457(b) Deferred Compensation Plan Summary Plan Description

Listed below are telephone numbers and website and correspondence addresses for some of the resources participants routinely use.

IPPFA Benefits Website

www.ippfabenefits.org and the website for the asset manager is my.trsretire.com.

LOCAL BENEFITS OFFICES

Your Benefits Office is a resource for answers to questions about your benefits and for benefits publications and forms. The following is a contact list for benefit offices.

Chicago, IL	866-944-6312
Sprinfield, IL	217-306-2041

457(b) Deferred Compensation Plan: Summary Plan Description

The 457(b) Plan is a deferred compensation plan described under §457(b) of the Internal Revenue Code (the IRC). The provisions of the Plan are subject to collective bargaining for represented employees. Future benefits from the 457(b) Plan will reflect the amount of a participant's voluntary salary deferral contributions plus earnings. Vesting is immediate.

Employees who want to participate in the 457(b) Plan designate a portion of their gross salary to be contributed on a pretax basis, thus reducing the participant's taxable income. Taxes on contributions and any earnings are deferred (that is, postponed) until the participant withdraws the money.

The designated Plan Administrator of the 457(b) Plan is Joel J. Babbitt. Currently, Transamerica Retirement Services performs recordkeeping duties. The relevant contact information is on the inside front cover. The Plan Administrator administers the 457(b) Plan for the sole benefit of Plan participants and their beneficiaries. Participation is voluntary and should be based on the participant's financial objectives and resources. Individual investment strategies should reflect the participant's personal savings goals and tolerance for financial risk. Participants may also want to consult a tax advisor or financial planner before enrolling. IPPFA Benefits and the sponoring employers are not liable for any loss that may result from participants' investment decisions. This summary plan description summarizes the Plan document as revised effective January 2018.

Eligibility

All employees of are eligible to participate in the 457(b) Plan. An employee begins participation when contributions are made to the 457(b) Plan on the employee's behalf. An employee or former employee continues participation until all funds held on his or her behalf are distributed.

Contributions

Contributions may be made to the plan with both Pre-Tax and Post-Tax Contributions.

Pretax salary deferral contributions to the 457(b) Plan may come only from income paid through the their employer participating in the plan. Employees may also roll over money from other employer-sponsored plans.

According to IRS rules, enrollment in the 457(b) Plan cannot go into effect immediately. Enrollment affects earnings for the month following enrollment and the first deduction is taken from the paycheck on the first of the subsequent month. For example, if a participant enrolls in January, the first deduction is taken from February earnings and is reflected in the March 1 paycheck.

Contributions to the 457(b) Plan are reported annually on employees' W-2 forms, but are not included in income subject to taxation.

457(b) Plan salary deferral contributions are deducted from gross salary (after any other pretax deductions for medical plan premiums, dependent care expenses or certain health care expenses), and income taxes are calculated on remaining pay. Although 457(b) Plan salary deferral contributions reduce taxable income, they do not reduce any other salary-related

Upon enrollment, participants choose the flat dollar amount or percentage of salary that they will contribute through payroll up to their maximum annual contribution amount. Under the percentage method, contributions change proportionately as the participant's salary changes.

LEAVES OF ABSENCE

Contributions stop during a leave without pay and resume automatically at the same rate upon return to pay status unless the participant cancels them.

For sabbatical leaves or administrative leaves with pay during which employees earn less than 100 percent of regular compensation, contributions continue in the same amount or percentage (see "Contributions," page 6) as elected before the leave unless the participant makes a change. Because contributions remain the same while compensation decreases, it is important for participants to review their contribution amount before going on a paid leave.

Special rules may allow participants on military leave to "make up" contributions that would have been credited to their accounts during the military leave. Local Benefits Offices can provide more information.

During paid vacation or sick leave, contributions continue in the same amount.

TERMINATION OF EMPLOYMENT

If a participant terminates employment, salary deferral contributions stop automatically. The payment options available for a participant's accumulations are described in "Distributions: Former Employees" (see page 9).

REAPPOINTMENT

If a participant leaves employment or retires and is later rehired into an eligible position, the participant may begin contributing to the Plan again.

MAXIMUM ANNUAL CONTRIBUTION LIMITS

The IRC limits the amount participants may contribute annually to tax-advantaged retirement plans and imposes substantial penalties for violating contribution limits (see "Excess Salary Reductions" on page 8).

For 2018, the 457(b) Plan contribution limits are as follows:

Regular contribution limit: $19,000[1]

Participants who are age 50 or older any time during the year: $25,000[1]

To contribute the maximum amount, participants should check the limits and adjust their contributions for each calendar year accordingly.

Adjusted gross salary for any year is a participant's gross salary and any other forms of compensation.

SPECIAL CATCH-UP PROVISION

A special catch-up provision allows eligible participants to make additional contributions in one or more of the three consecutive years ending before the year the participant elects as his or her retirement age. The elected retirement age can be any age between 47 and 70½.

For 2018, the total amount the participant can contribute using the special catch-up limit is the lesser of two amounts:[2]

- Twice the regular contribution limit for 2019 ($19,000 x 2 = $38,000) or
- The regular contribution limit for 2019 plus the difference between previous years' regular contribution limits and the actual contributions made during those years (the unused contribution capacity)[3]

[1] Or 100 percent of adjusted gross salary, if less.

[2] Participants who take advantage of this special provision cannot also take advantage of the over-age-50 provision; they must choose whichever provides the higher contribution amount.

[3] The calculation can include only those years in which the participant was eligible to contribute to the Plan, which was introduced in 2004.

Contributions

Here is an example showing contribution limits and annual contributions since 2016 for a hypothetical employee:

	2015	2016	2017
Regular contribution limits	$18,000	$18,000	$18,000
Participant contributions	$15,000	$15,000	$15,000
Unused eligible contribution capacity	$3,000	$3,000	$3,500
Cumulative unused contribution capacity:			$9,500
Regular 2018 contribution limit:			$18,500
Total amount the participant can contribute in 2018:			**$26,000**

In subsequent years, the special catch-up limit must be reduced to reflect any unused contribution capacity that has already been taken into account in calculating a special catch-up provision.

EXCESS SALARY REDUCTIONS

Most payroll systems monitor 457(b) Plan contributions, and a participant's pretax salary deferral contributions will stop automatically if they reach the applicable limit before the end of the year. As a result, there is little chance of over contributing. In limited circumstances, however, excess salary reductions may be made—if, for example, a participant works and contributes to a 457(b) plan with another employer.

If participants think they have over contributed but have not been contacted, or if they contribute to a 457(b) plan with another employer during the year, they should call contract their employer before the end of the year (or by March 1 of the following year) to request a refund.

The IRC requires that excess salary reductions in any calendar year be refunded to the participant by April 15 of the following year to avoid tax penalties. If the excess is refunded by April 15, the excess is treated as ordinary income for the year in which the salary reductions were made. The refund will also reflect any earnings (or loss) generated by the excess salary reductions during that year. The earnings must be reported on tax returns for the year in which the refund is paid. For example, if a participant receives a refund of 2016 excess contributions in 2016, all amounts should be reported on tax returns for 2016. If the participant receives the refund in 2017, however, the excess contributions should be reported on 2016 tax returns and any earnings on tax returns for 2017.

Refunds of excess contributions and earnings are not eligible for rollover, nor are they subject to the penalty taxes on early distributions (see "Early Distribution Penalties" on page 11).

If an excess contribution is not refunded by April 15, the excess amount must remain in the Plan. The participant must still report the excess as ordinary income for the year in which the contributions were made. In addition, the excess amount will again be taxable as ordinary income in the year in which the participant receives a distribution that includes these funds. In other words, excess contributions that are not refunded by the April 15 deadline are taxed twice.

If, during a year, contributions for the participant are made to another plan over which the participant has control, or a participant makes salary deferral contributions to another plan (other than a 457(b)), the participant should consult a tax advisor on the applicable limitations on contributions.

INVESTMENT OF CONTRIBUTIONS

Participants choose the investment options in which they want to invest their contributions. The investment options are explained on page 11.

Subject to payroll deadlines, participants may start, stop or change the amount of their contributions to the Plan at any time. They also may redirect future 457(b) Plan contributions to one or more of the investment options and/or exchange (transfer) accumulations in the Plan among the investment options at any time. Direct exchanges between certain investment options may be prohibited. See the Transamerica Retirement Services website (my.trsretire.com) for more information.

Distributions

Distribution rules vary depending on the participant's employment status.

CURRENT EMPLOYEES

The IRC restricts the 457(b) Plan in-service distributions made to current employees. In general, an employee may take a distribution of plan accumulations in the following circumstances only:

- Voluntary in-service withdrawal of the total balance is allowed once if the balance is less than $5,000 and no contributions have been made in the past two years and the employee has never taken another distribution except an unforeseeable emergency withdrawal
- Attainment of age 70½ or
- An unforeseeable emergency as described below

UNFORESEEABLE EMERGENCY WITHDRAWAL

Participants may be able to take a withdrawal on account of an unforeseeable emergency resulting from:

- An illness or accident involving the participant or the participant's beneficiary or the spouse of the participant or the participant's beneficiary or a dependent of the participant or the participant's beneficiary
- Loss of property due to casualty or
- Other similar, extraordinary and unforeseeable circumstances arising from events beyond the control of the participant

The unforeseeable emergency withdrawal may not be in excess of the amount reasonably needed to satisfy the participant's or beneficiary's emergency need. The participant must first satisfy the need using other available financial resources including:

- Insurance reimbursements
- Cessation of salary deferral contributions to the 457(b) Plan
- Liquidation of other assets, to the extent the liquidation does not itself cause severe financial hardship

After taking an unforeseeable emergency withdrawal, a participant may not make voluntary contributions to the 457(b) Plan, the 403(b) Plan or the DC Plan for three months.

A withdrawal is generally taxed as ordinary income in the year in which it is issued. In accordance with IRS regulations, Transamerica Retirement Services will withhold 10 percent for federal taxes and will withhold the appropriate state income taxes (unless the participant elects no withholding).

There are specific federal tax withholding rules that apply to all distributions from retirement and savings plans (see "Taxes on Distributions" on page 10).

FORMER EMPLOYEES

Participants who leave employment have the following payment options for assets in the 457(b) Plan:

- Leave the assets in the Plan if the Plan balance totals at least $2,000, subject to minimum required distribution rules. Although participants may no longer contribute, they may transfer funds among the investment options, subject to the transfer/exchange rules and roll over money into the Plan.
- Take a full or partial distribution (payable to the participant or directly rolled over to a traditional IRA, a Roth IRA or employer-sponsored plan); see page 11 for information on early distributions.
- Arrange for systematic withdrawals. This option enables the participant to receive regular, periodic distributions without having to make a specific request for each one.

For distributions made on and after Jan. 1, 2006, the following Plan rules apply to distributions of small accounts after the participant has terminated employment:

If the value of the participant's accumulations is less than $2,000, but more than $1,000, and the participant fails to provide distribution directions, the participant's accumulations will be rolled over to an IRA custodian designated by the Plan Administrator in an account maintained for the participant.

If the value of the participant's accumulations is $1,000 or less, and the participant fails to provide distribution directions, the participant's accumulations shall be paid directly to the participant at his or her address of record.

All distributions are subject to Transamerica Retirement Services deadlines. No distributions can be made until all payroll activity is complete, which can take from 30 to 60 days.

Distributions

BENEFICIARIES

Participants should designate a beneficiary to receive their accumulations in the 457(b) Plan in the event of their death. Participants may name more than one beneficiary and specify the percentage of the Plan balance that each beneficiary is to receive. A beneficiary may be a person, trustee or organization.

Subject to restrictions on small accounts, a beneficiary may elect to take his or her benefit as a lump sum or in periodic payments over a term that meets the Internal Revenue Code requirements on minimum distributions. If a beneficiary fails to make an election, the benefit will be distributed to the beneficiary in a lump sum by the last day of the calendar year that contains the fifth anniversary of the participant's death.

A deceased participant's beneficiary (the participant's beneficiary) may also designate a beneficiary (beneficiary's beneficiary) to receive the balance in the deceased participant's account if the participant's beneficiary dies before taking a total distribu-tion. The beneficiary's beneficiary must decide how they want money to be distributed within nine months of the death of the participant's beneficiary.

If no beneficiary has been named, or if the beneficiary dies before the participant, any amount remaining will be distributed to the participant's eligible survivors in the following order of succession:

- Surviving spouse or domestic partner or, if none,
- Surviving children, biological or adopted, on an equal-share basis (children of a deceased child share their parent's benefit) or, if none,
- Surviving parents on an equal-share basis or, if none,
- Brothers and sisters on an equal-share basis or, if none,
- The participant's estate

A will or trust does not supersede a designation of beneficiary, nor does either supersede the Plan's "default" beneficiary rules (described above) that apply in the absence of a valid beneficiary designation.

It is the participant's responsibility to keep information on beneficiaries, including addresses, up to date. You can name or change your beneficiary information by contacting Transamerica Retirement Services (my.trsretire.com or 800-755-5801). The address of record is binding for all purposes of the 457(b) Plan.

COMMUNITY PROPERTY

Married participants and registered domestic partners who designate someone other than their legal spouse or partner as a beneficiary may need to consider the spouse's or partner's community property rights. For residents of a community property state such as California, a designation of beneficiary may be subject to challenge if the spouse or partner would consequently receive less than the share of the benefit attributable to community property.

TAXES ON DISTRIBUTIONS

A distribution from the 457(b) Plan is generally taxed as ordinary income in the year it is issued. Note, however, that there are specific federal tax withholding rules that apply to all distributions from retirement savings and investment plans. For more information about the tax treatment of Plan distributions, read the special tax notice provided by Fidelity Retirement Services before requesting a distribution. The tax rules are quite complex; for these reasons, participants considering a distribution from the Plan are strongly encouraged to consult a tax advisor.

Participants who choose to take a distribution are responsible for satisfying the distribution rules and for any tax consequences.

Distributions to participants are reported annually on IRS Form 1099-R, which are sent in January following the calendar year in which the distribution was issued.

EARLY DISTRIBUTION PENALTIES

Distributions from 457(b) plans are generally not subject to the early distribution penalties that may apply to distributions from other types of retirement plans. If, however, an amount is rolled over from another type of retirement plan, such as a 403(b) plan or a tax-qualified 401(a) plan, to the 457(b) Plan, any distributions attributable to the rolled over amount that are made before a participant attains age 59½ may be subject to federal and state penalty taxes unless an exception applies.

Early distribution penalties are not assessed when a distribution is paid. Participants who are subject to the penalties are responsible for reporting them to the IRS when they file their income tax returns. A participant has access to Pre-Tax Deferrals at separation of service, regardless of age.

MINIMUM REQUIRED DISTRIBUTIONS

Participants must begin receiving minimum distributions from the Plan by April 1 of the calendar year following the later of:

- The year in which they reach age 70½ or
- The year in which they leave employment

Participants who do not receive minimum distributions by the required dates, or who receive less than the minimum amount the law requires, must pay a nondeductible 50 percent excise tax on the difference between the amount that should have been received and the amount received.

Minimum required distributions are not eligible for rollover.

Minimum required distributions are calculated in accordance with U.S. Treasury regulations.

Additional 457(b) Plan Information

INVESTMENT OPTIONS

Plan participants can choose from a broad range of professionally managed investment options that are monitored by the Executive Board of The Illinois Public Pension Fund Association with the assistance of the asset manager, Transamerica. The fund menu includes Portfolio Express, each of which adjusts its asset mix as the fund approaches its target date, plus additional investments funds that represent a comprehensive range of asset classes. Most funds offered re designed to have lower expenses than many similar publicly traded mutual funds. A complete description of each of these options is available at my.trsretire.com.

Participants may also invest in mutual funds that are not included in the core fund menu by opening a brokerage window account. Participants must agree to the terms and conditions that govern the account, including an acknowledgment of the risks involved and the special fees that may apply.

Information about investment objectives, risks, changes and expenses of all options is available, free of charge, from Transamerica Retirement Services (my.trsretire.com or 800-755-5801).

ROLLOVERS: INTO THE PLAN

Participants may move eligible retirement funds from a previous employer plan or an IRA to the 457(b) Plan via a rollover. The 457(b) Plan accepts rollovers of pretax distributions from:

- Other employer-sponsored plans, including 401(a), 401(k), 403(b) and governmental 457(b) Plans and/or
- Lump sum cashouts
- Traditional IRAs

The 457(b) Plan does not accept rollovers Roth IRA's or other after-tax money sources. To roll over money directly from another employer-sponsored plan to The IPPFA 457(b) Plan, the participant must arrange to have the plan’s custodian or plan administrator write a check for the distribution, payable to Transamerica. As long as the check is payable directly to Transamerica(not to the participant), no taxes should be withheld from the distribution, and the pretax funds will retain their tax-deferred status.

Employees who are eligible to participate in the 457(b) Plan may execute a rollover (and become Plan participants) even if they have not yet begun contributing to the Plan through payroll deductions.

Additional 457(b) Plan Information

ROLLOVERS: FROM THE PLAN

All 457(b) Plan distributions except those listed below are eligible for direct rollover (distribution made payable to a traditional IRA, a Roth IRA or another employer plan). As long as the check for the distribution is payable directly to the plan, no taxes should be withheld and the funds will retain tax-deferred status. If made payable to the participant, taxable distributions are subject to mandatory 20 percent federal tax withholding.

Participants may also roll over an eligible 457(b) Plan distribution consisting of pretax funds that has been paid to them, as long as the rollover to the IRA or new plan occurs within 60 days of receipt of the distribution. A participant who wants to roll over 100 percent of the distribution must replace from personal savings or other sources an amount equal to the taxes that were withheld when the distribution was issued. Any amount not rolled over will be taxed as ordinary income for the year in which the distribution was issued. It may also be subject to the early distribution penalties if the distribution is attributable to a rollover from a plan subject to the early distribution penalties.

457(b) Plan distributions that are not eligible for rollover include:

- Minimum required distributions
- Refunds of excess contributions (plus earnings)
- Systematic withdrawals and
- Unforeseen emergency withdrawals

Distributions made to non-spouse beneficiaries are eligible only for direct rollover and only to an inherited IRA.

For more information about the tax treatment of rollovers, read the special tax notice available from Transamerica Retirement Services or contact your local IPPFA Benefits representative.

ACCOUNT ACTIVITY

To help participants better understand the Plan's benefits and effectively manage their accounts, Transamerica Retirement Services, on behalf of IPPFA Benefits and the sponsoring employers, provides personalized account information via two electronic sources.

- Participants who have Internet access can find current, comprehensive information about their accounts and make certain online Plan transactions by visiting the Transamerica Retirement Services website (my.trsretire.com).
- Participants can retrieve personal financial information about their accounts and make transactions on the Transamerica Retirement Services toll-free telephone line (800-755-5801).

CLAIMS PROCEDURES

If Transamerica Retirement Services is unable to verify a claimant's right to a benefit within a short period of time, the claimant will be notified that he or she needs to forward a written request to the attention of the IPPFA Benefits at 3963 W. Belmont Ave., Suite 6, Chicago, IL 60618, who will review the claim on behalf of the Plan Administrator. The request should include all relevant information. Within 90 days of receipt of the request, the contract administrator will approve or disapprove the claim. If the claim is denied, the contract administrator will notify the claimant in writing, setting forth the specific reasons for the denial and providing specific references to the plan provisions on which the denial is based. The contract administrator also will describe any additional material or information needed to perfect the claim and provide an explanation of the 457(b) Plan's review procedures.

PLAN ADMINISTRATION AND FEES

Joel J. Babbitt is the Plan Administrator with responsibility for the day-to-day management and operation of the Plan.

Plan participants may invest in a broad range of investment options which have different objectives, risk and return characteristics, and investment management and administrative fees. Fund Fact Sheets which provide information on the investment and administrative fees for each fund option can be found at my.trsretire.com. Please also contact IPPFA Benefits and the full fund information is available.

MANAGED FUNDS

IPPFA and Transamerica manages certain fund options, including Portfolio Express. These funds charge a fee (i.e., investor expenses) to cover investment management, investor education and administration (including accounting, audit, legal, custodial and recordkeeping services). There are no front-end or deferred sales loads or other marketing expenses charged by these funds. These expenses are not billed directly to participants, but are netted against the investment experience of the funds.

FUNDS NOT MANAGED BY PLAN

The plan also offers other funds (not managed by IPPFA and Transamerica) in which you can invest your account. These funds charge an investment management fee (i.e., expense ratio) which is netted from the investment experience of the funds. Some of these funds rebate a portion of their investment management fee as a plan service credit to help offset the administrative costs of the plan.

OTHER FEES

Transamerica charges a $75.00 fee for the initiation of a plan loan and there is no ongoing fee for the loan charges by Transamerica. There is an interest rate charged on the loan and 100% of the interest that a participant pays is credited to the participant.

PLAN CHANGES

The Plan is subject to change and to independent audit to comply with applicable federal and state statutes, IRC regulations and industry standards. Participants are notified in writing whenever substantive changes to the Plan occur. Although the Plan is expected to continue indefinitely, the IPPFA Executive Board reserve the right to amend or terminate the Plan at any time.

Additional 457(b) Plan Information

ASSIGNMENT OF BENEFITS

Generally, 457(b) Plan benefits payable to participants, beneficiaries or survivors cannot be attached by creditors, nor can anyone receiving benefits assign payments to others. Plan benefits are intended solely for the security and welfare of participants and their beneficiaries and survivors.

There are some exceptions. For example, the IRS may attach retirement benefits to collect unpaid taxes, or a court may order certain benefits to be paid for child or spousal support.

QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDERS (QILDROS)

A court may award Plan assets to the participant's spouse or former spouse or the participant's dependent. This usually occurs in connection with a divorce or legal separation. In such cases, the domestic relations order must be approved, or qualified, as being in compliance with state law and with the Plan terms.

Both spouses and the court have the right to request information about the benefits earned by the participant during the marital period and how those benefits are derived, as well as information about the options available to non-participants. To obtain a copy of the QILDRO procedures, contact IPPFA Benefits at 773-427-6873.

Employee Information Statement

Participants in defined contribution plans are responsible for determining which, if any, investment vehicles best serve their retirement objectives. The 457(b) Plan assets are invested in accordance with the participant's instructions; if no instructions are given, assets are invested in the default account that is a 50% Stock and 50% Bond Portfolio. The participant should periodically review whether his/her objectives are being met, and if the objectives have changed, the participant should make the appropriate changes. Careful planning with a tax advisor or financial planner may help to achieve better supplemental retirement savings.

Neither the sponsoring employer, IPPFA Benefits, the Plan Administrator nor Transamerica Retirement Services bear any fiduciary liability for any losses resulting from a participant's investment instructions.

The Plan Administrator reserves the right to refuse to implement any investment instruction from a participant that violates Plan rules or IRC provisions.

All elections concerning contributions to the 457(b) Plan are subject to payroll transaction and fund valuation deadlines.

Neither the sponsoring employer, IPPFA Benefits, IPPFA, or Transamerica, the Plan Administrator nor any officer or affiliated officer shall be responsible in any way for the purpose, propriety or tax treatment of any contribution or distribution (or any other action or non action) taken pursuant to the direction of a Plan participant, beneficiary, executor or administrator, or a court of competent jurisdiction.