State of Illinois Deferred Compensation Plan

Insight

First Quarter 2015

Bruce Rauner, Governor

Important Dates to Remember

April 9–April 23, 2015, at 3 p.m. CT: Choose among two paths for a DCP reenrollment

April 15, 2015, at 2 p.m. and 7 p.m. CT: Live webinar with information on the DCP reenrollment and other enhancements

April 22, 2015, at 2 p.m. and 7 p.m. CT: Live webinar with information on the DCP reenrollment and other enhancements

April 30, 2015: Asset transfer for Columbia Acorn Fund, Z, and Northern Trust Small Cap Separate Account

Deferred Compensation Plan (DCP) Investment Enhancements and Reenrollment

March 2015 investment lineup changes complete

The first series of investment enhancements is now complete. On **March 27, 2015**, the T. Rowe Price Retirement Active Trusts replaced the T. Rowe Price Retirement Funds, the Franklin Small Cap Growth Fund, R6, was added to the lineup, and the Columbia Acorn Fund, Z, and the Northern Trust Small Cap Separate Account were closed to new contributions. With these changes complete, the DCP now enters the reenrollment phase of the investment enhancements.

April 9–23, 2015, at 3 p.m. CT: Choose among two paths for a DCP reenrollment

You have between **Thursday, April 9, 2015**, and **Thursday, April 23, 2015, at 3 p.m. CT** to choose one of two paths to determine how to invest your current DCP assets and future contributions. You can do nothing and choose to be reenrolled into one of the pre-assembled, institutionally priced T. Rowe Price Retirement Active Trusts available in the DCP for a diversified portfolio that you can carry to and through retirement. Or, if you do not want to be reenrolled into the Retirement Active Trusts, you can choose among the DCP's other investment options to create your own diversified portfolio.

continued on page 2

Don't miss out on key communications!

Log in to the T. Rowe Price website at **rps.troweprice.com** and update/provide your preferred e-mail address right from the homepage.

1Q15-NEWS-250901

continued from page 1

Choose among two paths for a DCP reenrollment.

Do nothing and choose to be reenrolled into one of the pre-assembled, institutionally priced T. Rowe Price Retirement Active Trusts.

If you were born...		You will be transferred to the following Retirement Active Trust…
In 1993 or after	▸	Retirement 2060 Active Trust
1988–1992	▸	Retirement 2055 Active Trust
1983–1987	▸	Retirement 2050 Active Trust
1978–1982	▸	Retirement 2045 Active Trust
1973–1977	▸	Retirement 2040 Active Trust
1968–1972	▸	Retirement 2035 Active Trust
1963–1967	▸	Retirement 2030 Active Trust
1958–1962	▸	Retirement 2025 Active Trust
1953–1957	▸	Retirement 2020 Active Trust
1948–1952	▸	Retirement 2015 Active Trust
1943–1947	▸	Retirement 2010 Active Trust
In 1942 or before	▸	Retirement 2005 Active Trust†

Depending on your risk tolerance, time horizon, and financial situation, you may consider a Retirement Active Trust with a different target date.

The T. Rowe Price Retirement Active Trusts (Trusts) are not mutual funds. They are common trust funds established by T. Rowe Price Trust Company under Maryland banking law, and their units are exempt from registration under the Securities Act of 1933. Investments in the Trusts are not deposits or obligations of, or guaranteed by, the U.S. government or its agencies or T. Rowe Price Trust Company and are subject to investment risks, including possible loss of principal.

†Because the glide path for the Retirement 2005 Active Trust will become more conservative than the glide path for Retirement Balanced Active Trust later in 2015, participants born in 1942 or before will be defaulted into the Retirement 2005 Active Trust during the reenrollment.

The principal value of the Retirement Active Trusts is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the trust. If an investor plans to retire significantly earlier or later than age 65, the trusts may not be an appropriate investment even if the investor is retiring on or near the target date. The trusts' allocations among a broad range of underlying T. Rowe Price stock and bond trusts (with the exception of the Retirement Balanced Active Trust) will change over time. The trusts (other than the Retirement Balanced Active Trust) emphasize potential capital appreciation during the early phases of retirement asset accumulation, balance the need for appreciation with the need for income as retirement approaches, and focus on supporting an income stream over a long-term postretirement withdrawal horizon. The trusts are not designed for a lump-sum redemption at the target date and do not guarantee a particular level of income. The trusts maintain a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons.

Choose among the DCP's other investment options to create your own diversified portfolio.

Stocks	Style	Active vs. Passive
LSV Value Equity Separate Account	Large-Cap Value	Active
Vanguard Institutional Index Fund (VINIX)	Large-Cap Core	Passive
Wellington Diversified Growth Portfolio	Large-Cap Growth	Active
Ariel Fund Separate Account	Mid-Cap Value	Active
Northern Trust Collective S&P 400 Index Fund	Mid-Cap Core	Passive
Northern Trust Russell 2000 Index Fund	Small-Cap Core	Passive
Franklin Small Cap Growth Fund, R6 (FSMLX)	Small-Cap Growth	Active
Northern Trust ACWI ex-US Fund	Non-U.S. Large-Cap Core	Passive
INVESCO International Growth Equity Trust	Non-U.S. Large-Cap Growth	Active
William Blair International Small Cap Growth Fund (WISIX)	Non-U.S. Small-Cap Growth	Active
Blended Assets	**Style**	**Active vs. Passive**
Fidelity® Puritan® Fund (FPURX)	U.S. Balanced	Active
T. Rowe Price Retirement Balanced Active Trust	Balanced	Active
Bond Investments	**Style**	**Active vs. Passive**
T. Rowe Price Bond Trust I	Core Fixed Income	Active
Vanguard Total Bond Market Index Fund (VBTIX)	Core Fixed Income	Passive
Stable Value/Money Market Investments	**Style**	**Active vs. Passive**
INVESCO Stable Return Fund	Stable Value	Active
Vanguard Prime Money Market Fund (VMRXX)	Money Market	Active
Target Date	**Style**	**Active vs. Passive**
T. Rowe Price Retirement Active Trusts	Target Date	Active

For all investments in the lineup, participants can check daily valuations online at **rps.troweprice.com**.

An investment in a money market fund is not insured or guaranteed by the FDIC 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.

Call 1-888-457-5770 to request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

How do I opt out of the reenrollment?

Beginning **Thursday, April 9, 2015**, you can opt out of the reenrollment and choose among the DCP's other investment options or remain in your current investments by calling T. Rowe Price at **1-888-457-5770**. You can also opt out by visiting the website at **rps.troweprice.com**. The pending transfer to the Retirement Active Trusts will appear on your account as a "pending transaction." To see this pending transaction, from the homepage, click on > My Account > Transactions > Change Current Balance.

What if I do not choose a path?

If you do not choose a path during the election period, then effective **Friday, April 24, 2015**, your assets invested in and future contributions directed to the DCP will automatically be transferred to the Retirement Active Trust with a target date closest to the year in which you will turn age 65.*

If you are currently invested in a Retirement Active Trust that does not coincide with your birth date on file with T. Rowe Price, and you do not choose a path, you will be transferred to the Retirement Active Trust with a target date closest to the year in which you turn age 65.

At any time after the reenrollment is complete, you have the option of changing back to your original investment strategy, or you may exchange into any other investment(s) available in the DCP's lineup. After the reenrollment is complete, the final phase of the investment enhancements, the asset transfers for closed investments, will occur. See the next section for more information.

*Assets and future contributions will be transferred to the Retirement Active Trusts based on your date of birth on file with T. Rowe Price. If you do not have a date of birth on file with T. Rowe Price, your assets and future contributions will not be transferred. If you have assets in the Columbia Acorn Fund, Z, or the Northern Trust Small Cap Separate Account, your assets will be transferred as shown below.

Thursday, April 30, 2015: Asset transfer for the Columbia Acorn Fund, Z, and the Northern Trust Small Cap Separate Account

On **Thursday, April 30, 2015**, any balances remaining in the Columbia Acorn Fund, Z, and the Northern Trust Small Cap Separate Account will automatically be sold and reinvested in the replacement investment options as shown in the chart at the top of the next column.

Closing investment option	Expense ratio[1]	Replacement investment option	Expense ratio[1]
Columbia Acorn Fund, Z	0.79%	Franklin Small Cap Growth Fund, R6	0.74%
Northern Trust Small Cap Separate Account	0.60%	Ariel Fund Separate Account	0.56%

[1]Expense ratios are based on the most recent fiscal year-end data available.

What this means for your account

If you have a balance in the closing investments listed in the chart, you are not required to take any action—the changes will happen automatically. There will be a short blackout period during which you will not have access to your balance in these investments while assets are being transferred to the replacement investments. Nor will you be permitted to take a distribution, loan, or other withdrawal during the short blackout period. The blackout period will begin on **Wednesday, April 29, 2015, at 3 p.m. CT**. Assets in the closing investments will be transferred to the replacement investments on **Thursday, April 30, 2015**. You will have full access to your account at the start of business on **Friday, May 1, 2015, at 8 a.m. CT** after the blackout period has ended. The blackout period will not affect your ability to make exchanges among the other investment balances within your account.

Educational webinars

To learn more about the reenrollment and the asset transfers, join T. Rowe Price on **Wednesday, April 15, 2015**, and **Wednesday, April 22, 2015, at 2 p.m. and 7 p.m. CT** for a live interactive webinar session during which you can ask questions!

To register for a webinar, go to **rpstrowepricereg67.fugent.com**. If you can't make a live onsite session or a live webinar, you can access a recorded webinar by visiting the T. Rowe Price website at **rps.troweprice.com**.

TELEPHONE NUMBERS

DEFERRED COMPENSATION
Plan Rules/Options Information
800-442-1300/217-782-7006

TDD/TTY: 800-526-0844

Internet: state.il.us/cms/employee/defcom

RECORDKEEPER
T. Rowe Price Retirement Plan Services, Inc.
Account Value Information and Investment Changes:
888-457-5770 or TDD/TTY: 800-521-0325
Internet Access: 800-541-3022
Internet: **rps.troweprice.com**

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