Donna,

Congratulations on becoming a participant in the 401(k) plan. Automatic enrollment is just one of the steps we have taken to help you to get on the road to a financially secure retirement.

This is a personalized report which:

- explains why we automated both the enrollment and investment processes;
- encourages you to increase your contribution level so that you will "max-out" the company match;
- reminds you that achieving retirement security falls squarely on your shoulders and no one else's.

How does the autopilot program work?

The company enrolled you into the 401(k) plan and deducted your contribution to the plan from your paycheck. This money is then invested, along with the company match, in a target date fund (to be discussed shortly). With the first paycheck of each following year, your contribution will be automatically increased (as described in the summary plan description).

At any time, you can reduce, increase, or stop contributions and/or assume responsibility for managing the money in your account. You can get a list of all the available investment options (as well as a detailed description of the plan) by going to the plan's website or by calling the call center. (See Auto Enrollment Basics table.)

Why did the company start the autopilot program?

Unfortunately, all too many of us spend more time each year planning a vacation than seriously planning for our retirement.

The reason for this is simple. We simply don't appreciate that achieving a comfortable retirement:

- falls squarely on our shoulders and ours alone;
- requires much more money than we imagine;
- can't be done with a "quick fix".

Thus, the earlier we start saving for retirement and the more we save, the better off we are. That is why the company is helping you to jump start your retirement savings program.

What are target date funds?

Research studies have found that many of us would appreciate having an investment professional manage our account. Target date funds provide such professional investment management, and, unless you tell us otherwise, all of your account will be invested in one well-diversified fund.

Auto Enrollment Basics

Initial Salary Deferral to Plan	**3%**
Default Investment	**Target Date Fund**
Company Match	**50% on the first 6% of pay**

Contact Information

Phone number	**1-866-779-1234**

Website
www.theplansite.com

Prepared for Donna Velasquez, February 23, 2008

Investment professionals determine the fund's asset allocation (how it is split among various asset classes). These professionals will also change the allocation over time. The closer you get to retirement, the more conservative the fund's allocation will become (that is, a smaller portion of your account will be invested in riskier assets such as stocks).

The name of each target date fund contains a year. That year is the approximate retirement date upon which the fund's asset allocation is based. For example, Target Date Fund 2040 contains more stocks than does Target Date Fund 2020. The fund in which your account will be invested is the one whose name includes the year closest to your retirement date (based upon the company's normal retirement age).

How does the company's match work?

Each year the company declares the percent, if any, of your contribution that it will match. The current match is shown in the Automatic Enrollment Basics table. You can think of it as your bonus for contributing to the plan.

Your contributions are 100% vested from day one. This means that if you leave the company for any reason, you can take 100% of your contributions with you. The match, however, is subject to a vesting schedule. The vesting schedule determines the percent of the cumulative matches you can take with you if you leave the company. The vesting schedule is described in the summary plan description.

Are you telling me that if I contribute enough to get the full match, I will be contributing enough to achieve a comfortable retirement?

We are not saying that. The accompanying graphs address this question. The upper one shows you when your projected retirement nest egg will run out if you contribute at the default rate. The other chart shows you the amount you should contribute to provide a retirement income until age 90.

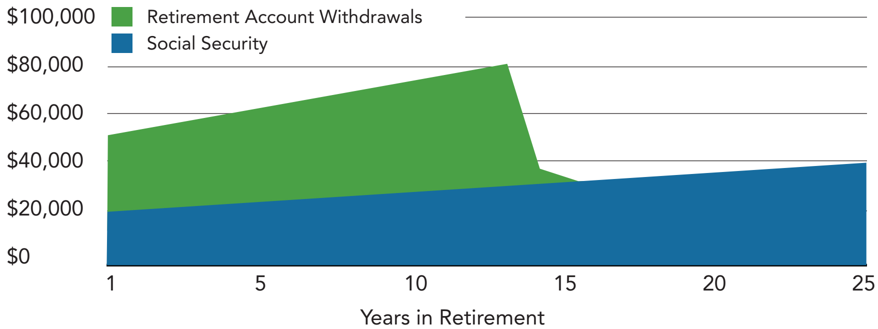
The charts assume that the company maintains the match at the current level until you retire and that all the assumptions, including the projected Social Security benefits, work out.

Are you saying that if I can afford to stash more money away for my retirement, I should do it?

You "hit the nail on the head". That is exactly what we are saying. We also recommend that you periodically review where you are along the road to retirement. You might find that you have more or less money than you had anticipated or that your needs have changed or both.

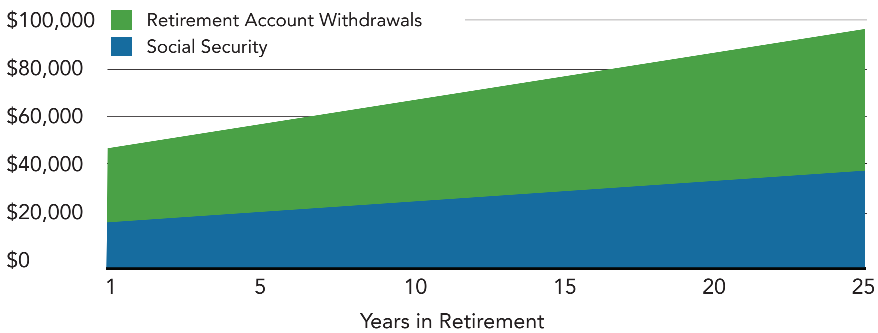
{MOCKUP}

Projected retirement income making your current 3.0% contribution*
(Projected account balance at retirement $306,782)



Your contribution	3.0 %
Your employer's contribution	1.5 %
Total contribution	4.5 %

Projected retirement income making the suggested 5.8% contribution*
(Projected account balance at retirement $459,337)



Your contribution	5.8%
Your employer's contribution	2.9%
Total contribution	8.7%

* Given the assumptions below, you are projected to need $47,131 of income in your first year of retirement. Social Security is projected to cover $24,141 of this amount. Thus, it is projected that you will need to withdraw $22,990 from your nest-egg in your first year of retirement. In subsequent years, you will need to increase your withdrawals to keep up with inflation.

As the top chart shows, at your current contribution rate, your nest-egg is projected to be consumed after 16 years of retirement. If you increase your contribution to 6%, however, your nest-egg is projected to last for your entire life expectancy (as the bottom chart shows).

Assumptions

Current age	**35**	Social Security benefit at retirement	**$24,141**	Pre-retirement investment return	**8%**
Current balance	**$10,000**	Annual increase in Social Security benefit	**2%**	Post-retirement investment return	**6%**
Current salary	**$25,000**	Post-retirement life expectancy	**25 years**	Employer match: **50% on the first 6% of pay**	
Salary growth rate	**3%**	Inflation rate	**3%**		
Replacement ratio	**80%**				
Retirement age	**65**				

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