September 2012

RE: New VT Vantagepoint Milestone 2050 Fund for 401 and 457 Retirement Plans

Dear Plan Sponsor:

ICMA-RC is pleased to announce updates to the VT Vantagepoint Milestone Funds.[1, 2]

Following the Department of Labor ("DOL") final regulations announced on October 24, 2007 and implemented by ICMA-RC on June 1, 2008, your plan(s) adopted the VT Vantagepoint Milestone Funds as the qualified default investment alternative ("QDIA") for participants who do not provide investment allocation instructions. As such, for participants who did not provide investment allocation instructions and were defaulted to a Milestone Fund that was appropriate at the time of its availability but who now may be more appropriately defaulted to a more recent Milestone Fund, future contributions and existing balances will be allocated to the more age-appropriate currently available Milestone Fund.

After close of business on or about December 21, 2012, the VT Vantagepoint Milestone 2050 Fund ("VT Milestone 2050 Fund" or "Fund") will be added to the VT Vantagepoint Milestone Funds series. The Fund extends the range of the existing target date VT Vantagepoint Milestone Funds to include a fund with a retirement time horizon of approximately 40 years, which may be appropriate for your youngest plan participants. It invests in a combination of other underlying Vantagepoint Funds using an asset allocation strategy designed for investors who expect to begin making gradual withdrawals from the Fund, typically at or after retirement (assumed to occur at age 60), in or around the year 2050.

Updated VT Vantagepoint Milestone Funds Series*

VT Vantagepoint Milestone Retirement Income Fund
VT Vantagepoint Milestone 2010 Fund
VT Vantagepoint Milestone 2015 Fund
VT Vantagepoint Milestone 2020 Fund
VT Vantagepoint Milestone 2025 Fund
VT Vantagepoint Milestone 2030 Fund
VT Vantagepoint Milestone 2035 Fund
VT Vantagepoint Milestone 2040 Fund
VT Vantagepoint Milestone 2045 Fund
VT Vantagepoint Milestone 2050 Fund

**Effective after close of business on or about December 21, 2012*

Unless you instruct us otherwise, we will:

- add the fund (or funds) needed to complete the series in your plan's lineup, and
- for participants **currently defaulting** to the VT Vantagepoint Milestone 2040 Fund[1,2] or the VT Vantagepoint 2045 Fund,[1, 2] but for whom the VT Milestone 2045 or 2050 Fund (respectively) would be a more age-appropriate default option,
  - o direct future contributions to the appropriate VT Vantagepoint Milestone Fund as noted above, and
  - o transfer existing balances to the appropriate VT Milestone Fund as noted above.

(Over)

ICMA RETIREMENT CORPORATION | 777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
TEL: 202-962-4600 | FAX: 202-962-4601 | TOLL FREE: 800-669-7400 | EN ESPAÑOL LLAME AL: 800-669-8216 | INTERNET: WWW.ICMARC.ORG

There is no action required of you; the fund additions(s) and contribution and balance adjustments described above will occur automatically after close of business on or about December 21, 2012. Participants will be notified in advance and will be informed about how to either retain their current VT Vantagepoint Milestone Fund allocation or choose another allocation by contacting our Investor Services team or logging into ICMA-RC's Account Access at www.icmarc.org.

If you do not wish to have your lineup and/or your participant's defaulting contributions updated in this manner, simply notify us by sending an email to *FundUpdates@icmarc.org* by October 31, 2012. In the subject line, please write your plan name; include the plan number(s) you are referencing and your instructions in the body of the email.

We appreciate this opportunity to offer your participants investment options to assist them in building their retirement security and we value your continued participation and support. If you have any questions, please log into EZLink at www.icmarc.org and use one of the "Contact Us" options for our Plan Sponsor Services team.

Sincerely,

Keith R. Sendall
Senior Vice President, Field Sales
ICMA-RC

Disclosures:

[1] *The expense ratio for a "fund of funds" includes acquired fund fees and expenses, which are expenses incurred indirectly by the fund through its ownership in other mutual funds.*

[2] *The fund is not a complete solution for all of your retirement savings needs. An investment in the fund includes the risk of loss, including near, at or after the target date of the fund. There is no guarantee that the fund will provide adequate income at and through an investor's retirement. Selecting the fund does not guarantee that you will have adequate savings for retirement.*

AC: 0812-5913