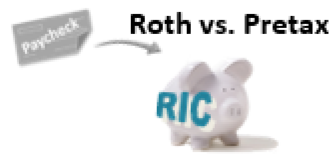
Retirement Investors' Club (RIC)

457/403b Plans

ROTH Summary



Roth contributions are invested after taxes are withheld. Earnings are tax-free if qualified*.

Pretax contributions are invested before taxes are withheld. Earnings are tax-deferred.

Iowa Retirement Investors' Club (RIC)

The Iowa RIC supplemental retirement savings program provides an easy way for you to save a portion of current wages for future income needs. RIC participation is through salary reductions in the amount you choose. RIC has no vesting requirements.

How do I make Roth contributions? You may make the election to contribute on a Roth basis in the same manner as a pretax deduction.

Is Roth right for me? The answer to this question depends on whether you want to pay taxes on your savings dollars now or later. Some factors to consider include your age, years to retirement, current tax rate or need for tax relief, projected tax rate at retirement (with taxable pension and SS payments), possibility of fewer tax deductions in retirement, and projected investment earnings. If you are not sure how the Roth option will affect your taxes and savings goals, consult a financial advisor or tax professional.

When can I take my Roth money out? A distributable event** must occur to take out RIC money. There are no product restrictions or penalties. Distribution options include taking income and rolling assets to another retirement account. Assets rolled out of RIC are subject to the distribution rules of the receiving plan. You are not required to take payments until your IRS required beginning date.

Are Roth distributions taxable? Distributions of Roth contributions are tax-free. Roth investment earnings are tax-free if the distribution is qualified. A Roth distribution is considered qualified (tax-free) if all three of the following requirements are met: a distributable event** has occurred, the Roth account has been held 5^+ years, and you are age 59½$^+$, disabled, or deceased.

Can I convert my pretax assets to Roth? Yes, you can convert your pretax assets to Roth if your provider allows for in-service conversions, you have a distributable event** (some providers may allow the conversion without a distributable event) or pretax roll-in assets from an outside plan. You will be taxed on the amount you convert.

How does the Roth RIC account differ from a Roth IRA? Unlike the Roth IRA you purchase at an outside financial institution, the Roth RIC account offered by your employer is funded through salary reductions only. The Roth IRA has income limit restrictions but the Roth RIC account does not. The Roth RIC account has considerably higher annual contribution limits than the Roth IRA (RIC annual limits and IRA annual limits are not combined). Distributions from a Roth RIC account require a distributable event** but the Roth IRA does not. Requirements for qualified (tax-free) distribution* of Roth investment earnings are the same for both the Roth IRA and Roth RIC account.

* A Roth earnings are tax-free if all three of the following requirements are met: a distributable event** has occurred, the Roth account has been held 5^+ years, and you are age 59½$^+$, disabled, or deceased.

**Distributable events include separation from employment, attainment of a particular age (59 ½ for 403b plan and 70 ½ for 457 plan), an approved Hardship Withdrawal or Unforeseeable emergency, disability, or death.