

The Fundamentals: Who You Are Can Determine How You Invest

Effective retirement planning is more than picking the funds with the best performance over the past year. The investment options you choose will depend on your unique situation. How you should invest can be a complex picture with multiple variables, but it all starts with two fundamental concepts: your life circumstances and your investor type.

Your Life Circumstances – Do you have the time, motivation and confidence to research investment options on your own?

Your Investor Type – How much risk are you willing to tolerate based on your age, your retirement goals and your financial situation? In other words, are you a conservative, moderate or aggressive investor?

Determining Your Investor Type

How comfortable are you with risk? Knowing whether you're a conservative, moderate or aggressive investor will help clarify which investment options are right for you. Your answers to the following statements can help determine your specific investor type.

1. I am a knowledgeable investor who understands the trade-off between risk and return. I am willing to accept a greater degree of risk for potentially higher returns.

Strongly Disagree 1 2 3 4 5 Strongly Agree

2. I am willing to invest on a long-term basis.

Strongly Disagree 1 2 3 4 5 Strongly Agree

3. If one of my investments dropped 20% in value over six months due to stock market fluctuations, I would hold on to that investment, expecting it to recover its value.

Strongly Disagree 1 2 3 4 5 Strongly Agree

4. I have savings vehicles other than this Plan that make me feel secure about my financial future.

Strongly Disagree 1 2 3 4 5 Strongly Agree

How did you score?

4-8 points: Conservative

You probably seek safety and stability.

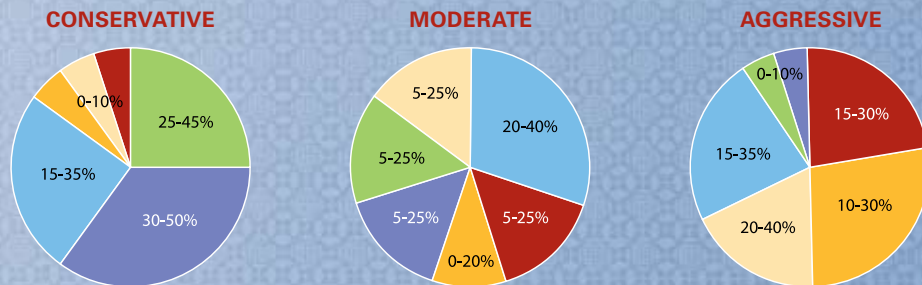
9-14 points: Moderate

You most likely want a balance between lower- and higher-risk investments and are comfortable with some volatility.

15-20 points: Aggressive

You are probably comfortable with higher risk for potentially higher returns.

Your Retirement Planning Strategy



FOR ILLUSTRATIVE PURPOSES ONLY. These hypothetical portfolio allocations are based on an investment strategy regarding risk and potential return. This is not intended as financial planning or investment advice. Sample portfolio allocations are approximate.

Your Plan offers two different approaches to retirement planning, giving you the flexibility to choose the method that fits your goals and priorities.

The Portfolio Strategy – These sample portfolios demonstrate how contributions could be invested in different asset classes. To further reduce risk and diversify the portfolio, each asset class percentage may consist of one or more different investments. A diversified portfolio can help you reduce risk by spreading your contributions among different asset classes. The theory is that while you may experience a decrease in one investment's performance, it is unlikely that all of your investments will decrease at the same time because they are diversified into several different investment types. These sample portfolio allocations and the fund fact sheets can help you

- Bonds
- Cash Equivalents
- International Stocks
- Small-Cap Stocks
- Mid-Cap Stocks
- Large-Cap Stocks

with selecting your investments. These hypothetical portfolios provide sample allocation models to illustrate possible investment portfolio allocations that represent an investment strategy based on risk. They are not intended as financial advice.

The Build Your Own Portfolio Strategy – You can design your own investment strategy and research and select the investment options that fit that strategy using the tools available within your Plan. For more information on each fund, including investment objectives, asset allocation, operating expenses and holdings, visit the Plan Web site.¹

¹ Access to the automated voice response system and Web site may be limited or unavailable during periods of peak demand, market volatility, systems upgrades/maintenance or other reasons.