pursuant to this obligation shall not be eligible for recoupment. In addition, the adviser is contractually obligated to waive a portion of the management fee through May 1, 2014. Based upon net assets as of December 31, 2012, the management fee waiver for the Portfolio would be an estimated (0.02)%. There is no guarantee that the management fee waiver will continue after May 1, 2014. The management fee waiver will only renew if the adviser elects to renew it.

**Voya Large Cap Growth Portfolio - Institutional Class:** The adviser is contractually obligated to limit expenses to 0.60% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. This obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the management agreement and is subject to possible recoupment by the adviser within three years.

**VY T. Rowe Price Growth Equity Portfolio - Initial Class:** The adviser is contractually obligated to limit expenses to 0.75% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is

Voya 17

terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years. In addition, the adviser is contractually obligated to waive a portion of the management fee through May 1, 2014. Lastly, the adviser is contractually obligated to further waive a portion of the management fee through May 1, 2014. Based upon net assets as of December 31, 2012, these management fee waivers for the Portfolio would be (0.01)%. There is no guarantee that these management fee waivers will continue after May 1, 2014. These management fee waivers will only renew if the adviser elects to renew them.

**VY American Century Small-Mid Cap Value Portfolio - Service:** The adviser is contractually obligated to limit expenses to 1.27% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years. In addition, the adviser is contractually obligated to waive a portion of the management fee through May 1, 2014. Based upon net assets as of December 31, 2012, the management fee waiver for the Portfolio would be (0.09)%. There is no guarantee that the management fee waiver will continue after May 1, 2014. The management fee waiver will only renew if the adviser elects to renew it.

**VY T. Rowe Price Diversified Mid Cap Growth Port - Initial:** The adviser is contractually obligated to limit expenses to 0.75% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

**Voya International Index Portfolio - Class I:** The adviser is contractually obligated to limit expenses to 0.50% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, extraordinary expenses and Acquired Fund Fees and Expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

**VY Templeton Foreign Equity Portfolio - Initial Class:** The adviser is contractually obligated to limit expenses to 0.98% of Class I shares through May 1, 2014. This obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years. In addition, the adviser is contractually obligated to further limit expenses to 0.92% for Class I shares through May 1, 2014. There is no guarantee that this obligation will continue after May 1, 2014 and the obligation will only continue if the adviser elects to renew it. Any fees waived pursuant to this obligation shall not be eligible for recoupment. These obligations do not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses.

## Other Indirect Compensation:

### Float:

Voya and its affiliated companies ("Voya") earn income in the form of bank service credits on contributions awaiting investment and on payments awaiting distribution from the bank accounts that Voya maintains (or "float"). The bank service credits are applied against the bank service fees that apply to the bank accounts that Voya maintains and may not be redeemed for cash. Specifically, the bank accounts have been established to receive and hold for a reasonable time:

- contributions or other amounts to be invested in your retirement plan, or
- amounts redeemed to pay a distribution or disbursement from your plan.

Your Voya service provider will receive income in the form of bank service credits (as described below) and offset such credits against bank service fees that are charged to Voya for the use of such bank accounts and for services provided by the banks for processing receipts or disbursements.

### Float Generated by Contributions:

Your Voya service provider uses a bank account to receive and hold contributions or other Plan deposit amounts to be invested. Contributions or other deposit amounts are held until Authorized Instructions are received in good order. Income in the form of bank service credits are earned on the bank account during any waiting period for Authorized Instructions. For Authorized Instructions received in good order by the close of the New York Stock Exchange (normally 4:00 p.m. Eastern Time), contributions or other deposit amounts will be invested on that business day. For Authorized Instructions received in good order after the close of the New York Stock Exchange, contributions or other deposit amounts will be processed on the next business day.

#### Float Generated by Distributions:

Your Voya service provider and/or one or more of its corporate affiliates receives income in the form of bank service credits in connection with distributions or disbursements that Voya pays on the plan's behalf. The service credits accrue during the period beginning when an amount is redeemed from the Plan's investment to fund a distribution or disbursement check and ending when the check is presented for payment.

Additionally, from time to time, the corporate affiliate of your Voya service provider may receive money market like rates of return on other deposit or short term investment products in which distributions may be held until such time as the check is presented for payment.

#### **Transaction Processing Errors:**

Voya processes your Plan's investment instructions on an "omnibus" or aggregated basis. If Voya's correction of a Voya processing error results in a loss to your Plan or its Participants, Voya will absorb the loss. If any gain results in connection with the correction of a Voya processing error, Voya will net any such gain against other losses absorbed by Voya and retain any resulting net gain as a component of its compensation for transaction processing services, including its agreement to make Plan and Participant accounts whole for losses resulting from Voya processing errors. For more information on our error correction policy, please refer to Voya Retirement Insurance and Annuity Company's Policy for Correction of Processing Errors ("VRIAC Policy"). The VRIAC policy is posted in the Sponsor Disclosure section of Sponsor Web.

#### **Revenue Sharing:**

In addition, to the extent former or current Affiliates of Voya perform services for the Plan, such Affiliate may share any revenue received with Voya or may credit Voya for such revenue against amounts due from Voya to such Affiliate. Such revenue sharing may include, but it is not limited to, revenue sharing in connection with investment management, brokerage or trustee/custodial services.

#### **Conference Support:**

Some fund families provide financial support to Voya companies in connection with training and education events attended by Voya employees and representatives. This financial support may include expenses associated with meals. For calendar year 2015 such amount was approximately \$1.14 per plan. This estimate was determined by dividing the total amount received from all fund families by the number of plans for which Voya provides investment services.

Any insurance products, annuities and funding agreements that you may have purchased are sold as securities and are issued by Voya Retirement Insurance and Annuity Company, ("VRIAC"), One Orange Way, Windsor CT 06095-4774 or ReliaStar Life Insurance Company, "ReliaStar", 20 Washington Avenue South, Minneapolis, MN 55401. Fixed annuities are issued by VRIAC or ReliaStar. VRIAC or ReliaStar is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, Inc ("VIPS"). Neither VRIAC, ReliaStar nor VIPS engage in the sale or solicitation of securities. **Securities are distributed by Voya Financial Partners, LLC (member SIPC), Directed Services, Inc (member SIPC) or other broker-dealers with which it has a selling agreement.** All companies are members of the Voya family of companies. All products or services may not be available in all states.

Voya 18

STATE OF ILLINOIS

COUNTY OF KANE

RESOLUTION NO 05 - 399

**RESOLUTION TO AMEND THE COUNTY OF KANE  
DEFERRED COMPENSATION PLAN**

WHEREAS, by ordinance dated July 8, 1975, the Kane County Board established the County of Kane Deferred Compensation Plan (the "Plan") to provide retirement benefits for employees of Kane County, the Plan having been amended from time to time and most recently restated in its entirety on August 9, 2005; and

WHEREAS, Kane County desires to amend the Plan to coordinate the Plan's Normal Retirement Age with that of the Illinois Municipal Fund under which Kane County employees are covered and to correct a scrivener's error.

NOW, THEREFORE, BE IT RESOLVED that Kane County does hereby adopt the First Amendment to the County of Kane Deferred Compensation Plan, a copy of which is attached hereto and made a part hereof, effective as stated therein.

BE IT FURTHER RESOLVED that the Chairman of the Kane County Board is hereby authorized and directed to take any and all action, now and hereafter necessary or appropriate, upon advice of counsel, to effectuate the foregoing resolution.

Passed by the Kane County Board on November 8, 2005.

---

John A. Cunningham  
Clerk, County Board  
Kane County, Illinois

---

Karen McConnaughay  
Chairman, County Board  
Kane County, Illinois

Vote:

Yes 26

No 0

Voice       

Abstentions

**FIRST AMENDMENT TO THE COUNTY OF KANE  
DEFERRED COMPENSATION PLAN**

**THIS FIRST AMENDMENT** is made and entered into this \_\_\_\_ day of November, 2005, by the County of Kane (the "County").

**WHEREAS**, by ordinance dated July 8, 1975 the Kane County Board established the County of Kane Deferred Compensation Plan (the "Plan") to provide retirement benefits for employees of the County; the Plan having been amended from time to time and most recently restated in its entirety on August 9, 2005; and

**WHEREAS**, under the provisions of Section 10.1 of the Plan the County has the right to amend the Plan; and

**WHEREAS**, the County desires to amend the Plan to coordinate the Plan's Normal Retirement Age with that of the Illinois Municipal Retirement Fund under which County employees are eligible to participate and to correct a scrivener's error.

**NOW, THEREFORE**, effective August 9, 2005, in accordance with the provisions of the Plan pertaining to amendments thereof, the County hereby amends the Plan as follows:

**I.**

Section 2.13 of the Plan is hereby deleted in its entirety and the following is hereby inserted in lieu thereof:

"2.13 "Normal Retirement Age" means the age a Participant is eligible to receive a retirement benefit by virtue of age, length of service or both under the terms of the Illinois Municipal Retirement Fund ("IMRF"), including, but not limited to, the provisions of the Sheriff's Law Enforcement Personnel Plan under the IMRF, and with the right to receive immediate retirement benefits without actuarial or similar reduction because of retirement before some later specified age. In the event that a Participant does not participate in the IMRF, Normal Retirement Age shall mean the age the Participant would otherwise be eligible to receive a retirement benefit under IMRF if the Participant did in fact participate in the IMRF.

**II.**

Section 4.3 is hereby amended to substitute "Sections 4.2(b) and (c)" for "Sections 4.1(b) and (c)" in the fourth line.

**III.**

Except as hereinbefore amended, the Plan shall continue in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, this FIRST AMENDMENT has been executed by the County to signify its acceptance of the terms hereof as of the date first written above.

ATTEST:

COUNTY OF KANE:

\_\_\_\_\_  
Clerk, County Board  
Kane County, Illinois

By:

\_\_\_\_\_  
Chairman, County Board  
Kane County, Illinois



**COUNTY OF KANE DEFERRED  
COMPENSATION PLAN**

**COUNTY OF KANE  
DEFERRED COMPENSATION PLAN**

**TABLE OF CONTENTS**

|  |    |
|--|----|
| ARTICLE I ESTABLISHMENT OF PLAN .....                | 2  |
| ARTICLE II DEFINITIONS .....                         | 2  |
| ARTICLE III PARTICIPATION IN THE PLAN .....          | 4  |
| ARTICLE IV DEFERRAL OF COMPENSATION .....            | 4  |
| ARTICLE V INVESTMENTS .....                          | 6  |
| ARTICLE VI ROLLOVERS TO THE PLAN AND TRANSFERS ..... | 6  |
| ARTICLE VII DISTRIBUTIONS .....                      | 8  |
| ARTICLE VIII BENEFICIARY INFORMATION .....           | 10 |
| ARTICLE IX PLAN ADMINISTRATION .....                 | 11 |
| ARTICLE X AMENDMENT OR TERMINATION OF PLAN .....     | 11 |
| ARTICLE XI MISCELLANEOUS .....                       | 11 |

**COUNTY OF KANE  
DEFERRED COMPENSATION PLAN**

**INTRODUCTION**

THIS AGREEMENT is made and executed at Geneva, Illinois this 9<sup>th</sup> day of August, 2005, by the County of Kane (the "County"), a governmental entity in the State of Illinois as described in section 1.457-2(e) of the Treasury Regulations.

WHEREAS, by ordinance dated July 8, 1975 the County heretofore established the County of Kane Deferred Compensation Plan (the "Plan") to provide retirement benefits for employees of the County; the Plan having been subsequently amended from time to time; and

WHEREAS, the County desires to amend and restate the Plan for the sole and exclusive benefit of its eligible Employees (and their Beneficiaries) who qualify as Participants hereunder in order to establish and secure for such Employees financial protections against the contingencies of old age, disability and death; and

WHEREAS, the County Board of the County (the "Board"), by ordinance dated the 9<sup>th</sup> day of August, 2005, approved the restatement of the Plan, in the form hereinafter set forth and authorized and directed execution of this Agreement by its Chairman.

NOW, THEREFORE, in consideration of the premises and the mutual undertakings of the parties herein contained, and other good and valuable considerations, it is hereby agreed as follows:

## **ARTICLE I ESTABLISHMENT OF PLAN**

1.1 Preamble. The preamble and recitals set forth above are hereby incorporated into and made a part of this Agreement.

1.2 The Plan. As provided in Section 457 of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Code"), this Agreement does amend and restate a deferred compensation plan known as the County of Kane Deferred Compensation Plan (hereinafter sometimes referred to as "Plan" or "Agreement") for the eligible employees of the County. Nothing contained in this Plan shall be deemed to constitute an employment agreement between a Participant and the Plan Sponsor and nothing contained herein shall be deemed to give a Participant any right to be retained in the employ of the Plan Sponsor. This amended and restated Plan shall apply to all Participants in the Plan on the effective date and to each Eligible Employee who elects to participate on and after the effective date.

## **ARTICLE II DEFINITIONS**

2.1 "Accounts" means the bookkeeping accounts maintained by the Plan Administrator with respect to each Participant which reflects the amount of Compensation deferred by the Participant to the Plan, including earnings or losses thereto, and any distributions made to the Participant or the Participant's Beneficiary.

2.2 "Beneficiary" means the individual, trustee, estate or legal entity properly designated by the Participant to receive benefits under this Plan which become payable in the event of the Participant's death.

2.3 "Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code includes not only the section but any comparable section or sections of any future legislation that amends, supplements or supersedes the section.

2.4 "Compensation" means all amounts payable to an Employee from the County as remuneration for services performed for the County which would be includible in the Employee's gross income for the taxable year for Federal income tax purposes (W-2 earnings). Such term shall include any amount excludible from gross income under this Plan or any other plan described in Section 457(b) of the Code, or any amount excludible from gross income under Section 403(b) of the Code, Section 401(k) of the Code, Section 125 of the Code or Section 132(f)(4) of the Code.

2.5 "Original Effective Date" means July 8, 1975.

2.6 "Effective Date" means August 9, 2005.

2.7 "Elective Deferral" means the annual amount of Compensation that a Participant elects to defer pursuant to a properly executed Elective Deferral Agreement.

2.8 “Eligible Deferred Compensation Plan or Eligible Plan” mean a plan that constitutes an eligible plan within the meaning of Section 457 of the Code.

2.9 “Eligible Employee” means any Employee who satisfies the eligibility requirements of Section 3.1. If any individual is not classified as an Eligible Employee by the County and is subsequently reclassified as an Eligible Employee by any governmental or regulatory authority, such individual shall nevertheless be deemed to have become an Eligible Employee prospectively only, effective as of the date of such reclassification (and not retroactive to the date on which he or she was found to have first become eligible for any other purposes), and then only if he or she otherwise satisfies the requirements of this Plan.

2.10 “Employee” means any person who performs services for the County to whom Compensation is paid on a regular basis. Employee shall not include any leased employee as defined in Section 414(n) of the Code and any individual classified by the County as an independent contractor of the County in accordance with its general administrative policies.

2.11 “County” means the County of Kane located in the state of Illinois.

2.12 “Investment Options” means one of the available alternatives for investment of Compensation deferred under the Plan and allocated to a Participant’s Account, made available to the Participants at the discretion of the Plan Administrator.

2.13 “Normal Retirement Age” means age 65.

2.14 “Participant” means an Eligible Employee or former Eligible Employee who shall have become a Participant in the Plan in accordance with Article III hereof. An Employee shall cease to be a Participant at such time as he or she no longer has any interest in accounts under the Plan.

2.15 “Plan” means the County of Kane Deferred Compensation Plan set forth herein, as amended from time to time.

2.16 “Plan Administrator” means the organization(s) appointed by the County to administer the Plan. If the County fails to make such appointment, the County shall be the Plan Administrator.

2.17 “Plan Year” means the twelve consecutive month period beginning on January 1 and ending December 31.

2.18 “Elective Deferral Agreement” means the agreement between a Participant and the County to defer receipt by the Participant of Compensation not yet paid or otherwise made available. Such agreement shall state the Elective Deferral amount to be withheld from a Participant’s Compensation and shall become effective no earlier than the first day of the month following execution of such agreement. Once executed, the Elective Deferral Agreement shall be legally binding and irrevocable with regard to amounts paid or otherwise made available while the agreement is in effect.

### **ARTICLE III PARTICIPATION IN THE PLAN**

#### **3.1    Eligibility.**

Each Employee shall be eligible to participate in the Plan and defer Compensation hereunder upon becoming employed by the Employer and enrolling in the Plan.

3.2    Enrollment In Plan. To participate in the Plan, each Eligible Employee shall complete and return the applicable forms, including an Elective Deferral Agreement, and submit them to the County or its designee. Enrollment shall be effective on or after the first day of the month following the date the enrollment forms are properly completed by the Employee and accepted by the County or its designee.

3.3    Information Provided by the Participant. Each Employee enrolling in the Plan should provide to the Plan Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Plan Administrator to administer the Plan, including, without limitation, whether the Employee is a participant in any other Eligible Plan under Code section 457(b).

### **ARTICLE IV DEFERRAL OF COMPENSATION**

4.1    Elective Deferrals. An Eligible Employee may elect to make Elective Deferrals to the Plan pursuant to an Elective Deferral Agreement with the County. Any such Elective Deferrals shall not exceed the maximum deferral limits set forth in Section 4.2 below.

#### **4.2    Maximum Deferral.**

- (a)    Primary Limitation. The maximum amount that may be contributed to the Plan pursuant to Section 4.1 hereof on behalf of any Participant, other than by means of a rollover or transfer, shall not exceed the lesser of: (i) the applicable dollar amount as set forth in Code Section 457(e)(15) or (ii) 100% of the Participant's Compensation for the taxable year.
- (b)    Age 50 catch-up contributions. All Participants who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, section 414(v) of the Code.
- (c)    Limited catch-up contributions. In addition to (b) above, for one or more of the Participant's last 3 taxable years ending before he attains his Normal Retirement Age under the Plan, the Participant's maximum deferral shall be the larger of (i) the amount specified in the above paragraph (a) or (ii) the lesser of (a) twice the applicable limit set forth in section 457(e)(15) of the Code reduced by any amount excludible from the Participant's gross income attributable to deferrals to another section 457(b) eligible deferred compensation plan or (b) the "underutilized

limitation.” The “underutilized limitation” is the sum of the “Plan ceiling” (that is, the lesser of the applicable limit set forth in section 457(e)(15) or 100% of the Participant’s includible compensation reduced by any amount excludible from the Participant’s gross income attributable to deferrals to another section 457(b) eligible deferred compensation plan) for the taxable year, plus so much of the limit established in section 457(b)(2) for taxable years before the taxable year as has not been previously used (that is, the 457(b)(2) limit for any prior taxable year or years, less the amount of annual deferrals under the Plan for such prior taxable year or years (disregarding any annual deferrals under the Plan permitted under the first paragraph above)). A prior taxable year is taken into account under the preceding sentence only if it is a year beginning after December 31, 1978, in which the Participant was eligible to participate in the Plan, and in which Compensation deferred (if any) under the Plan during the year was subject to the Plan ceiling. However, this paragraph (c) shall not apply with respect to any Participant who has previously utilized in whole or in part the limited catch-up under this Plan or any other section 457 eligible deferred compensation plan.

4.3 Coordination With Other Plans. If a Participant participates in more than one Code Section 457(b) plans, the maximum deferral under all such plans shall not exceed the applicable limit described in Section 4.2(a) above (subject to modification by the catch-up limitations described in Sections 4.1(b) and (c) above).

4.4 Correction of Excess Deferrals. If the annual deferral on behalf of a Participant for any calendar year exceeds the limitations described in Section 4.2 above, or the annual deferral on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under section 457(b) of the Code for which the Participant provides information that is accepted by the Plan Administrator, then the annual deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant as soon as administratively feasible.

4.5 Modifications to Amount Deferred. A Participant may elect to change his or her Elective Deferral rate with respect to future Compensation by submitting a new properly executed Elective Deferral Agreement to the County. Such change shall take effect as soon as administratively practicable but not earlier than the first pay period commencing with or during the first month following receipt by the County of such Elective Deferral Agreement.

4.6 Termination of Deferral. A Participant may terminate his or her election to have Compensation deferred by so notifying the County in writing. Such termination shall take effect as soon as administratively practicable, but not earlier than the first pay period commencing with or during the first month following receipt by the County of satisfactory written notice of such revocation.

4.7 Vesting. A Participant shall be fully vested at all times in his or her Elective Deferrals under this Plan. Such Elective Deferrals shall be non-forfeitable at all times.

4.8 Uniform Services. Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

## **ARTICLE V INVESTMENTS**

Participants will direct the investment of their Accounts among the Investment Options made available by the Plan Administrator. If any provision of an Investment Option agreement is not consistent with the Plan provisions, the terms of the Plan shall control. All amounts of Compensation deferred under this Plan, all property and rights which may be purchased with such amounts and all income attributable to such amounts, property or rights shall be held in trust, a custodial account, or annuity contract described in Code Section 401(f) for the exclusive benefit of Participants and their Beneficiaries.

## **ARTICLE VI ROLLOVERS TO THE PLAN AND TRANSFERS**

### **6.1 Eligible Rollover Contributions to the Plan.**

- (a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to the Plan. The Plan Administrator may require such documentation from the distributing plan as it deems necessary to effectuate the rollover in accordance with Section 402 of the Code and to confirm that such plan is an eligible retirement plan within the meaning of Section 402(c)(8)(B) of the Code.
- (b) For purposes of Section 6.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant's benefit under another eligible retirement plan, except that an eligible rollover distribution does not include (1) any installment payment for a period of 10 years or more, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the employee, or (3) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Section 401(a)(9) of the Code. In addition, an eligible retirement plan means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in Section 457(b) of the Code, that accepts the eligible rollover distribution.
- (c) The Plan shall establish and maintain for the Participant a separate Account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under



Section 457(b) of the Code. In addition, the Plan shall establish and maintain for the Participant a separate Account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is an eligible governmental plan under Section 457(b) of the Code.

6.2 Plan-to-Plan Transfers to the Plan. At the direction of the Employer, the Plan Administrator may permit a class of Participants who are participants in another eligible governmental plan under Section 457(b) of the Code to transfer assets to the Plan as provided in this Section 6.2. Such a transfer is permitted only if the plan provides for the direct transfer of each Participant's interest therein to the Plan. The Plan Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Plan Administrator. The Plan Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with Section 457(e)(10) of the Code and Section 1.457-10(b) of the Income Tax Regulations and to confirm that the other plan is an eligible governmental plan as defined in Section 1.457-2(f) of the Income Tax Regulations. The amount so transferred shall be credited to the Participant's Account and shall be held, accounted for, administered and otherwise treated in the same manner as an Elective Deferral by the Participant under the Plan, except that the transferred amount shall not be considered under the Plan in determining the maximum deferral under Section 4.2.

6.3 Plan-to-Plan Transfers from the Plan.

- (a) At the direction of the Employer, the Plan Administrator may permit a class of Participants and Beneficiaries to elect to have all or any portion of their Account transferred to another eligible governmental plan within the meaning of Section 457(b) of the Code and Section 1.457-2(f) of the Income Tax Regulations. A transfer is permitted under this Section 6.3(a) for a Participant only if the Participant has had a Severance from Employment with the Employer and is an employee of the entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 6.3(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participants and Beneficiaries and for each Participant and Beneficiary to have an amount deferred under the other plan immediately after the transfer at least equal to the amount transferred.
- (b) Upon the transfer of assets under this Section 6.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Plan Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.3 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 6.3, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Section 1.457-10(b) of the Income Tax Regulations.

## **ARTICLE VII DISTRIBUTIONS**

7.1 Eligibility for Payment. Distribution of benefits from the Plan shall be made no earlier than (i) Severance from Employment or (ii) in the event of an approved financial hardship due to an Unforeseeable Emergency, as defined below.

- (a) “Severance from Employment” means the termination of a Participant’s employment with the County for any reason including the Participant’s death, disability or retirement.
- (b) “Unforeseeable Emergency” means a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of a dependent of the Participant, loss of the Participant’s property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The circumstances that will constitute an Unforeseeable Emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such hardship is or may be relieved:
  - (1) Through reimbursement or compensation by insurance or otherwise;
  - (2) By liquidation of the Participant’s assets, to the extent that liquidation of such assets would not itself cause severe financial hardship; or
  - (3) By cessation of deferrals under the Plan.

The need to send a Participant’s child to college or the desire to purchase a home shall not be considered to be an Unforeseeable Emergency.

7.2 Distribution Due to Unforeseeable Emergency. A Participant may request a distribution due to an Unforeseeable Emergency by submitting a written request to the Plan Administrator, accompanied by evidence to demonstrate that the circumstances being experienced qualify as an Unforeseeable Emergency. The Plan Administrator shall have the authority to require such evidence, as it deems necessary to determine if a distribution shall be warranted. If an application for a distribution due to an Unforeseeable Emergency is approved, the distribution shall be limited to an amount sufficient to meet the Unforeseeable Emergency.

7.3 Commencement of Distributions.

- (a) Upon a Participant’s Severance from Employment, the Participant may elect to receive distributions under one of the optional distribution forms then available under the Investment Option chosen by the Participant.

- (b) Notwithstanding the provisions of Section 7.3(a) above, in no event shall distribution of benefits commence with respect to any Participant later than the April 1st of the calendar year following the calendar year in which the Participant attains age 70-½, or if later, the April 1st of the calendar year following the calendar year in which the Participant incurs a Severance from Employment.

#### 7.4 Distribution Requirements.

- (a) General Rule. This Section 7.4 is intended to comply with Code Section 457(d) and the regulations issued thereunder. To the extent that there is any conflict between the provisions of Code Section 457(d) and the regulations issued thereunder and any other provision in this Plan, the provisions of Code Section 457(d) and the regulations issued thereunder will control.
- (b) Distribution Options. Distributions shall be paid in accordance with the payment option elected by the Participant. Payment, method of payment and settlement options are available as provided by each of the Investment Options then available to the Participant.
- (c) Minimum Amounts to be Distributed. If a Participant's retirement payments are to be distributed in a form other than a single lump sum, the amount to be distributed each year, and the times those amounts are paid, shall satisfy the requirements specified in Section 401(a)(9) of the Code and the regulations issued thereunder.
- (d) Death Distribution Provisions.
  - (1) Death After Distributions Begin. If the Participant dies after distribution of his or her interest has commenced, the remaining portion of such interest shall continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death.
  - (2) Death Before Distributions Begin. If the Participant dies before distribution of his or her interest has commenced, distribution of the Participant's entire interest shall be completed by the December 31 of the calendar year containing the fifth anniversary of the Participant's death, except to the extent that the recipient of such benefits elects to receive distributions in accordance with (i) or (ii) below:
    - (i) If any portion of the Participant's interest is payable to a designated Beneficiary, distributions may be made in substantially equal annual payments over a period of ten years commencing no later than the December 31 of the

calendar year immediately following the calendar year in which the Participant died;

- (ii) If the designated Beneficiary is the Participant's surviving spouse, the date distributions are required to begin in accordance with (i) above shall be the December 31 immediately following the calendar year in which the Participant died or, if later, the December 31 of the calendar year in which the Participant would have attained age 70-½.

If the Participant has not made an election pursuant to this Section 7.4 by the time of his or her death, the Participant's designated Beneficiary must elect the method of distribution no later than the earlier of (1) the December 31 of the calendar year in which distributions would be required to begin under this Section 7.4, or (2) the December 31 of the calendar year which contains the fifth anniversary of the date of death of the Participant. If the Participant has no designated Beneficiary, or if the designated Beneficiary does not elect a method of distribution, distribution of the Participant's entire interest must be completed by the December 31 of the calendar year containing the fifth anniversary of the Participant's death.

- (3) For purposes of Section 7.4(d), if the surviving spouse dies after the Participant, but before payments to such spouse begin, the provisions of Section 7.4(d) with the exception of paragraph (ii) shall be applied as if the surviving spouse were the Participant.
- (4) For the purposes of this Section 7.4, distribution of a Participant's interest is considered to begin on the Participant's required beginning date (or, if applicable, the date distribution is required to begin to the surviving spouse).

## **ARTICLE VIII BENEFICIARY INFORMATION**

8.1 Designation. A Participant shall have the right to designate a Beneficiary, and amend or revoke such designation at any time prior to commencement of benefits, in writing, in a form approved by the Plan Administrator. Such designation, amendment or revocation shall be effective upon satisfactory receipt by the Plan Administrator.

8.2 Failure to Designate a Beneficiary. Benefits shall be paid to a Participant's spouse, or if none, to his estate, in the event: (i) a Participant has the right to designate a Beneficiary pursuant to the terms of Section 8.1 above, and (ii) prior to the date a Participant commences to receive payment of benefits under the Plan, the Participant has not designated a

Beneficiary or no designated Beneficiary survives the Participant and benefits are payable following the Participant's death.

## **ARTICLE IX PLAN ADMINISTRATION**

9.1 Plan Administration. The County shall be responsible for appointing a Plan Administrator to administer the Plan. The Plan Administrator shall have sole discretionary responsibility for the interpretation of the Plan, enrolling Participants in the Plan, directing investments of deferrals made pursuant to the Plan, and for performing other duties required for the operation of the Plan. Any action taken on any matter within the discretion of the Plan Administrator shall be made in its sole and absolute discretion based on this Plan document, and shall be final, conclusive, and binding on all parties. In order to discharge its duties hereunder, the Plan Administrator shall have the power and authority to delegate ministerial duties and to employ such outside professionals as may be required for prudent administration of the Plan.

9.2 Accounts and Expenses. The Plan Administrator shall establish and maintain Accounts on behalf of each Participant. Each such Account shall reflect the aggregate of Elective Deferral contributions, transfers and rollovers, if any, made on behalf of a Participant, and shall also reflect the investment experience attributable to each such Account based upon the investment experience described in Section 9.3 below. The Account shall also reflect any reductions due to expense charges applied to, and distributions made from, each such Account.

9.3 Investment Experience. Amounts credited to a Participant's Account shall reflect the investment experience of the Investment Options selected under the Plan. The County authorizes each Participant to select the investment options under the Plan that will be used to measure the investment experience of such Participant's account. The Investment Options shall include the Investment Options made available by the Plan Administrator. The initial allocation request may be made at the time of enrollment in the Plan. Once made, an investment allocation request shall remain in effect for all subsequent contributions until changed by the Plan Administrator, or the Participant, as the case may be. A Participant may change any allocation made by such Participant hereunder by submitting a written request to the Plan Administrator or its designee on such form as may be required by the Plan Administrator or its designee. Any such changes shall become effective as soon as administratively feasible after the Plan Administrator or its designee receives a satisfactory written request.

## **ARTICLE X AMENDMENT OR TERMINATION OF PLAN**

10.1 Amendment and Termination. While it is expected that this Plan will continue indefinitely, the County reserves the right at any time to amend, otherwise modify, or terminate the Plan without any liability for such action. In the event of a termination of the Plan, the County shall notify Participants of the termination.

## **ARTICLE XI MISCELLANEOUS**

11.1 Plan Non-Contractual. Nothing contained in this Plan will be construed as a commitment or agreement on the part of any person to continue his or her employment with the County, and nothing contained in this Plan will be construed as a commitment on the part of the County to continue the employment or the rate of compensation of any person for any period, and all Employees of the County will remain subject to discharge to the same extent as if the Plan had never been put into effect.

11.2 Claims of Other Persons. The provisions of the Plan will in no event be construed as giving any Participant or any other person, firm, corporation or other legal entity, any legal or equitable right against the County, its Board or employees, except the rights as are specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

11.3 Assignments. No benefit or interest available hereunder will be subject to assignment or alienation, either voluntarily or involuntarily, other than as provided under Section 401(a)(13) of the Code. The preceding sentence shall also apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order, unless such order is determined to be a qualified domestic relations order, as defined in Section 414(p) of the Code.

11.4 Pronouns. Whenever used herein, the masculine pronoun is deemed to include the feminine. The singular form, whenever used herein, shall mean or include the plural form where applicable, and vice versa.

11.5 Representations. The County does not represent or guarantee that any particular Federal or State income, payroll, personal property or other tax consequence will result from participation in this Plan. A Participant should consult with professional tax advisors to determine the tax consequences of his or her participation. Furthermore, the County does not represent or guarantee investment returns with respect to any Investment Options and shall not be required to restore any loss which may result from such investment or lack of investment.

11.6 Severability. If a court of competent jurisdiction holds any provision of this Plan to be invalid or unenforceable, the remaining provisions of the Plan shall continue to be fully effective.

11.7 Applicable Law. This Plan shall be construed in accordance with applicable Federal law and, to the extent otherwise applicable, the laws of the State of Illinois.

IN WITNESS WHEREOF, the County and the Plan Administrator have caused the Plan to be executed to signify their acceptance of the terms hereof as of the date first written above.

ATTEST:

COUNTY OF KANE:

By: \_\_\_\_\_  
Its Secretary

By: \_\_\_\_\_  
Its \_\_\_\_\_

# NATIONWIDE

KANE COUNTY GOVERNMENT CENTER 0036906-001 457

Investment Activity  
\*\*\*\*\* UNAUDITED \*\*\*\*\*

Current Quarter: January 01, 2016 to March 31, 2016

|                              | Accumulation   | Payout | Total          |
|------------------------------|----------------|--------|----------------|
| Beginning Investment Balance | \$4,001,965.68 | \$0.00 | \$4,001,965.68 |
| Contributions                | 36,616.70      | 0.00   | 36,616.70      |
| Transfers In                 | 17,281.00      | 0.00   | 17,281.00      |
| Investment Income            | (468.12)       | 0.00   | (468.12)       |
| Withdrawals                  | (27,375.00)    | 0.00   | (27,375.00)    |
| Transfers Out                | (215,120.97)   | 0.00   | (215,120.97)   |
| Withdrawal Charges           | 0.00           | 0.00   | 0.00           |
| Annuity Purchases            | 0.00           | 0.00   | 0.00           |
| Annuity Benefit Payments     | 0.00           | 0.00   | 0.00           |
| Administrative Fees          | 0.00           | 0.00   | 0.00           |
| Asset Fees                   | (5,952.12)     | 0.00   | (5,952.12)     |
| Life Insurance Posted Only   | 0.00           | 0.00   | 0.00           |
| Ending Investment Balance    | \$3,806,947.17 | \$0.00 | \$3,806,947.17 |

Life Insurance Policy Holder Account Value \$0.00

Loan Balance \$0.00

Self-Directed Option \$0.00

Third Party Administered \$0.00

Previous Four Quarters: April 01, 2015 to March 31, 2016

|                              | Accumulation   | Payout | Total          |
|------------------------------|----------------|--------|----------------|
| Beginning Investment Balance | \$3,605,454.84 | \$0.00 | \$3,605,454.84 |
| Contributions                | 165,830.04     | 0.00   | 165,830.04     |
| Transfers In                 | 362,067.29     | 0.00   | 362,067.29     |
| Investment Income            | 2,823.13       | 0.00   | 2,823.13       |
| Withdrawals                  | (73,171.89)    | 0.00   | (73,171.89)    |
| Transfers Out                | (232,256.11)   | 0.00   | (232,256.11)   |
| Withdrawal Charges           | 0.00           | 0.00   | 0.00           |
| Annuity Purchases            | 0.00           | 0.00   | 0.00           |
| Annuity Benefit Payments     | 0.00           | 0.00   | 0.00           |
| Administrative Fees          | 0.00           | 0.00   | 0.00           |
| Asset Fees                   | (23,800.13)    | 0.00   | (23,800.13)    |
| Life Insurance Posted Only   | 0.00           | 0.00   | 0.00           |
| Ending Investment Balance    | \$3,806,947.17 | \$0.00 | \$3,806,947.17 |

Life Insurance Policy Holder Account Value \$0.00

Loan Balance \$0.00

Self-Directed Option \$0.00

Third Party Administered \$0.00

47192005657028

# NATIONWIDE 1

## DESCRIPTION OF CHARGES AND EXPENSES

The charges and expenses assessed against your Participant Account are determined by your Employer and us. Your Participant Account may be subject to some or all of these charges and expenses.

The charges and expenses listed below are the current maximum charges and expenses we assess for Contracts we issue. The maximum charges and expenses we assess, as well as the charges we assess your Plan, are subject to change.

### **General Account Charge**

We may assess a General Account charge against the interest credited to your Participant Account. The charge is deducted from the interest yield we credit, resulting in a lower overall crediting rate.

*Current Maximum General Account Charge: 1.00%*

Any applicable General Account charge will be assessed on each Business Day.

### **Participant Account Charge**

The Participant Account charge is a flat-dollar fee we assess against your Participant Account.

*Current Maximum Participant Account charge: \$100 per year*

Any applicable Participant Account charge will either be taken instead of, or in addition to, the General Account charge. If we assess this fee, it will be collected on a monthly, quarterly, semi-annual, or annual basis.

### **Contract Maintenance Charge**

The Contract maintenance charge is a flat-dollar fee assessed at the Contract level.

*Current Maximum Contract Maintenance Charge: \$1,000,000 per year*

Any applicable Contract maintenance charge will either be taken instead of, or in addition to, the General Account charge. If we assess this fee, it will be collected on a monthly, quarterly, semi-annual, or annual basis. Your Employer will direct us as to how to apportion this fee against all Participant Accounts under the Contract, including your Participant Account.

### **Other Expense and Service Charges**

Your Employer may request us to perform additional services for the Plan, provide special Participant level services, or request to have expenses associated with the Plan deducted from assets in the Contract. If this occurs, we will determine with your Employer the amount of the charge associated with any additional services we provide. With regard to any additional expenses, we will generally accept your Employer's direction with regard to how these charges are deducted from the Contract, including how they are deducted from Participant Accounts.

## DESCRIPTION OF THE CONTRACT

We issue the Contract as a funding vehicle for employer sponsored governmental benefit plans. Typically, these are governmental deferred compensation plans receiving favorable tax treatment under section 457(g) of the Internal Revenue Code or defined contribution plans receiving favorable tax treatment under section 401(a) of the Internal Revenue Code. However, we may issue the Contracts to fund other employer sponsored benefit plan.



# NATIONWIDE 2

## Recurring Contract Expenses

|  |                    |
|--|--------------------|
| Maximum Allowable Variable Account Charge Allowable Under the Contract             | 2.00% <sup>1</sup> |
| Maximum Allowable Fixed Account Charge Allowable Under the Contract (Endorsement?) | 2.00% <sup>2</sup> |
| Maximum Allowable Contract Maintenance Charge                                      | \$10,000,000       |
| Maximum Allowable Participant Account Charge                                       | \$100              |
| Nationwide FundGuard <sup>SM</sup>   | 1.25% <sup>3</sup> |

The following table describes the charges and expenses assessed at the time various transactions are conducted under the Contract.

## Transaction Based Expenses

|  |                 |
|--|-----------------|
| Maximum Premium Tax Charge   | 5% <sup>4</sup> |
| Maximum Short-Term Trading Fee (as a percentage of transaction amount) | 2%              |

## Variable Account Charge

We assess a charge against each Sub-Account of the Variable Account. The charge is deducted as part of our calculation of each Sub-Account's Unit Value pursuant to the formula in the Contract. The charge is designed to reimburse us for expenses associated with administration, distribution, maintenance and risks assumed in connection with the Contract and this Brochure. We may earn a profit from this charge.

The Variable Account charge may be reduced under two different circumstances.

First, we may provide for reductions in the charge when the value of the Contract reach a certain total dollar value (or "break-point"). For example, if total Plan assets contributed to invested in the Contract reach \$10,000,001 we may decrease the Variable Account charge by 0.05%. Nationwide may not offer break points to every Contract.

Second, we may provide for reductions in the charge based upon the Investment Option in which Participant Contributions are allocated. We may designate "fund tiers" and apply a specific Variable Account charge reduction to all Investment Options in that tier. The Variable Account charge will vary by fund tier, meaning we may assess a different Variable Account charge against one Investment Option than another. Fund tiers are determined at our sole discretion but are commonly identified by expense characteristics that result in cost-savings to Nationwide, including the amount of payments the Underlying Investment providers make to us. Nationwide may not utilize fund tiers in every Contract.

## Fixed Account Charge

<sup>1</sup> The Variable Account charge is an annualized rate of total Variable Account charges expressed as a percentage of daily net assets. The Variable Account Charge can range between 0% and 2.00% and may vary by Investment Option.

<sup>2</sup> If the Fixed Account is an available investment option, we may assess a fee at any time during the term of the Contract. The fee may range between 0% and 2.00% of assets in the Fixed Account option.

<sup>3</sup> New FundGuard programs are currently unavailable. If the Nationwide FundGuard was elected, we will assess monthly a maximum annualized rate of 1.25%. Withdrawals from the Contract when FundGuard is elected may be assessed a withdrawal Charge. Refer to the Addendum to this Brochure for details regarding FundGuard programs, including associated charges.

<sup>4</sup> Nationwide may charge between 0% and 5% of Purchase Payments for premium taxes levied by state or other government entities.

# NATIONWIDE 3

Purchase payments representing Participant Contributions, including yours, are allocated to the General Account. We accept purchase payments to the Contract in the currency of the United States of America. We may accept purchase payments in another form, but only with our prior written consent.

As a Participant, Retired Participant, or beneficiary under the Contract you received this Certificate. This Certificate describes the benefits afforded to you under the Contract. These benefits involve the segregation and maintenance of your Participant Account and the ability to convert your Participant Account into a lifetime stream of guaranteed income payments (an annuity).

Your benefits under the Contract are contingent on the Contract remaining in-force. Your Employer or Nationwide may terminate the Contract under certain circumstances and transfer your Participant Account to a funding successor (a new provider). Unless otherwise specified in this Certificate, termination of the Contract ends your benefits under the Contract.

The Contract is not a part of your Plan. Your right to receive benefits and tax treatment of benefits are not governed by the Contract, but instead are determined by your Plan.

The Contract is non-participating and will not share in our surplus.

## **INTEREST CREDITING UNDER THE CONTRACT**

We will credit interest to your account each Business Day based on the annual yield we declare. We also reserve the right to prospectively discontinue accepting Participant Contributions, Exchanges and Transfer allocations.

All guarantees associated with the Contract and your Participant Account allocation to it are liabilities of our General Account and are guaranteed by us.

The Contract is structured with guaranteed annual minimum interest rates and guaranteed quarterly interest rates. The annual minimum guaranteed interest rate is established at the beginning of each calendar year. This guarantee means interest credited through the current calendar year will never be less than this minimum rate. The guaranteed quarterly rate is established at the beginning of each calendar quarter. During the current calendar quarter, interest credited will never be less than this minimum rate.

We establish our interest rate guarantees at our own discretion based upon a multitude of factors.

In the event your Employer terminates the Contract and requests a lump-sum payment on the effective date of termination, amounts allocated to the Contract (including allocations attributable to Participant Accounts) are subject to a negative market-value adjustment.

**The Contract is not insured by the FDIC, NCUSIF, or any other Federal government agency. Any Contract guarantees are subject to our claims paying ability.**

## **YOUR PARTICIPANT ACCOUNT**

### **General Information Regarding Participant Accounts**

We establish a Participant Account for each Participant under the Plan, including you. Your Participant Account records all relevant transactions you make, or in some cases the Plan makes. It also records Participant Contributions, Exchanges and Transfers, and Participant Benefit Payments.

We may delegate responsibilities regarding maintaining Participant Accounts to one of our third-party affiliates. Your Employer may want us to use another third-party to maintain Participant Accounts. Even if we delegate responsibilities regarding Participant Accounts to a third-party, we will continue to be ultimately responsible for maintaining Participant Accounts.

# NATIONWIDE 4

- (4) Life Income with Payment Certain (5, 10, 15 and 20 Years) - This annuity payment option provides you with payment contingent on your continuation of life, but with a guarantee that at least a minimum pre-determined duration of payments are received by you and any of your beneficiaries, regardless of your own mortality. Payments are calculated using our current annuity purchase rates and methods.
- (5) Joint and Last Survivor Life Income - This annuity payment option allows you and another named individual to receive payments guaranteed throughout your life and the life of the additional individual you name. Payments cease upon the last "survivor's" death. We may also permit Joint and Last Survivor annuities with payment reductions after the first death. Payments are calculated using our current annuity purchase rates and methods.
- (6) Any Other Option - We may make any other payment plans available upon agreement of your Employer and us. Additional annuity payment options we make available will be calculated using our current annuity purchase rates and methods.

## TERMINATION OF THE CONTRACT

The Contract may be terminated by your Employer or us at any time. The proceeds of the Contract will be paid within one-hundred twenty days (120) of receipt of the notice to terminate by the non-terminating party (the "effective date of termination").

We will discontinue accepting additional Purchase Payments to the Contract within thirty (30) days following receipt by the non-terminating party of notice to terminate. We may continue to accept Purchase Payments, however, if we reach a mutual agreement to do so with your Employer. After notice of termination is received by the non-terminating party, further liquidations from the Contract will not be permitted.

Until the effective date of termination is reached, we will continue to maintain your Participant Account and permit you to receive any applicable Participant Benefit Payments. You will not be able to make any Participant Contributions thirty (30) days after notice of termination is received by the non-terminating party. We may continue to accept Purchase Payments, however, if we reach a mutual agreement to do so with your Employer. We will let you continue to make Exchanges and Transfers, subject to any of the limitations imposed on your Participant Account prior to termination.

When the effective date of termination is reached, the Contract, including amounts attributable to your Participant Account, will be transferred to a funding successor using one of the following methods described below (based on your Employer's election). Once the Contract is terminated and all amounts are paid-out, our liability with regard to benefits and your Participant Account and any benefits described in the Contract and this Certificate will end. However, if you have purchased an annuity payment option (assuming one is available under the Contract) we will continue to send you annuity payments and be obligated to provide you the guaranteed income stream under the annuity payment option.

The Contract will be paid in one of the following two ways (depending on your Employer's election).

- (1) Lump-sum Payment. This payment method involves a total liquidation of the Contract, including amounts allocated to your Participant Account. Your Participant Account will, however, be subject to a market value adjustment if the present value of assets in the Contract attributable to your Participant Account are less than the value of the Contract's allocation to your Participant Account. We determine any market value adjustment at our sole discretion, but we do so in a manner consistent with approximation of the present value of assets attributable to the Contract. If a market value adjustment is applied, it will decrease the value of the Contract, including amounts in your Participant Account attributable to the Contract.
- (2) Sixty (60) Monthly Installments. This payment method results in the Contract being paid in sixty (60) monthly installments. We do not begin installment payments until the first month of the calendar year

# NATIONWIDE 5

## Memorandum of Understanding

1. I understand that my participation in the Plan is governed by the terms and conditions of the Plan Document. The product Informational Brochure and Disclosure Document and fund prospectuses are available upon request at [www.nrsforu.com](http://www.nrsforu.com) or by calling 1-877-NRS-FORU.
2. The total annual contribution amount to all 457(b) plans is the lesser of \$17,500 or 100% of includible compensation. Under certain circumstances, additional amounts above the limit may be contributed into the Plan if (1) I will attain age 50 or older during the current calendar year, or (2) I am within three years of Normal Retirement Age and did not contribute the maximum amount in prior years. The Plan Document provides additional details about contribution limits. Contributions in excess of maximum amounts are not permitted and will be considered taxable income when refunded. It is my responsibility to ensure my contributions do not exceed the annual limit. The total annual defined contribution amount to all 401(a) plans is \$51,000.
3. Earnings from designated Roth contributions may be subject to income taxes and penalties unless the distribution is a qualified distribution. A qualified distribution is one that the contributions are held in the designated Roth Account for 5 consecutive tax years and the participant is at least 59 1/2, has become disabled or has died. In addition, distribution of designated Roth accounts which are rolled over into this account may be subject to income taxes and penalties if they are not qualified distributions. Designated Roth contributions are generally not subject to income taxes or penalties. Please note, that once made, contributions and/or rollovers to a Roth account may not be reversed. In the event you wish to make changes, only future contributions and/or rollovers can be redirected.
4. I may withdraw funds from the Plan only upon severance from employment; at age 70 1/2 (if contributions have stopped); upon an unforeseeable emergency approved by the Plan; or I may take a one-time in-service withdrawal if my account value is \$5,000 or less (as adjusted) and I have not contributed into the Plan for two or more years. In some cases, withdrawal for purchase or repayment of service credits in a Governmental Defined Benefit Plan may be permitted. Additionally, funds may be withdrawn upon my death. All withdrawals of funds must be in compliance with the Internal Revenue Code and applicable regulations, some of which are expressed in the Plan Document.
5. Generally, my distributions must begin no later than April 1st following the year I reach age 70 1/2. If I work beyond age 70 1/2, generally, my distributions must begin no later than April 1st following the year I have a severance from employment or retire. Please consult your plan document for further details. Generally, all pre-tax distributions are taxable as ordinary income and subject to income tax in the year received. My distributions must be made in a manner that satisfies the minimum distribution requirements of IRC Sec. 401(a)(9), which currently requires benefits to be paid at least annually over a period not to extend beyond my life expectancy. **Failure to meet minimum distribution requirements may result in the payment of 50% federal excise tax.**
6. The funds in my account may be eligible for rollover to a traditional or Roth IRA or to an eligible retirement plan. The "Special Tax Notice Regarding Plan Payments" provides detailed information about my options. Due to important tax consequences related to distributions, I have been advised to consult a tax advisor. I expressly assume the responsibility for tax consequences relating to any distribution, and I agree that neither the Plan nor the Administrative Services Provider shall be responsible for those tax consequences.
7. I understand that all amounts contributed into the plan and earnings on the amounts contributed are held in a trust, custodial account or annuity contract for the exclusive benefit of the participants and their beneficiaries until such time as the contributed amount is made available to the participant or beneficiary.
8. I understand that all products are optional and that underlying investment options may be periodically changed or restricted.
9. I understand Nationwide will permit the Owner or Participant to exchange amounts among the Variable and Fixed investment options as frequently as permitted by the Plan, subject to the limits and rules set by each Fund and the Contract. Changes may be made by calling 1-877-NRS-FORU (1-877-677-3678) or logging on to [www.nrsforu.com](http://www.nrsforu.com). I understand that options can vary by source.
10. I understand I must contribute a minimum of \$20 per month or \$10 per pay into the Plan to satisfy minimum plan requirements.
11. I understand that no changes will be effective until they are processed in the Service Center.
12. I understand when enrolling or electing to increase 457 contributions, I may be required to provide includible compensation data acceptable to NRS and/or notify NRS of any subsequent decrease in includible compensation.
13. I understand that if an allocation is made to a closed or unavailable investment option, the allocation will be made to the default option, the Nationwide® Money Market Fund. I understand that if the total investment option allocation percentage equals less than 100%, the difference will be invested in the default option, the Nationwide® Money Market Fund. I understand that if the total investment option allocation is greater than 100%, my application will be rejected and my allocations will not be processed.
14. I understand that in the Plan there may be an administrative fee. There may also be investment management fees, depending on the mutual funds in which I invest. For more information please call 1-877-NRS-FORU (1-877-677-3678).
15. I understand that any beneficiary designation I made on this form will supersede any prior beneficiary designation and shall become effective on the date accepted by the Plan, provided that this designation is accepted by the Plan prior to my death. I further understand that any benefits payable at my death shall be paid in substantially equal shares unless I specify otherwise. My death benefits will be paid first to my Primary Beneficiaries. If some of my Primary Beneficiaries predecease me, then my death benefits will be paid to the remaining Primary Beneficiaries. Contingent Beneficiaries will only receive benefits if no Primary Beneficiary survives me. If no beneficiary designation is on file, benefits will be paid as set forth in the Plan Document.

### MUTUAL FUND OPTIONS

1. I understand that the Net Asset Value of a mutual fund changes on a daily basis and that there is no guarantee of principal or investment return.
2. I have received and reviewed the participating fund prospectus and/or been provided a contact phone number to obtain the fund prospectus.
3. I understand that pursuant to the Plan Document, contributed amounts will be invested per my selection of funding options specified on the Participation Agreement or as otherwise amended.
4. I understand some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.

### NATIONWIDE LIFE FIXED ACCOUNT

1. A guaranteed interest rate is declared quarterly and credited daily which is not lower than the minimum annual rate.
2. Nationwide may earn a spread on assets held in the Nationwide Fixed Account, which is reflected in the crediting rate. The spread represents the difference between what Nationwide earns on investments and what it credits to the Fixed Account as interest.

3. Exchanges or transfers may be made based upon one of the following options, as chosen by the entity (employer).
- a) Exchanges and/or transfers of money from the Fixed Account may be made no more than twice per year and may not exceed 20% of my fixed account value. Once the 20% limit has been reached, no further exchanges/transfers will be permitted out of my Fixed Account during the remainder of the calendar year. If my Fixed Account value is less than or equal to \$1,000, I can exchange/transfer out up to my entire account value. Each exchange/transfer will count toward the limitation of two exchanges/transfers out of the Fixed Account per year. Additionally, a 5-year Exchange/Transfer provision allows for the systematic movement of 100% of my account value out of the Fixed Account on a monthly basis over a five-year period. If elected, I cannot contribute, exchange, or transfer into my Fixed Account for the 5-year term without canceling the Provision.

-OR-

- b) Exchanges and/or transfers from the Fixed Annuity may be made up to 100% of my account value. The total of all participant exchanges and/or transfers shall not exceed 12% of the total amount held in the Deposit Fund for the entity (employer) under the Fixed Account as of December 31 of the previous calendar year. Once this aggregate limit is met, no further exchanges or transfers will be permitted out of my Fixed Account for the remainder of the calendar year. I may elect up to four exchanges/transfers out of the Nationwide Fixed Annuity within a calendar year. Additionally, a 5-year Exchange/Transfer provision allows for the systematic movement of 100% of my account value out of the Fixed Account on a monthly basis over a five-year period. If elected, I cannot contribute, exchange, or transfer into my Fixed Account for the 5-year term without cancelling the Provision.

Exchange: An exchange is the movement of money between the Nationwide Life Fixed Account and Variable Annuity options and/or between the funds in the Variable annuity option.

Transfer: A transfer is the movement of money between product providers within the same plan.

### NATIONWIDE LIFE VARIABLE ANNUITY CONTRACT

1. I understand that a Variable Account Charge is deducted daily from the Variable Account. The Variable Account Charge is deducted daily in an amount not to exceed the following schedule:

| Plan Assets                 | Maximum Variable Account Charge |
|-----------------------------|---------------------------------|
| 0 - \$10 million. ....      | 0.95%                           |
| \$10 - \$25 million. ....   | 0.90%                           |
| \$25 - \$50 million. ....   | 0.80%                           |
| \$50 - \$100 million. ....  | 0.65%                           |
| \$100 - \$150 million. .... | 0.50%                           |
| \$150 million +. ....       | 0.40%                           |

2. I understand that retirement income payments and termination values (if any), provided by the contract are variable when based on the investment experience of a separate account and are not guaranteed as to the dollar amount.

### MORLEY STABLE VALUE RETIREMENT FUND

- The Morley Stable Value Retirement Fund is not a mutual fund.
- I understand that an administrative fee is deducted daily from this investment option, not to exceed the Maximum Variable Account Annual Expense Fee chart above.
- I understand that exchanges to competing investment options must be held in a non-competing investment option for a minimum of 90 days before I can subsequently transfer to a competing option.

### ENDORSEMENT DISCLOSURE

Nationwide Retirement Solutions, Inc. (Nationwide) makes payments to the National Association of Counties (NACo) and NACo Financial Services Center Partnership (FSC) for services and endorsements that NACo provides for all its members generally related to Nationwide's products and services sold exclusively in public sector retirement markets. More detail about these payments is available at [www.nrsforu.com](http://www.nrsforu.com).

### MUTUAL FUND PAYMENTS DISCLOSURE

Nationwide Retirement Solutions, Inc. and its affiliates (Nationwide) offer a variety of investment options to public sector retirement plans through variable annuity contracts, trust or custodial accounts. Nationwide may receive payments from mutual funds or their affiliates in connection with those investment options. For more detail about the payments Nationwide receives, please visit [www.nrsforu.com](http://www.nrsforu.com).



**Nationwide®**  
Retirement Solutions

# NATIONWIDE

## Funding Options

Pre-tax and Roth contributions will use the same investment election and allocation. If you wish to have different selections, contact a Customer Service Representative at 1-877-677-3678.

### ASSET ALLOCATION - NATIONWIDE® TARGET DESTINATIONS SERIES

- \_\_\_\_\_ % Nationwide Destination 2015 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2020 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2025 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2030 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2035 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2040 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2045 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2050 Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide Destination 2055 Fund (Institutional Service Class)
- \_\_\_\_\_ % ~~Nationwide Retirement Income Fund (Institutional Service Class)~~

### ASSET ALLOCATION - NATIONWIDE® INVESTOR DESTINATION SERIES

- \_\_\_\_\_ % NMF Investor Destinations Aggressive Fund (Service Class)
- \_\_\_\_\_ % NMF Investor Destinations Moderate Aggressive Fund (Service Class)
- \_\_\_\_\_ % NMF Investor Destinations Moderate Fund (Service Class)
- \_\_\_\_\_ % NMF Investor Destinations Moderate Conservative Fund (Service Class)
- \_\_\_\_\_ % NMF Investor Destinations Conservative Fund (Service Class)

### INTERNATIONAL

- \_\_\_\_\_ % American Century International Discovery Fund (Investor Class)<sup>5</sup>
- \_\_\_\_\_ % Invesco International Growth Fund (Class R5)<sup>5</sup>
- \_\_\_\_\_ % Nationwide® International Index Fund (Class A)
- \_\_\_\_\_ % Nationwide® International Value Fund (Institutional Service Class)
- \_\_\_\_\_ % Oppenheimer Global Fund (Class A)

### SMALL CAP

- \_\_\_\_\_ % Nationwide® U.S. Small Cap Value Fund (Institutional Service Class)
- \_\_\_\_\_ % ~~Brown Capital Mgmt. Small Company Fund (Investor Class)~~
- \_\_\_\_\_ % Nationwide® Variable Insurance Trust: - Nationwide Multi-Manager NVIT Small Company Trust (Class I)
- \_\_\_\_\_ % Nationwide® Small Cap Index Fund (Class A)
- \_\_\_\_\_ % Nationwide® Small Company Growth Fund (Institutional Service Class)

### MID CAP

- \_\_\_\_\_ % American Century Vista(SM) Fund Class A<sup>5</sup>
- \_\_\_\_\_ % JP Morgan Mid Cap Value Fund (Class A)
- \_\_\_\_\_ % Nationwide® Mid Cap Market Index Fund (Class A)
- \_\_\_\_\_ % Neuberger Berman Equity Funds Genesis Fund (Trust Class)
- \_\_\_\_\_ % Wells Fargo Advantage Funds - Discovery Fund (Administrator Class)<sup>5</sup>

### LARGE CAP

- \_\_\_\_\_ % American Century Growth Fund (Investor Class)
- \_\_\_\_\_ % American Century Value Fund (Investor Class)
- \_\_\_\_\_ % American Funds The Investment Company of America Fund (Class A)<sup>1,3</sup>
- \_\_\_\_\_ % Dreyfus Appreciation Fund, Inc.
- \_\_\_\_\_ % Edgar Lomax Value Fund
- \_\_\_\_\_ % Fidelity Contrafund<sup>2,3</sup>
- \_\_\_\_\_ % Fidelity Equity-Income Fund<sup>3</sup>
- \_\_\_\_\_ % Fidelity OTC Portfolio<sup>3</sup>
- \_\_\_\_\_ % Nationwide® Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide® Growth Fund (Institutional Service Class)
- \_\_\_\_\_ % Nationwide® Large Cap Growth Portfolio
- \_\_\_\_\_ % Nationwide® S&P 500 Index Fund (Institutional Service Class)
- \_\_\_\_\_ % Neuberger Berman Socially Responsive Fund (Investor Class)
- \_\_\_\_\_ % SEI Institutional Managed Trust - S&P 500 Index (Class E)
- \_\_\_\_\_ % T. Rowe Price Growth Stock Fund (Advisor Class)
- \_\_\_\_\_ % Invesco Growth & Income Fund (Class A)<sup>5</sup>

### BALANCED

- \_\_\_\_\_ % Fidelity Puritan (R) Fund<sup>3</sup>

### BONDS

- \_\_\_\_\_ % MFS High Income Fund<sup>4</sup> (Class A)
- \_\_\_\_\_ % Nationwide® Bond Index Fund (Class A)
- \_\_\_\_\_ % PIMCO Total Return Fund (Class A)
- \_\_\_\_\_ % Waddell & Reed Advisor High Yield Fund (Class Y)

### FIXED/CASH

- \_\_\_\_\_ % Federated U.S. Govt. Securities 2 - 5 yrs Trust (Institutional Shares)
- \_\_\_\_\_ % Invesco Short Term Investment Trust Treasury Portfolio<sup>3</sup> (Institutional Class)
- \_\_\_\_\_ % Morley Stable Value Retirement Fund<sup>4</sup>
- \_\_\_\_\_ % Nationwide® Fixed Account
- \_\_\_\_\_ % Nationwide® Money Market Fund (Prime Shares)

\_\_\_\_\_ % **Total for both columns must equal 100%**

AVAILABILITY OF LIFE INSURANCE OPTIONS AND OTHER INVESTMENT OPTIONS MAY VARY BY PLAN. IF AN ALLOCATION IS MADE TO A CLOSED OR UNAVAILABLE INVESTMENT OPTION, THE ALLOCATION WILL BE MADE TO THE DEFAULT OPTION, THE NATIONWIDE® MONEY MARKET FUND. IF THE TOTAL INVESTMENT OPTION ALLOCATION PERCENTAGE EQUALS LESS THAN 100%, THE DIFFERENCE WILL BE INVESTED IN THE DEFAULT OPTION, THE NATIONWIDE® MONEY MARKET FUND. IF THE TOTAL INVESTMENT OPTION PERCENTAGE IS GREATER THAN 100%, YOUR APPLICATION WILL BE REJECTED AND YOUR ALLOCATIONS WILL NOT BE PROCESSED.

1. THE INVESTMENT COMPANY OF AMERICA FUNDS ARE ONLY AVAILABLE TO PLANS THAT ADOPTED THE FUNDS PRIOR TO JULY 1, 1994.

2. FIDELITY CONTRAFUND IS ONLY AVAILABLE TO PLANS THAT ADOPTED THE FUND PRIOR TO JULY 1, 1998.

3. THIS FUND IS IN THE PASSAGE SERIES AND MAY NOT BE AVAILABLE IN YOUR PLAN. PLEASE CONTACT THE PUBLIC SECTOR SERVICE CENTER AT WWW.NRSFORU.COM OR 1-877-NRS-FORU (1-877-677-3678) OR YOUR RETIREMENT SPECIALIST FOR DETAILS.

4. THIS FUND IS A NON-ANNUITY FUND AND MAY NOT BE AVAILABLE IN YOUR PLAN. PLEASE CONTACT THE PUBLIC SECTOR SERVICE CENTER AT WWW.NRSFORU.COM OR 1-877-NRS-FORU (1-877-677-3678) OR YOUR RETIREMENT SPECIALIST FOR DETAILS.

5. THIS FUND MAY NOT BE AVAILABLE IN YOUR PLAN. PLEASE CONTACT THE PUBLIC SECTOR SERVICE CENTER AT WWW.NRSFORU.COM OR 1-877-NRS-FORU (1-877-677-3678) OR YOUR ENROLLER FOR DETAILS.



## Authorization

☐ Please send me a copy of the Informational Brochure/Prospectus(es).

☐ Please contact me regarding transferring my other pre-tax retirement plans.

I authorize my Employer to make the contribution(s) to the Plan in the amounts I have designated above. The contribution(s) will continue until otherwise authorized in accordance with the Plan. The withholding of my contribution(s) amount by my Employer and its payment to the designated investment option(s) will be reflected in the first pay period contingent on the processing of this application by the Administrative Services Provider in conjunction with the set-up time required by my payroll center. The contribution(s) is to be allocated to the funding options in the percentages indicated above. Some mutual funds may impose a short-term trade fee. Please read the fund prospectuses carefully.

I have read and understand the terms contained in this form. I accept these terms and understand that these terms do not cover all the details of the Plan or products.

Participant Signature

Date

Retirement Specialist Name/Signature

Agent Number

Please return your completed application to:

NATIONWIDE RETIREMENT SOLUTIONS  
P O BOX 182797  
COLUMBUS OH 43218-2797  
Fax Number: 1-877-677-4329

**The Memorandum of Understanding is on the following pages**

# NATIONWIDE 8

## NOTICE TO PLAN FIDUCIARY OF PROPOSED CHANGES TO THE DESIGNATED INVESTMENT OPTIONS WITHIN YOUR RETIREMENT PLAN'S ANNUITY CONTRACT

You have a retirement plan whose administrative services are provided by Nationwide Retirement Solutions (Nationwide). This Notice informs you of proposed changes to the underlying investment options in the variable annuity insurance product that you selected for your retirement plan(s), which are underwritten by Nationwide Life Insurance Company and serviced by Nationwide Retirement Solutions, Inc. (collectively, Nationwide). As the Plan Fiduciary, you have the authority to approve or reject any changes to your annuity contract, and the investment options in that product, with respect to your plan.

**ACTION NEEDED:** Please review the proposed changes carefully.

### Proposed changes to your plan's annuity contract

On or about **July 1, 2015**, the following funds (collectively, New Funds) will be added to your annuity contract and available to receive contributions, if your plan does not already offer them:

- Nationwide Destination 2060 Instl Svc

On or about **Aug. 3, 2015**, the following funds (collectively, Removed Funds) will be removed from your annuity contract:

- Brown Capital Mgmt Small Co Inv
- Nationwide Retirement Income Instl Svc

### Redirection of Assets

On or about **Aug. 3, 2015**, the following redirection of assets will occur and these changes will affect your plan participants' assets in and contributions to your annuity contract as follows:

| Assets invested in and contributions to: | Will be directed to:                  |
|--|---------------------------------------|
| Brown Capital Mgmt Small Co Inv          | Nationwide Small Company Growth InSvc |
| Nationwide Retirement Income Instl Svc   | Nationwide Inv Dest Cnsrv Svc         |

### Summary of Dates

|                     |  |
|---------------------|--|
| <b>Aug. 3, 2015</b> | The date on which Nationwide will no longer accept contributions from participants who are not currently invested in Removed Funds.          |
| <b>June 5, 2015</b> | The date by which Nationwide will notify participants of the changes described in this Notice.   |
| <b>Aug. 2, 2015</b> | The last day on which participants with assets in Removed Funds may direct contributions, change allocation amounts, and complete exchanges. |
| <b>Aug. 3, 2015</b> | The date on which assets in Removed Funds will be redirected as shown above.   |

01708005689026



## PLAN ASSETS

as of 06/30/11

Fund

Asset Value      % of Assets      Count / % of Participants

### Asset Allocation

|   |                   |             |   |      |
|---|-------------------|-------------|---|------|
| Nationwide Destination 2040 Fund - Institutional Service Class    | 20,502.59         | 0.6%        | 1 | 1.5% |
| Nationwide NMF Investor Destinations Aggressive Fund              | 42,862.21         | 1.2%        | 2 | 3.0% |
| Nationwide NMF Investor Destinations Conservative Fund            | 9,011.88          | 0.3%        | 2 | 3.0% |
| Nationwide NMF Investor Destinations Moderate Fund                | 24,541.35         | 0.7%        | 4 | 6.1% |
| Nationwide NMF Investor Destinations Moderately Conservative Fund | 36,695.16         | 1.1%        | 3 | 4.5% |
| Nationwide Retirement Income Fund - Institutional Service Class   | 1,004.69          | 0.0%        | 1 | 1.5% |
| <b>Sub-Total Asset Allocation</b>                                 | <b>134,617.88</b> | <b>3.9%</b> |   |      |

### Balanced

|                           |                  |             |   |      |
|---------------------------|------------------|-------------|---|------|
| Fidelity Puritan(R) Fund  | 38,881.97        | 1.1%        | 4 | 6.1% |
| <b>Sub-Total Balanced</b> | <b>38,881.97</b> | <b>1.1%</b> |   |      |

### Bonds

|   |                   |             |   |       |
|---|-------------------|-------------|---|-------|
| Nationwide Bond Index Fund                    | 6,693.51          | 0.2%        | 1 | 1.5%  |
| PIMCO Total Return Fund                       | 96,854.45         | 2.8%        | 7 | 10.6% |
| Waddell & Reed Advisors High Income Bond Fund | 32,901.38         | 0.9%        | 7 | 10.6% |
| <b>Sub-Total Bonds</b>                        | <b>136,449.34</b> | <b>3.9%</b> |   |       |

### International

|   |                   |             |   |       |
|---|-------------------|-------------|---|-------|
| American Century International Discovery Fund                     | 9,333.42          | 0.3%        | 3 | 4.5%  |
| Nationwide International Index Fund                               | 49,208.44         | 1.4%        | 8 | 12.1% |
| Nationwide International Value Fund - Institutional Service Class | 59,928.73         | 1.7%        | 6 | 9.1%  |
| Oppenheimer Global Fund   | 185,819.78        | 5.4%        | 9 | 13.6% |
| <b>Sub-Total International</b>                                    | <b>304,290.37</b> | <b>8.8%</b> |   |       |

### Large Cap

|                                 |            |       |    |       |
|---------------------------------|------------|-------|----|-------|
| American Century Growth Fund    | 46,863.67  | 1.4%  | 4  | 6.1%  |
| American Century Value Fund     | 25,223.26  | 0.7%  | 6  | 9.1%  |
| Dreyfus Appreciation Fund, Inc. | 6,460.64   | 0.2%  | 3  | 4.5%  |
| Fidelity Contrafund             | 468,510.43 | 13.5% | 25 | 37.9% |
| Fidelity Equity-Income Fund     | 46,779.96  | 1.4%  | 5  | 7.6%  |

**Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing.**

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.



# NATIONWIDE 10

## PLAN ASSETS

as of 06/30/11

| Fund  | Asset Value         | % of Assets  | Count / % of Participants |       |
|---|---------------------|--------------|---------------------------|-------|
| Fidelity OTC Portfolio  | 15,639.81           | 0.5%         | 3                         | 4.5%  |
| Invesco Van Kampen Growth and Income Fund - Class A                             | 243,893.34          | 7.0%         | 6                         | 9.1%  |
| Nationwide Fund   | 15,391.03           | 0.4%         | 2                         | 3.0%  |
| Nationwide Large Cap Growth Portfolio   | 182,024.33          | 5.3%         | 15                        | 22.7% |
| Nationwide S & P 500 Index Fund   | 121,957.53          | 3.5%         | 6                         | 9.1%  |
| Neuberger Berman Equity Funds(R) - Socially Responsive Fund                     | 134,498.54          | 3.9%         | 6                         | 9.1%  |
| SEI Institutional Managed Trusts S & P 500 Index Fund                           | 46,598.03           | 1.3%         | 2                         | 3.0%  |
| T.Rowe Price Growth Stock Fund  | 19,273.65           | 0.6%         | 3                         | 4.5%  |
| The Investment Company of America(R)  | 135,618.79          | 3.9%         | 8                         | 12.1% |
| <b>Sub-Total Large Cap</b>  | <b>1,508,733.01</b> | <b>43.5%</b> |                           |       |
| <b>Mid Cap</b>  |                     |              |                           |       |
| American Century Vista(SM) Fund   | 33,262.28           | 1.0%         | 9                         | 13.6% |
| JPMorgan Mid Cap Value Fund   | 10,790.58           | 0.3%         | 5                         | 7.6%  |
| Nationwide Mid Cap Market Index Fund  | 49,529.30           | 1.4%         | 5                         | 7.6%  |
| <b>Sub-Total Mid Cap</b>  | <b>93,582.16</b>    | <b>2.7%</b>  |                           |       |
| <b>Short Term Investments</b>   |                     |              |                           |       |
| Federated U.S. Government Securities Fund: 2-5 Years                            | 39,336.63           | 1.1%         | 7                         | 10.6% |
| Fixed Assets  | 5,618.25            | 0.2%         | 1                         | 1.5%  |
| Invesco Short-Term Investments Trust - Treasury Portfolio - Institutional Class | 1,161.20            | 0.0%         | 2                         | 3.0%  |
| Nationwide Fixed Account  | 1,054,503.75        | 30.4%        | 27                        | 40.9% |
| Nationwide Money Market Fund  | 4,429.71            | 0.1%         | 2                         | 3.0%  |
| <b>Sub-Total Short Term Investments</b>   | <b>1,105,049.54</b> | <b>31.9%</b> |                           |       |
| <b>Small Cap</b>  |                     |              |                           |       |
| Brown Capital Management Small Company Fund                                     | 12,937.50           | 0.4%         | 3                         | 4.5%  |
| Nationwide Small Cap Index Fund   | 1,743.29            | 0.1%         | 2                         | 3.0%  |
| Nationwide US Small Cap Value Fund - Institutional Service Class                | 23,086.35           | 0.7%         | 3                         | 4.5%  |
| Neuberger Berman Equity Trust(R) - Genesis Fund                                 | 105,106.62          | 3.0%         | 7                         | 10.6% |
| <b>Sub-Total Small Cap</b>  | <b>142,873.76</b>   | <b>4.1%</b>  |                           |       |

**Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing.**

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

# NATIONWIDE II

## PLAN ASSETS

as of 06/30/11  
Fund

| Asset Value | % of Assets | Count / % of Participants |
|-------------|-------------|---------------------------|
|-------------|-------------|---------------------------|

Total

3,464,478.03

***Please consider the funds' investment objectives, risks, and charges and expenses carefully before investing. The prospectus contains this and other important information about the investment company. Read the prospectus carefully before investing.***

The use of diversification and asset allocation as part of an overall investment strategy does not assure a profit or protect against loss in a declining market.

Asset allocation funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the asset allocation fund itself, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

# NATIONWIDE 13

## EXECUTIVE SUMMARY

### Plan Contribution Limits for 2011

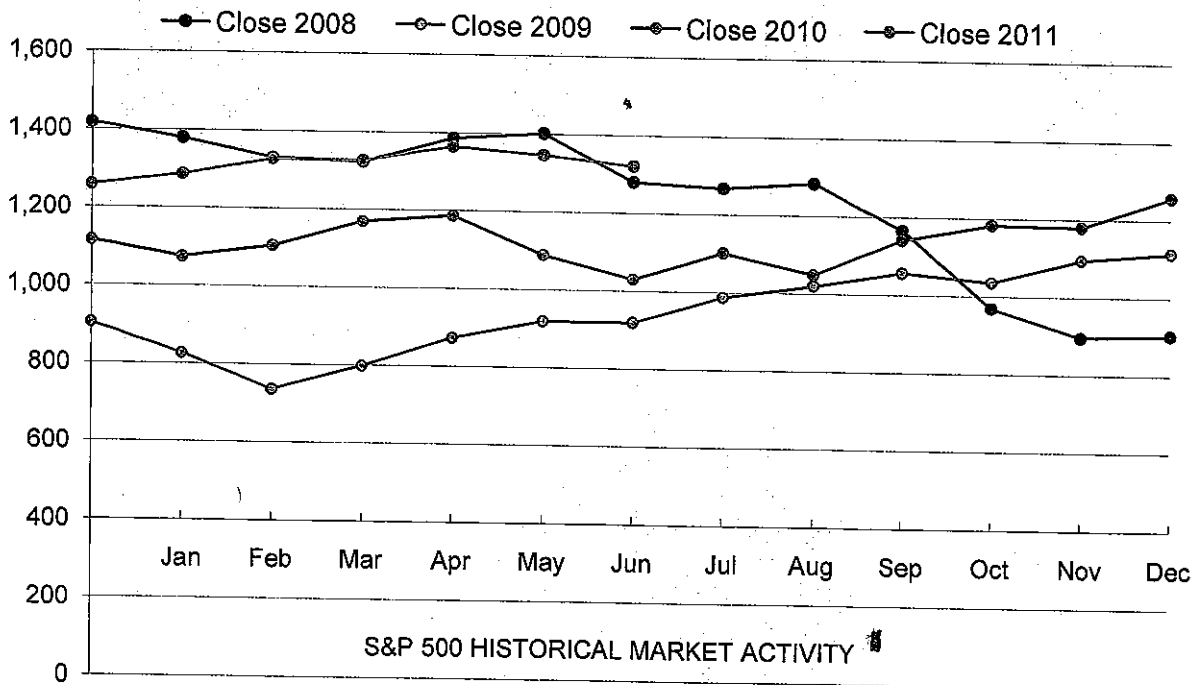
|                  |          |
|------------------|----------|
| Regular limit:   | \$16,500 |
| 50+ catch-up:    | \$22,000 |
| 3-year catch-up: | \$33,000 |

### Quick Plan Facts

|                                 | Actual as of<br>06/30/11 | % Chng from 1<br>year ago |
|---------------------------------|--------------------------|---------------------------|
| Total participant count         | 66                       | -13.2%                    |
| Total new enrollments YTD count | 0                        | NA                        |
| Total plan assets (millions)    | \$3.46                   | 19.3%                     |
| Total deferrals YTD (thousands) | \$104.49                 | -21.0%                    |
| Total rollovers-in YTD          | \$0.00                   | NA                        |
| ProAccount participant count    | 1                        | 0.0%                      |

### Market Activity

S&P 500 CHANGE YTD: 5.0%



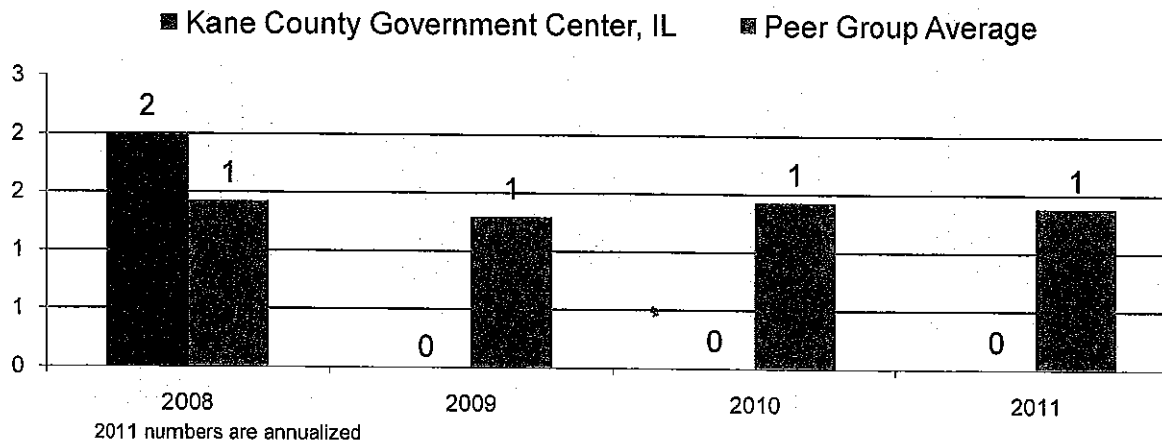
The 500 companies included in this index are selected by the S&P Index committee; a few of the mitigating factors are market size, industry representation and liquidity. This index is designed to be an overall indication of the United States stock market. The 500 securities represent approximately 75% of the total market value of all U.S. stocks.

## PLAN PARTICIPATION

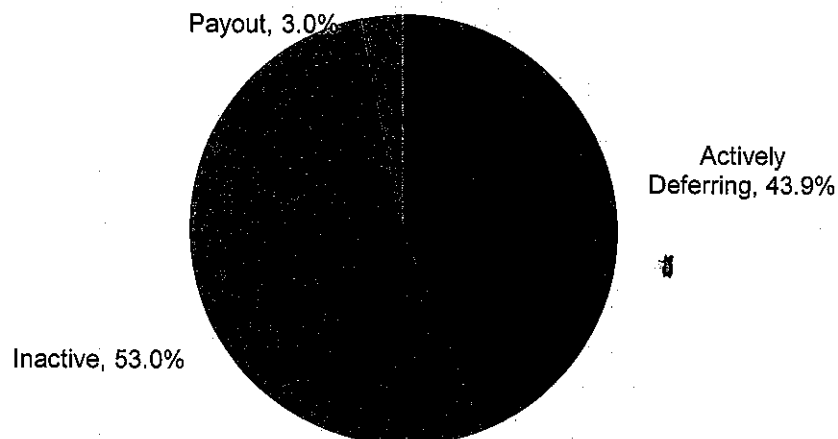
| Participant Status                   | 12/31/08  | 12/31/09  | 12/31/10  | 6/30/11   | % Chng<br>from 1 year<br>ago |
|--------------------------------------|-----------|-----------|-----------|-----------|------------------------------|
| # of Participants Actively Deferring | 38        | 36        | 33        | 29        | -17.1%                       |
| # of Inactive Participants*          | 37        | 38        | 36        | 35        | -7.9%                        |
| # of Participants in Payout          | 6         | 3         | 2         | 2         | -33.3%                       |
| <b>Total Participants</b>            | <b>81</b> | <b>77</b> | <b>71</b> | <b>66</b> | <b>-13.2%</b>                |

\* Inactive participants are those with a balance, not deferring and not in payout

### New Participant Count



### Total Participants as of 06/30/11

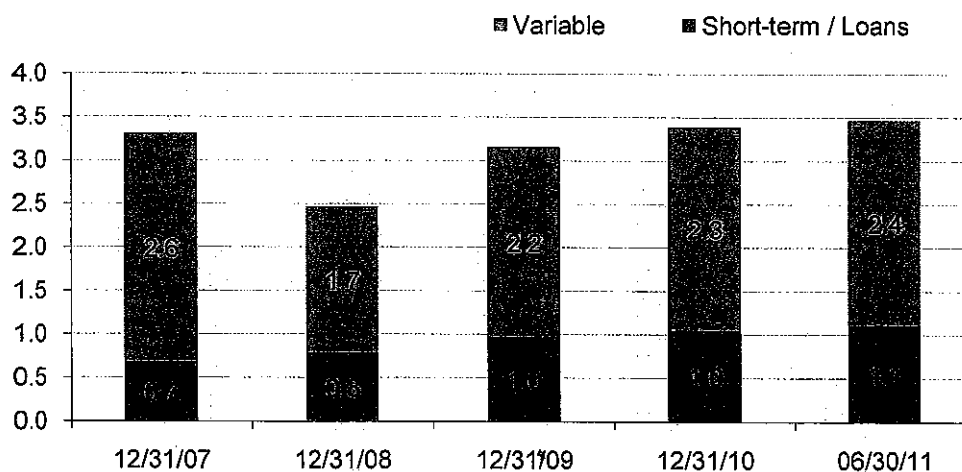


## PLAN ASSETS

### Total Plan Assets (Millions)

| 12/31/07 | 12/31/08 | 12/31/09 | 12/31/10 | 6/30/11 | % Chng from<br>1 year ago |
|----------|----------|----------|----------|---------|---------------------------|
| \$3.3    | \$2.5    | \$3.2    | \$3.4    | \$3.5   | 19.3%                     |

### Plan Assets Summary (Millions)



### Plan Assets by Investment Class (Thousands)

| Investment Class | 12/31/09          | 12/31/10          | 06/30/11          | % of Total     |
|------------------|-------------------|-------------------|-------------------|----------------|
| Asset Allocation | \$108.86          | \$128.65          | \$134.62          | 3.9%           |
| International    | \$261.90          | \$299.40          | \$296.56          | 8.6%           |
| Small Cap        | \$107.10          | \$113.54          | \$139.02          | 4.0%           |
| Mid Cap          | \$87.83           | \$82.68           | \$93.58           | 2.7%           |
| Large Cap        | \$1,461.08        | \$1,343.38        | \$1,488.94        | 43.0%          |
| Balanced         | \$59.80           | \$36.62           | \$38.88           | 1.1%           |
| Bonds            | \$62.60           | \$294.19          | \$118.05          | 3.4%           |
| Short-term       | \$954.41          | \$1,037.48        | \$1,099.43        | 31.7%          |
| SDO              | \$0.00            | \$0.00            | \$0.00            | 0.0%           |
| Specialty        | \$0.00            | \$0.00            | \$0.00            | 0.0%           |
| Loans            | \$0.00            | \$0.00            | \$0.00            | 0.0%           |
| ProAccount       | \$49.58           | \$53.62           | \$55.39           | 1.6%           |
| <b>Total</b>     | <b>\$3,153.16</b> | <b>\$3,389.56</b> | <b>\$3,464.48</b> | <b>100.00%</b> |

ProAccount assets are broken out on this chart. However, on all charts in the appendix, ProAccount assets are reflected in the appropriate underlying investment class.

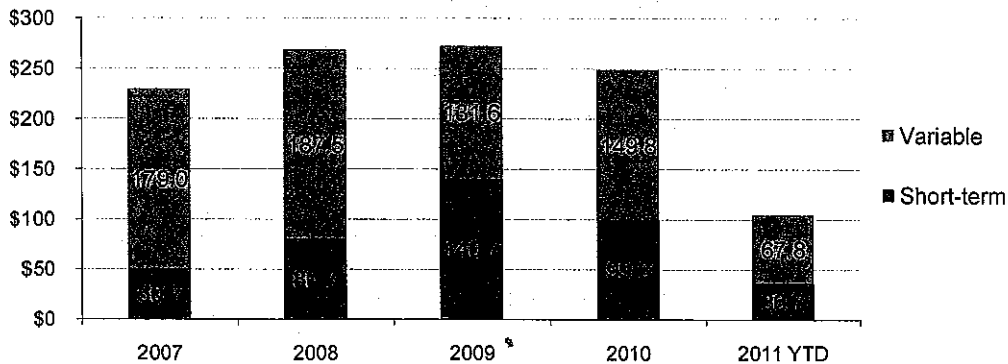
# NATIONWIDE 16

## PLAN CONTRIBUTIONS

### Total Contributions by Year (Thousands)

|                 | 2007    | 2008    | 2009    | 2010    | 2011 YTD | % Chng<br>from 1<br>year ago |
|-----------------|---------|---------|---------|---------|----------|------------------------------|
| Deferrals       | \$229.6 | \$245.1 | \$272.3 | \$249.1 | \$104.5  | -21.0%                       |
| Rollovers/Other | \$0.0   | \$23.2  | \$0.0   | \$0.0   | \$0.0    | NA                           |
| Total           | \$229.6 | \$268.2 | \$272.3 | \$249.1 | \$104.5  | -21.0%                       |

### Plan Contributions Summary (Thousands)



### Plan Contributions by Investment Class (Thousands)

| Investment Class | 2009     | 2010     | 2011 YTD | % Total |
|------------------|----------|----------|----------|---------|
| Asset Allocation | \$8.96   | \$7.87   | \$2.52   | 2.4%    |
| International    | \$12.62  | \$13.85  | \$8.05   | 7.7%    |
| Small Cap        | \$5.50   | \$7.48   | \$4.04   | 3.9%    |
| Mid Cap          | \$6.06   | \$7.77   | \$4.23   | 4.0%    |
| Large Cap        | \$87.69  | \$95.97  | \$41.87  | 40.1%   |
| Balanced         | \$5.59   | \$0.78   | \$0.65   | 0.6%    |
| Bonds            | \$5.23   | \$16.06  | \$6.48   | 6.2%    |
| Short-term       | \$140.66 | \$99.34  | \$36.65  | 35.1%   |
| SDO              | \$0.00   | \$0.00   | \$0.00   | 0.0%    |
| Specialty        | \$0.00   | \$0.00   | \$0.00   | 0.0%    |
| Loans            | \$0.00   | \$0.00   | \$0.00   | 0.0%    |
| ProAccount       | \$0.00   | \$0.00   | \$0.00   | 0.0%    |
| Total            | \$272.30 | \$249.11 | \$104.49 | 100.0%  |