Don’t Work Forever.

SAVINGS *GROWTH* *FREEDOM* *BALANCE* *SECURITY* *ACCOUNTABILITY*

Retirement Plan Enrollment Booklet

EMPLOYEE FIDUCIARY

employeefiduciary.com | 877.401.5100

Congratulations

Your company offers a low cost retirement plan from Employee Fiduciary, LLC ("Employee Fiduciary").

Employee Fiduciary plans are one of the most cost-effective ways for you to save for retirement.

WHY SAVE FOR RETIREMENT?

Most of us know it is smart to save money for those big-ticket items we really want to buy - a new television or car or home. Yet you may not realize that probably the most expensive thing you will ever buy in your lifetime is your retirement.

Perhaps you've never thought of "buying" your retirement. Yet that is exactly what you do when you put money into a retirement nest egg. You are paying today for the cost of your retirement tomorrow.

The cost of those future years is getting more expensive for most Americans, for two reasons. First, we live longer after we retire - with many of us spending 15, 25, even 30 years in retirement - and we are more active. In short, paying for the retirement you truly desire is ultimately your responsibility. You must take charge. You are the architect of your financial future.

WHAT'S A 401(K)?

A 401(k) plan is a type of retirement benefit provided by an employer that allows employees to contribute a portion of their wages to an individual account. Elective salary deferrals made to a 401(k) plan are excluded from the employee's taxable income (except for Roth (after-tax) deferrals). Employers can contribute to employees' accounts. Distributions, including earnings, are generally includible in taxable income at retirement.

401(K) Plan Benefits

EMPLOYEE CONTRIBUTIONS CAN REDUCE CURRENT TAXABLE INCOME

Employee contributions can reduce current taxable income. When 401(k) contributions are made on a pre-tax basis, every dollar you contribute to a 401(k) plan is a dollar taken off the top of your taxable income. Lower taxable income means lower Federal and state income taxes.

Phil pays a total of 20% in Federal and state income taxes. He earns $30,000 in taxable income each year. Phil contributes 10% ($3,000) to his company's retirement plan. His taxes will be reduced $600 each year.

Before joining the plan Phil's tax bill was	$30,000 x 20% = $6,000
After joining the plan Phil's tax bill was	$27,000 x 20% = $5,400
SAVINGS	$ 600

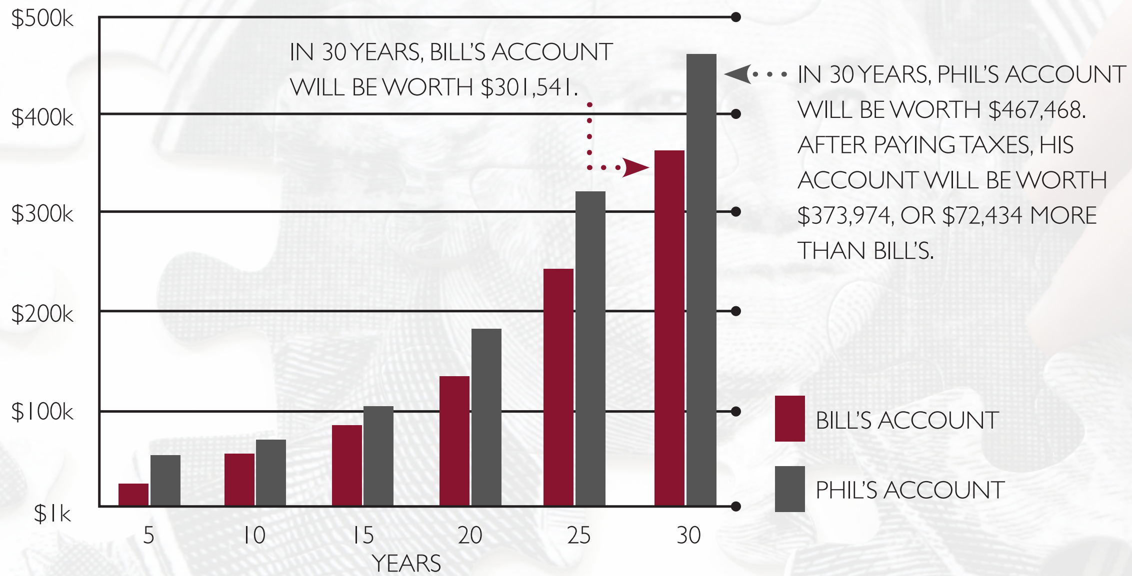
More than 47 million Americans participate in 401(k)s, or in their non-profit or governmental counterparts, called 403(b)s and 457s.

401(K) Plan Benefits *(continued)*

CONTRIBUTIONS AND INVESTMENT GAINS ARE NOT TAXED UNTIL DISTRIBUTED

401(k) money grows tax-free until it's withdrawn. You never pay taxes on contributions, dividends and capital gains within your 401(k) account. Because of compounding, this benefit can easily add thousands more to your account upon retirement.

Phil and Bill both earn $30,000 per year and save 10% of their pay. Phil saves in a 401(k) plan. Bill saves in a taxable account. If both earn 7% on their investments annually, after 30 years, Phil's retirement account will be worth $72,434 more than Bill's because of tax-deferred growth alone.*



*Example assumes a 20% tax rate (Federal and state) for Bill and Phil and salary increases of 4% per year. A 7% investment return is hypothetical and used for illustration purposes only.

CONTRIBUTIONS ARE EASY TO MAKE THROUGH PAYROLL DEDUCTIONS

There are no checks to mail. 401(k) contributions are automatically deducted from your paycheck.

401(k) PLANS ARE PORTABLE

401(k) accounts can be rolled into a new employer's retirement plan or a personal IRA account upon withdrawal.

A SPECIAL TAX CREDIT MAY BE AVAILABLE

Low- and moderate-income workers may be eligible for a Saver's Credit to help offset part of the first $2,000 they voluntarily contribute to a 401(k) plan.

When Should I Start Saving?

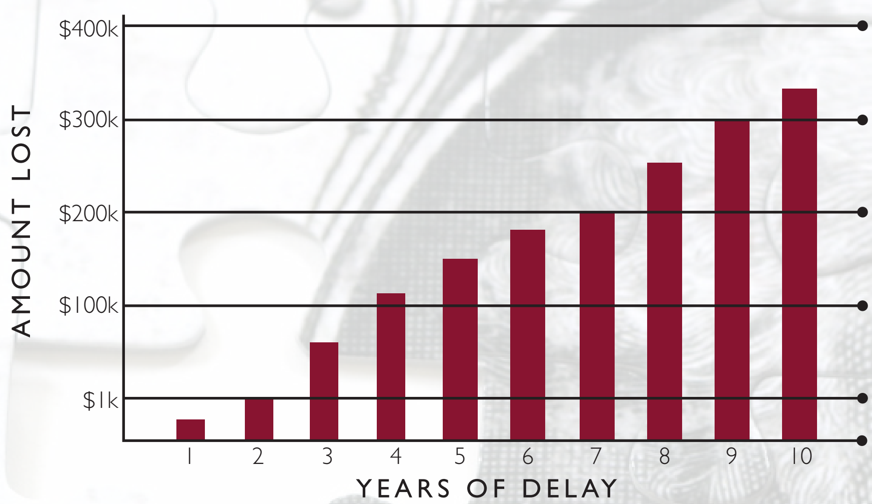
Today! The amount of your life spent in retirement is significant–too significant to ignore–and the sooner you start saving, the better off you'll be in your golden years. If you think you have all the time in the world to save, you are wrong.

Saving $100 today is not the same as saving $100 two or 10 years from now. It means losing out on the potential earnings power of that money.

THE POWER OF COMPOUNDING

The money you save in your 401(k) plan earns interest or investment earnings. When you leave the money there, over time you also earn interest on your interest, or earnings on your earnings. Although this sounds like a slow process, when you start early it can result in some amazing growth in your money over the long haul.

The Cost of Delay



Phil decided to join the plan right away when he was 25 years old. Bill decided to wait until he was 35. Assuming both men contribute $3,000 and earn 7% on their investments each year, Phil's account would be worth about $621,379 at age 65, while Bill's would only be about $294,016.

To catch-up for lost time, Bill would need to contribute $5,283 each year for 30 years to retire with the same amount as Phil.

This chart displays how much Bill's nest egg will shrink for every year he delays.

Preparing for Retirement

The two most important retirement questions 401(k) plan participants need to answer are "How much should I save?" and "How should I allocate my plan assets?" Since people have different incomes, personal assets, risk tolerances and retirement goals, there is no one-size-fits-all answer to these questions. But answer these two questions correctly for your circumstances and you are well on your way to a well-funded retirement.

HOW MUCH SHOULD I SAVE?

Many financial planners recommend you save at least 10% of your income for retirement, starting in your 20s. The older you start saving, the higher the percentage you will need to save in order to meet your retirement savings goal.

To help you choose an appropriate target savings rate, your online 401(k) account includes a retirement income calculator. This calculator estimates the income and savings you will have in retirement given your current savings.

The Department of Labor (DOL) offers worksheets to help individuals manage their financial life and begin a savings fitness plan. These can be found at http://askebsa.dol.gov/SavingsFitness/Worksheets. If you have a Mint.com account, you can link your Employee Fiduciary 401(k) to that account. At Mint.com, you can estimate the amount you will need to save to retire comfortably considering all potential sources of retirement income (401(k)s, IRAs, Social Security, brokerage accounts, etc).

HOW SHOULD I ALLOCATE MY ASSETS?

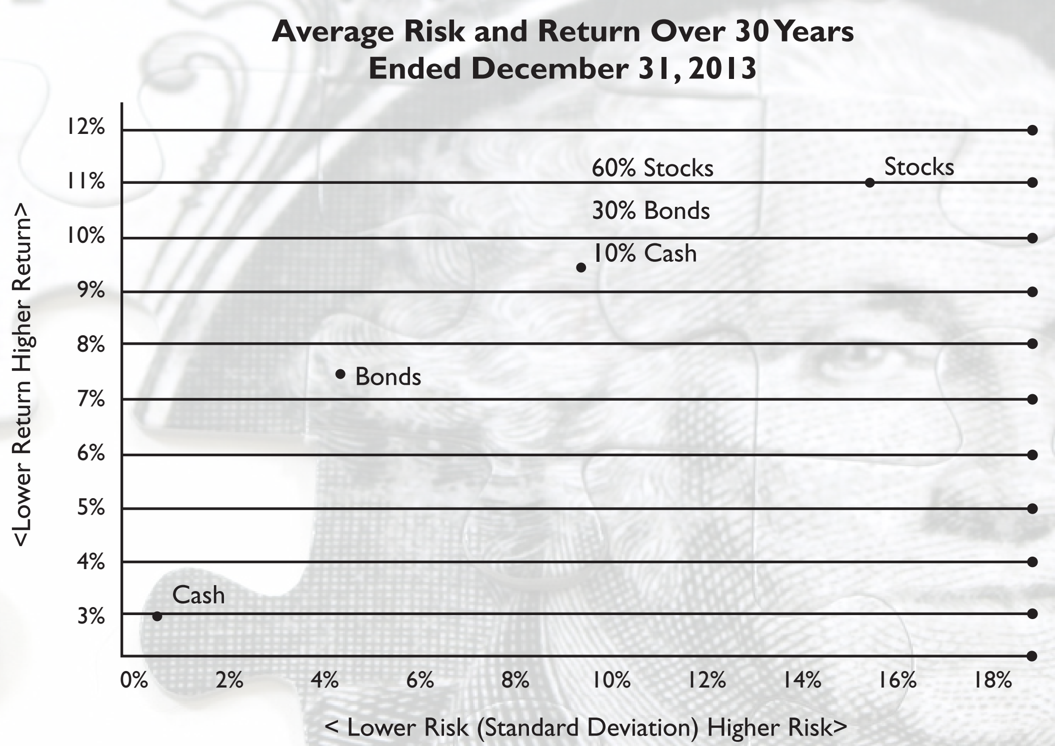
Asset allocation is an investment strategy that attempts to balance risk versus reward by adjusting the percentage of each asset in an investment portfolio according to the investor's risk tolerance, goals and investment time frame.

To allocate 401(k) assets, you have three options – Choose a single Target Date Fund (TDF) based on your estimated retirement date, select an asset allocation mix themselves or let a personal financial advisor do it for you.

Determining an appropriate asset allocation does not need to be difficult. There are free online tools that can help. These include:

- CNNMoney offers an asset allocation calculator that determines a mix of different security types designed to meet an individual's retirement savings goals based on their risk profile and date of retirement. This calculator can be found at http://cgi.money.cnn.com/tools/assetallocwizard/assetallocwizard.html?iid=EL.

- Bankrate offers an Asset Allocation Calculator to help create a balanced portfolio of investments. Age, ability to tolerate risk, and several other factors are used to calculate a desirable mix of stocks, bonds and cash. http://www.bankrate.com/calculators/retirement/asset-allocation.aspx.



Additional Resources

RETIREMENT TOOLKIT

Developed by the Department of Labor, the Social Security Administration and the Centers for Medicare & Medicaid Services, this toolkit includes a list of publications and interactive tools to help in your planning, plus information on who to contact with specific questions. The toolkit can be found at http://www.dol.gov/ebsa/pdf/retirementtoolkit.pdf.

INVESTMENT TERMS

Whether you're a new investor or a seasoned pro, it helps to have a solid glossary at your fingertips to provide quick clarification on a particular term or to expand your overall stock market vocabulary.

Below are some basic investment terms. For a more comprehensive glossary, go to http://www.nasdaq.com/investing/glossary/#ixzz33VxbpR37.

Bond Fund - A fund that invests primarily in bonds and other debt instruments. A debt security which represents the borrowing of money by a corporation, government, or other entity. The borrowing institution repays the amount of the loan plus a percentage as interest. Income funds generally invest in bonds.
Equity Fund - A fund that invests primarily in securities or investments representing ownership in a corporation, unlike a bond, which represents a loan to a borrower. The term "equity" is often used interchangeably with "stock."

Growth Fund - A fund that invests primarily in the stocks of companies with above-average risk in return for potentially above-average gains. These companies often pay small or no dividends and their stock prices tend to have the most ups and downs from day to day.

Index Fund - An investment fund that seeks to parallel the performance of a particular stock market or bond market index. Index funds are often referred to as passively managed investments

International Fund - A fund that invests primarily in the securities of companies located, or with revenues derived from, outside of the United States.

Large Cap Fund - A fund that invests primarily in stocks of companies with a large market capitalization. Large caps tend to be well-established companies, so their stocks typically entail less risk than smaller caps, but large-caps also offer less potential for dramatic growth.

Additional Resources *(continued)*

Mid Cap Fund - A fund that invests primarily in stocks of companies with a medium market capitalization. Mid caps are often considered to offer more growth potential than larger caps (but less than small caps) and less risk than small caps (but more than large caps).

Money Market Fund - A mutual fund that invests in short-term, high-grade fixed-income securities, and seeks the highest level of income consistent with preservation of capital (i.e., maintaining a stable share price).

Mutual Fund - An investment company registered with the SEC that buys a portfolio of securities selected by a professional investment adviser to meet a specified financial goal (investment objective). Mutual funds can have actively managed portfolios, where a professional investment adviser creates a unique mix of investments to meet a particular investment objective, or passively managed portfolios, in which the adviser seeks to parallel the performance of a selected benchmark or index.

Small Cap Fund - A fund that invests primarily in stocks of companies with a smaller market capitalization. Small caps are often considered to offer more growth potential than large caps and mid caps but with more risk.

Stable Value Fund - An investment fund that seeks to preserve principal, provide consistent returns and liquidity. Stable value funds include collective investment funds sponsored by banks or trust companies or contracts issued by insurance companies.

Target Date Fund - A fund designed to provide varying degrees of long-term appreciation and capital preservation based on an investor's age or target retirement date through a mix of asset classes. The mix changes over time to become less focused on growth and more focused on income. Also known as a "lifecycle fund."

U.S. Treasury Securities - Debt securities issued by the United States government and secured by its full faith and credit. Treasury securities are the debt financing instruments of the United States Federal government, and they are often referred to simply as Treasuries.

Value Fund - A fund that invests primarily in stocks that are believed to be undervalued at the current price. These companies often pay dividends and their stock prices tend to have fewer ups and downs from day to day.

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