



Achieving Financial Independence

Making the Transition to Your New Retirement Plan Provider Simple

ABC Company

HR Department

Dear John,

We are happy to announce that XYZ Investments will be taking over as our new 401(k) provider. We believe that this change will provide you with additional and improved services.

In order for the transition from Old Vendor to XYZ Investments to occur, we will need to move the money from your current investment options into similar funds available through XYZ Investments. This process is called "fund mapping". The chart on page 3 shows how the funds will be mapped.

Transition Process

You need to fill out the "re-enrollment" form at the back of this kit to let us know if you are satisfied with the way your current fund selections will be mapped to the new funds. You can choose to accept the investment mix created by the mapping process, or you can specify a new investment mix.

In either case, as of January 1, 2006, it will be necessary to invest your fund balances according to the fund map for a short period of time (see the timeline on page 3) to make sure that all of your money is accurately transferred. However, as of January 1, 2006, your new contributions will be allocated according to the investment mix you specify on the "re-enrollment" form. Then, sometime during the week of February 1, 2006, your account balances will also be moved into the funds you have selected.

If you do not like the investment mix that results from the mapping process, use the chart on page 4 and the enclosed fact sheets to pick other options. Prospectuses for the new funds can be obtained from the call center (1-800-000-0000) or our website (www.planwebsite.com).

There will also be a "black out period" beginning December 27, 2005 and lasting until sometime during the week of February 1, 2006. During this time period, you will not be able to make changes in the amount of your deferral or your investment selections. You will also not be able to initiate distributions during this time period.

Targeted Portfolios

Now is also a good time to review your portfolio's diversification. Diversification means not putting all your eggs in one basket (in other words, not choosing too few funds or funds that are all of the same type). Poor diversification can increase your chance of losing money if the market heads south. It can also result in your having investments with such low growth potential that you have little chance of achieving retirement security.

To help you accomplish your goals, we have introduced XYZ Investments 5 Targeted Portfolios. Each fund is well diversified, targets a specified retirement date, and is professionally managed. You can learn more about these funds on page 2.

Your Deferral Amount

The gap analysis on page 1 will help you determine the contribution level that is appropriate for you. The re-enrollment form allows you to specify whether or not you want to increase the amount of your deferral. Please keep in mind that the assumptions we used to create the gap analysis may not pan out. What seems like a good assumption today may, in hindsight, be way off the mark. Therefore, you should periodically review the assumptions by using the calculators on the 401(k) plan's website (www.planwebsite.com).

Best wishes for successful investing. And remember, if you have any questions, email us at someone@planprovider.com or call on our toll-free line 1-800-000-0000.

Sincerely,

VicePresident, Human Resources

Caution

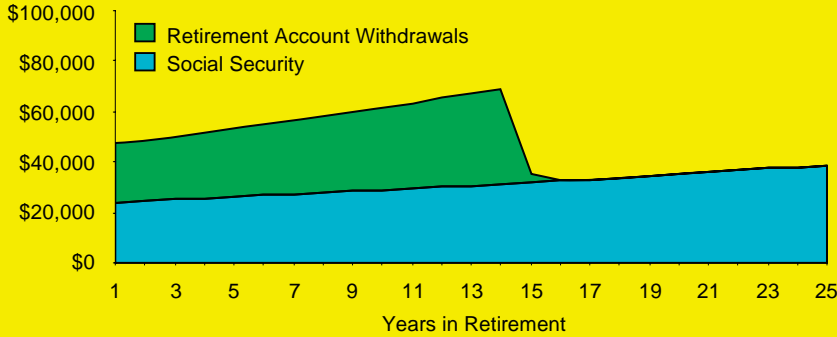
You may run out of money during retirement!

John, using the assumptions at the bottom of the page, if you continue making your current 401(k) contribution of 3.0%, you will run out of money during retirement.

Avoid running out of money. Increase your contribution to 5.8%.

Projected retirement income based on your current 3.0% contribution*

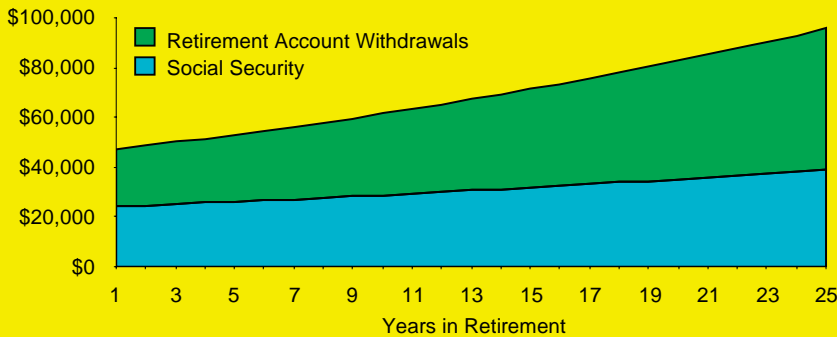
(Projected account balance at retirement: \$306,782)



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

Projected retirement income based on 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 5.8%, 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: | |
| Salary growth rate | 3% | Inflation rate | 3% | 50% on the first | |
| Replacement ratio | 80% | | | 6% of pay contributed | |
| Retirement age | 65 | | | | |

Although this report is based on information about you provided by your plan, it is only preliminary in nature and should not be treated or interpreted as an exhaustive, comprehensive analysis of your total financial situation. In addition, the investment returns, employer contributions, and other assumptions used in this report are for illustrative purposes only and are not predictive of the future. None of the assumptions used in this report are guaranteed. It is up to you to periodically review where you are along the road to retirement. You might find that you have more or less money than you had anticipated.

Prepared for John Doe

000-00-0000

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December 31, 2003

Introducing XYZ Investments' Targeted Retirement Portfolios—Sensible investing made easy

The Targeted Retirement Portfolios are a great tool for those participants who want to leave their investment decisions up to a professional.

The portfolios' managers assume that the participants who are investing in one of these portfolios are going to retire in or around the year mentioned in the portfolio's name. They also assume that all your retirement assets are invested in the portfolio and that funding for retirement is the portfolio's sole goal. The managers also assume that assets other than this portfolio will be used for emergencies or funding a child's education.

The current investment mix of each portfolio as well as its annualized returns over the past 1, 3, and 5 years

can be found on the portfolio's Fact Sheet. Please keep in mind that the investment mix used by one of these funds 5 years ago can be quite different than it is today because the fund's managers change the mix as retirement gets closer. Please refer to the fact sheets and prospectuses for more information.

If at any time you wish to assume responsibility for investing your contributions, you can use the plan's other investment options. For information about these options, contact the call center or go to the plan's website.



Mapping your old funds to your new ones

The chart below will help you to quickly compare your previous fund options to the ones you now have. If you want to keep the same asset allocation, pick from among the funds that fall into the asset classes you have been using. For example, let's assume you have 15% of your account invested in ABC Foreign Fund. The new international fund option is the XYZ International Fund. Thus, you might consider putting 15% of the account in that fund.

Previously the only available fixed-income option that was available was the Stable Value Fund. Now, the fund line-up also includes a money market and an intermediate-term bond fund. If these new funds interest you or you want to learn more about them (or any of the new fund options), refer to their fact sheets and prospectuses, contact the call center (1-800-000-0000), or go to our web site (www.planwebsite.com).

| Asset Class | New funds | Old funds |
|-----------------------|-----------------------|-------------------------------------|
| Large-cap U.S. Stocks | XYZ Mutual A | ABC Growth Fund, ABC Index 500 Fund |
| | XYZ Stock | None |
| | XYZ Appreciation | None |
| | XYZ U.S. Equity Idx | None |
| | XYZ Growth Fund A | None |
| Mid-cap U.S. Stocks | XYZ Appreciation | None |
| | XYZ Mid Cap Value | None |
| | XYZ Mid-Cap Gro Adv | None |
| Small-cap U.S. Stocks | XYZ Small Cap Value I | ABC Start Up Fund, ABC NASDAQ Fund |
| | XYZ Premier | None |
| | XYZ Seedling Z | None |
| Global Stocks | XYZ Global Fund | None |
| Foreign Stocks | XYZ EuroPacific | ABC International Fund |
| Specialty | XYZ Equity Income A | None |
| Fixed Income | XYZ Total Return A | ABC Stable Value Fund |
| | XYZ High Yield | None |
| | XYZ Stable Value | None |

Important dates in the conversion process

| | |
|---------------------------------|---|
| December 11, 2005 | Last day to submit the forms at the back of this kit. |
| December 27, 2005 | Black out period begins. Last day to: make changes in deferral amount or your investment selections; transfer money between funds; or initiate distributions. |
| January 1, 2006 | Account balances are transferred from Old Vendor to XYZ Investments. Existing account balances are transferred according to fund map. New contributions are invested according to the fund mix you specify on the re-enrollment form. |
| Week of February 1, 2006 | All your money is moved into the funds you specify on the re-enrollment form. Blackout period ends. To find out the exact date, you may call the conversion hotline at 555-789-1212 or go to www.conversion.com . |

FUND FACT SHEETS

The following pages will allow you to gain a greater understanding of the individual fund options. For more information on each of your investment options, contact the call center (1-800-000-0000) or go to our web site (www.planwebsite.com).

(FUND FACT SHEET)

Note:

This fund fact sheet and 'How to read fund fact sheets' section is included within this booklet to show how they would fit into a complete enrollment booklet.

We can include prepared fund fact sheets (such as Morningstar) or design a customized version based upon your specifications.

(FUND FACT SHEET)

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(FUND FACT SHEET)

Re-enrollment Form

Use the front of this form to tell XYZ Investments how much of your salary you want to defer to the plan. Use the back of this form to specify the investment mix you want to use.

You can choose to continue making contributions at your current level, or you can change the amount of your

deferral. You can also choose to accept the investment mix XYZ Investments created in mapping your old fund selections to the new fund options, or you can specify a new investment mix.

After you have completed this form, return it to your Plan Administrator.

| | | | | |
|-----------------------|--|------------------------|--------------------------|--------------------------|
| _____ | | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| PARTICIPANT NAME | | SOCIAL SECURITY NUMBER | M | SEX F |
| _____ | | | | |
| ADDRESS | | | | |
| _____ | | _____ | _____ | |
| CITY | | STATE | ZIP | |
| _____ | | _____ | | |
| HOME TELEPHONE NUMBER | | EMAIL ADDRESS | | |
| _____ | | | | |
| DATE OF BIRTH | | | | |

Salary Deferral Agreement

Complete this section to confirm that you want to continue making your current Salary Deferral or to specify a new Salary Deferral. This section also allows you to specify

whether or not you want your deferral to increase as your salary increases (when you get a raise). Select one of the following:

- I want to continue making my current salary deferral.
- I wish to change my deferral to \$_____ or _____ % of my compensation per pay period

If your salary increases in the future (i.e., you get a raise) do you want to contribute the amount of the increase to your 401(k) plan?

- Yes
- No



What if I change my mind?

You can elect to stop participating in the plan, increase or decrease your Salary Deferral, or change your Investment Selections by submitting another copy of this form (with the updated information filled in) to your Plan Administrator. You can also make these changes via the Voice Response System by calling 1-800-000-0000 or via the Web at www.planwebsite.com.

(Continued)

Investment Selection for Current Balance

Complete this section to specify how you want XYZ Investments to allocate your current account balance. Select one of the following:

I want my current account balance to use the investment mix XYZ created in mapping my old fund selections to the new fund options.

I want to change the investment mix of my current account balance as indicated below.

| FUND NAME | % OF CURRENT BALANCE | FUND NAME | % OF CURRENT BALANCE | FUND NAME | % OF CURRENT BALANCE |
|-------------|----------------------|-------------|----------------------|-------------|----------------------|
| Fund Type A | _____ % | Fund Type E | _____ % | Fund Type I | _____ % |
| Fund Type B | _____ % | Fund Type F | _____ % | Fund Type J | _____ % |
| Fund Type C | _____ % | Fund Type G | _____ % | Fund Type K | _____ % |
| Fund Type D | _____ % | Fund Type H | _____ % | Fund Type L | _____ % |

Investment Selection for Future Contributions

Complete this section to specify how you want XYZ Investments to allocate your future contributions. Select one of the following.

I want my future contributions to use the investment mix XYZ created in mapping my old fund selections to the new fund options.

I want to change the investment mix of my future contributions as indicated below.

| FUND NAME | % OF FUTURE CONTRIBUTIONS | FUND NAME | % OF FUTURE CONTRIBUTIONS | FUND NAME | % OF FUTURE CONTRIBUTIONS |
|-------------|---------------------------|-------------|---------------------------|-------------|---------------------------|
| Fund Type A | _____ % | Fund Type E | _____ % | Fund Type I | _____ % |
| Fund Type B | _____ % | Fund Type F | _____ % | Fund Type J | _____ % |
| Fund Type C | _____ % | Fund Type G | _____ % | Fund Type K | _____ % |
| Fund Type D | _____ % | Fund Type H | _____ % | Fund Type L | _____ % |

Authorized Signatures

I acknowledge that I have read and understand all the Plan provisions as outlined above.

PARTICIPANT SIGNATURE

DATE

SIGNATURE OF NOTARY OR PLAN OFFICIAL

DATE



What happens if I do not submit investment selections?

If you do not submit this form or do not fill out the Salary Deferral section, your salary deferral will remain the same as it is now. If you do not fill in the Investment Selection section, XYZ Investments will use the investment mix created by mapping your old fund selections to the new funds for both your current account balance and your future contributions.

Beneficiary Form

Complete this form to if you are enrolling in the plan or want to change your primary or secondary beneficiary. To designate multiple primary or secondary beneficiaries, use

duplicate copies of this form. Make sure to include the percent of benefit each one should receive and that the sum totals 100%.

PARTICIPANT NAME

SOCIAL SECURITY NUMBER

ADDRESS

CITY

STATE

ZIP

HOME TELEPHONE NUMBER

EMAIL ADDRESS

DATE OF BIRTH

DATE OF HIRE

Marital Status

I am **married** and I understand that if I wish to name a beneficiary other than my spouse, I must complete the Spousal Agreement section below.

I am **not married** and I understand that if become married, my spouse will become my primary beneficiary.

Primary Beneficiary

BENEFICIARY NAME

ADDRESS

CITY

STATE

ZIP

HOME TELEPHONE NUMBER

DATE OF BIRTH

SOCIAL SECURITY NUMBER

RELATIONSHIP

PERCENT OF BENEFIT

Secondary Beneficiary

BENEFICIARY NAME

ADDRESS

CITY

STATE

ZIP

HOME TELEPHONE NUMBER

DATE OF BIRTH

SOCIAL SECURITY NUMBER

RELATIONSHIP

PERCENT OF BENEFIT

Authorized Signatures

PARTICIPANT SIGNATURE

DATE

SIGNATURE OF NOTARY

DATE

Spousal Agreement

I hereby acknowledge and accept my spouse's designation of a plan beneficiary other than me. I understand that, as a result of signing this form, I may not receive monetary benefits

(upon my spouse's death) to which I would have otherwise been entitled. I also understand that I cannot revoke the consent I am giving hereunder in the future.

SPOUSE'S SIGNATURE

DATE



What is a Beneficiary?

Your primary beneficiary is the person who will inherit your retirement account if you still have a balance when you die (whether that is before or after you retire). You must also name a secondary beneficiary who will inherit your account if both you and the primary beneficiary die. For example, many people name their spouse as their primary beneficiary and their children as their secondary beneficiary.

What happens if I do not submit a beneficiary form?

If you die and have not designated a beneficiary, your account will be distributed in accordance with the laws in effect in your state at that time. Usually, if you have a surviving spouse, the proceeds go to him or her.

Can I change my beneficiary?

You can change your beneficiary by submitting a new beneficiary form to your Plan Administrator.

Paul Paulson
555 Street Ave, Apt 5
Cititown, ST 10000



Your Logo Here