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# STATE OF VERMONT STABLE VALUE VT PLUS FUND

FACT SHEET

DECEMBER 2018

## FUND FACTS

Total Expense Ratio .....	0.41%
Total Assets .....	\$10.4 Billion
Credit Quality (M/S&P/F) <sup>1</sup> .....	Aa2/AA/AA
Effective Duration <sup>2</sup> .....	2.60
Market-to-Book Value Ratio .....	98.94%

<sup>1</sup> Credit Quality is calculated by ICMA-RC and is only one factor that may be considered in assessing the risks of a fixed income portfolio, and it does not provide a complete picture of the credit risks or the dispersion of those risks within a portfolio. ICMA-RC calculates the average based on the Moody's, S&P, Fitch (M/S&P/F) or a combination of the three credit ratings of the underlying securities or wrap providers. Moody's, S&P, and Fitch are Nationally Recognized Statistical Rating Organizations and are not affiliated with ICMA-RC.

<sup>2</sup> Effective duration measures the interest rate sensitivity of the underlying portfolio. For the portion of the Fund invested in Traditional GICs, effective duration is not applicable and a duration of zero is assigned since their current values are not impacted by interest rate changes. If a duration based on weighted average maturity or cash flows is assigned to the Traditional GICs, the Fund's overall December 31, 2018 duration would be 3.16.

## INVESTMENT OBJECTIVE

The PLUS Fund's investment objective is to seek to offer a competitive level of income consistent with providing capital preservation and meeting liquidity needs. Key goals are to seek to preserve capital, by limiting the risk of loss of principal and delivering stable returns, and to meet the liquidity needs of those who invest in the PLUS Fund.

## PRINCIPAL INVESTMENT STRATEGIES

Vantagepoint Investment Advisers, LLC employs a structured, multi-product, multi-manager approach in managing the Fund. The Fund invests primarily in a diversified and tiered portfolio of stable value investment contracts and in fixed income securities, fixed income mutual funds, and fixed income commingled trust funds ("fixed income assets") that back certain stable value investment contracts. In addition, the Fund invests in money market mutual funds, as well as cash and cash equivalents. The Fund's portfolio may include different types of investments with a variety of negotiated terms and maturities and is diversified across sectors and issuers. The composition of the Fund's portfolio and its allocations to various stable value investments and fixed income investment sectors, across the fund's multiple tiers, is determined based on prevailing economic and capital market conditions, relative value analysis, liquidity needs, and other factors. The Fund invests in stable value investment contracts to seek to achieve, over the long run, returns higher than those of money market funds and short-term bank rates and relatively stable returns compared to short-to-intermediate term fixed income funds. The Fund generally will not track shorter-term interest rates as closely as money market mutual funds, because of its longer maturity, potential adverse market changes, and provisions in stable value contracts held by the Fund. In addition, while the Fund's returns are generally expected to follow interest rate trends over time, they typically will do so on a lagged basis.

## STRUCTURE

Tier 1 - Cash Buffer	8.2%	AAA/Aaa	54.6%
Tier 2 - Shorter Duration Focus	8.9%	AA/Aa	17.1%
Tier 3 - Laddered Maturity Focus	22.2%	A	17.0%
Tier 4 - Total Return Focus	60.8%	BBB/Baa	10.2%
		Below Baa	1.1%

## CREDIT QUALITY ALLOCATION

## SECTOR ALLOCATION

Traditional GICs	22.2%	<= 30 Days	0.6%
Treasuries	7.8%	31 - 90 Days	13.9%
Agencies	1.2%	91 - 180 Days	2.2%
Other	0.0%	180 Days - 1 Year	4.8%
Credits	25.5%	1 - 2 Years	11.3%
Mortgage-Related	24.8%	2 - 3 Years	9.4%
Asset-Backed	4.7%	3 - 5 Years	19.2%
Cash and Cash Equivalents	12.3%	5 - 7 Years	18.3%
Municipals	0.4%	7 - 10 Years	17.2%
Wrap Providers	1.1%	10+ Years	3.2%

## MATURITY ALLOCATION

## ADDITIONAL INFORMATION ABOUT THE PLUS FUND

**Goals:** Key goals are to seek to preserve capital, by limiting the risk of loss of principal and delivering stable returns, and to meet the liquidity needs of those who invest in the PLUS Fund.

**Crediting Rate:** The crediting rate is estimated at the end of the prior month, and seeks to approximate what the Fund's actual earnings will be for the current month. Investors in the Fund receive a daily accrual that is equal to the PLUS Fund's actual return for the day. The crediting rate and an investor's actual returns may differ. The crediting rate is estimated by taking into account current yields on the Fund's holdings and prior period performance of certain holdings in the Fund. The Fund's monthly crediting rate estimate may not move in the same direction as prevailing interest rates over certain time periods.

**Fund Information:** The Fund is offered to Defined Contribution Investment Only (DCIO) clients through ICMA-RC Services, LLC (RC Services), an SEC registered broker-dealer and FINRA member firm. RC Services is a wholly-owned subsidiary of ICMA-RC and an affiliate of VantageTrust Company, LLC.

The Fund is an investment option of VantageTrust, a group trust established and maintained by VantageTrust Company, LLC, a wholly owned subsidiary of ICMA-RC. VantageTrust provides for the commingling of assets of certain trusts and plans as described in its Declaration of Trust, and is only available for investment by such eligible trusts and plans. The Fund is not a mutual fund. Its units are not deposits of VantageTrust Company and are not insured by the Federal Deposit Insurance Corporation or any other agency. The Fund is a security that has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Company Act of 1940. For additional information regarding

## PORTFOLIO MANAGEMENT

Investment Adviser: Vantagepoint Investment Advisers

Portfolio Manager(s):

Karen Chong-Wulff, CFA, CAIA, Managing Vice President,  
Managed Fund Since: 2007

Xin Zhou, CFA, FRM, Director, Senior Fund Manager,  
Managed Fund Since: 2017

## PRINCIPAL RISKS

Stable Value Risk, Interest Rate Risk, Credit Risk, Issuer Risk, Liquidity Risk, Reinvestment Risk, Call Risk, Mortgage-Backed Securities Risk, Asset-Backed Securities Risk, Securities Lending Risk, Derivative Instruments Risk, Large Investor Risk.

See the Funds' Disclosure Memorandum for risk descriptions.

the Fund, including a description of the principal risks, please consult the VantageTrust Funds Disclosure Memorandum, which is available when plan administration clients log in at [www.icmarc.org](http://www.icmarc.org), at [www.vantagepointfunds.org](http://www.vantagepointfunds.org) for institutions, or upon request by calling 800-669-7400.

Before investing in the Fund you should carefully consider your investment goals, tolerance for risk, investment time horizon, and personal circumstances. There is no guarantee that the Fund will meet its investment objective and you can lose money.

**Transfer Restrictions:** Direct transfers from the PLUS Fund to competing funds are restricted. Competing funds include, but are not limited to, the following types of investment options: (1) cash management funds, money market mutual funds, bank collective short-term investment funds, bank accounts or certificates of deposit, stable value funds or substantially similar investment options that offer guarantees of principal or income, such as guaranteed annuity contracts or similar arrangements with financial institutions; (2) short-term bond funds that invest in fixed income securities and seek to maintain or have an average portfolio duration of less than three years; (3) any investment option that invests 80% or more of its assets in (i) fixed income securities or funds with a duration of less than three years, or (ii) instruments that seek to provide capital preservation such as stable value funds, bank certificates of deposit or bank accounts, and cash or cash equivalents; and (4) a self-directed brokerage account. To transfer money from the PLUS Fund to a competing fund, you must first transfer the amount to a non-competing fund for a period of at least 90 days. For example, if you want to transfer money from the PLUS Fund to a money market fund, you will first need to transfer the money to a non-competing fund and then, 90 days later or any time thereafter, transfer that amount of money to the money market fund.

**Additional Information About Restrictions on PLUS Fund Public Employer Withdrawals and Transfer Restrictions:** In the event an Employer initiates withdrawal of all or part of its Plan's assets from the PLUS Fund, ICMA-RC has full discretion to defer the payout of such assets for a period of up to twelve months. In the case of a total withdrawal, participant transfers of PLUS Fund assets to other investment options may be restricted and participants may not be able to make additional investments in the PLUS Fund during this twelve-month period.