

Participant Outcomes Report

An Analysis of Participant Funding Sufficiency



Prepared for
March 9, 2007








OVERVIEW

This report provides an overview of the participant experience within the **401(k) Retirement Plan**. Namely, it seeks to answer these fundamental questions –

1. *Are the participants saving enough to fund their retirement?*
2. *Are the participants taking on an appropriate level of risk given their time horizon?*
3. *Are the participants making good use of the plan investment options?*

Participant Outcomes Report Card

Below is a summary of the analysis provided within this report. It can be used to tell at a glance how effectively your participants are accumulating assets for retirement. Additionally, it highlights where improvements may be needed with specific underlying portfolio management considerations which could impact participants' chance of success.

<u>Funding Sufficiency</u>	 Concern
Asset Allocation vs. Lifecycle Target	 Concern
Equity Profile	 OK
Number of Funds	 OK
Overlapping Holdings	 Concern
Annual Contributions (by Income)	 OK
Annual Contributions (by Age)	 OK



RETIREMENT SECURITY

! Funding Sufficiency

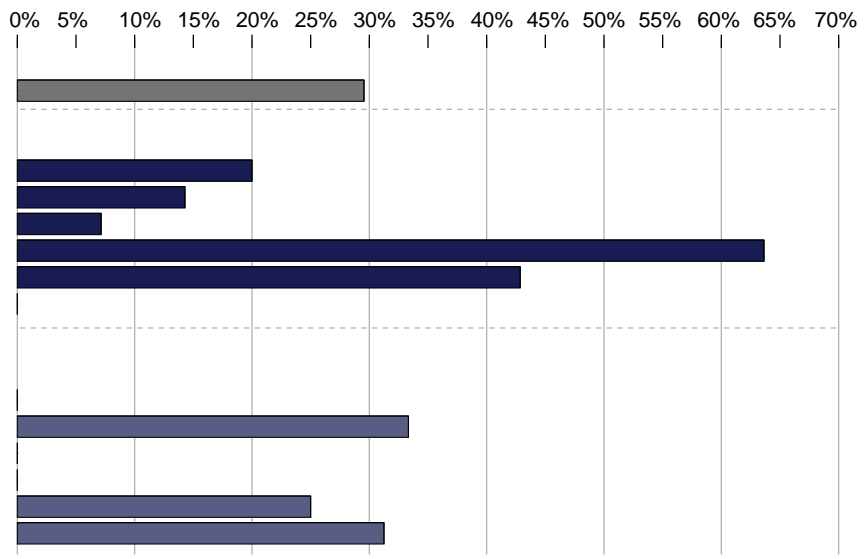
Are your participants on track to meet their needs?

Based on 1500 simulation runs per participant account, it is estimated that only 30% of participants will achieve security in retirement.

All Participants	
Age	Yrs. To Retire
Over 59	Less than 6
50-59	6-15
40-49	16-25
30-39	26-35
20-29	36-45
Under 20	More than 45

Account Size	
More than \$250,000	
\$200,000 - 249,999	
\$150,000 - 199,999	
\$100,000 - 149,999	
\$50,000 - 99,999	
Less than \$50,000	

Percentage of Participants with a Greater than 75% Chance of Success



Participants in Danger of Coming-up Short

Over 59
(<6 Years to Retire)

1 of 5 (20%) employees have a success rate over 75%

- 60% have been employed greater than 10 years
- 20% have been employed less than 5 years

50 - 59
(6 - 15 Years to Retire)

1 of 7 (14%) employees have a success rate over 75%

- 57% have been employed greater than 10 years
- 0% have been employed less than 5 years

40 - 49
(16 - 25 - Years to Retire)

1 of 14 (7%) employees have a success rate over 75%

- 36% have been employed greater than 10 years
- 21% have been employed less than 5 years

30 - 39
(26 - 35 Years to Retire)

7 of 11 (64%) employees have a success rate over 75%

- 27% have been employed greater than 10 years
- 36% have been employed less than 5 years

20 - 29
(36 - 45 Years to Retire)

3 of 7 (43%) employees have a success rate over 75%

- 0% have been employed greater than 10 years
- 86% have been employed less than 5 years

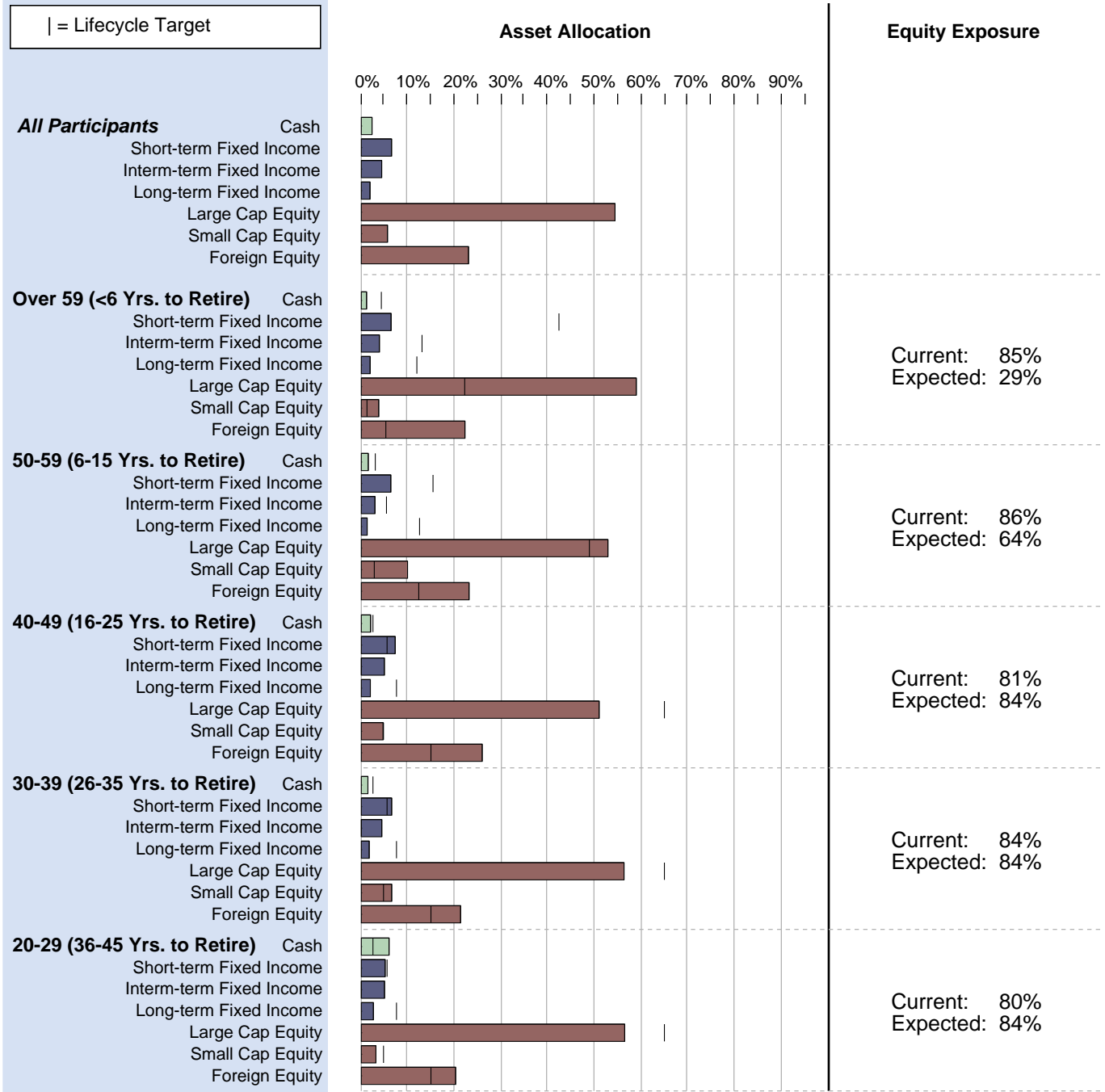


ASSET ALLOCATION

! Asset Allocation vs. Lifecycle Target

Are your participants investing suitably for their time-horizon?

Younger participants investing too conservatively may face an opportunity cost, while older participants investing too aggressively may be taking on undue capital risk.





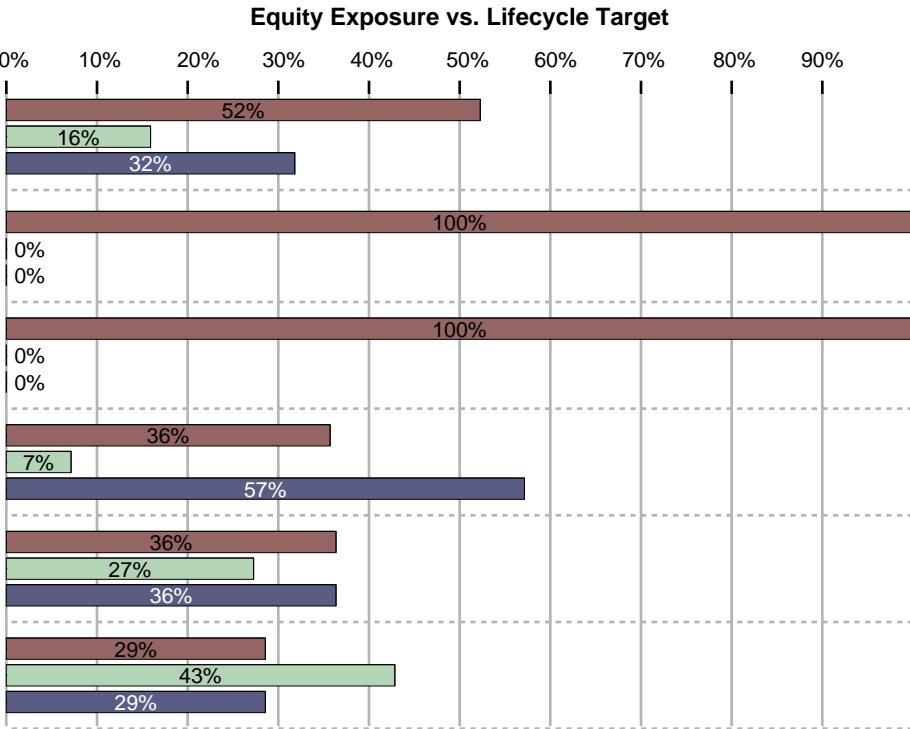
ASSET ALLOCATION

Equity Profile

Are your participants reasonably invested in equities?

Younger participants are often best positioned to handle the volatility of equities. Older participants generally need to reduce equity exposure.

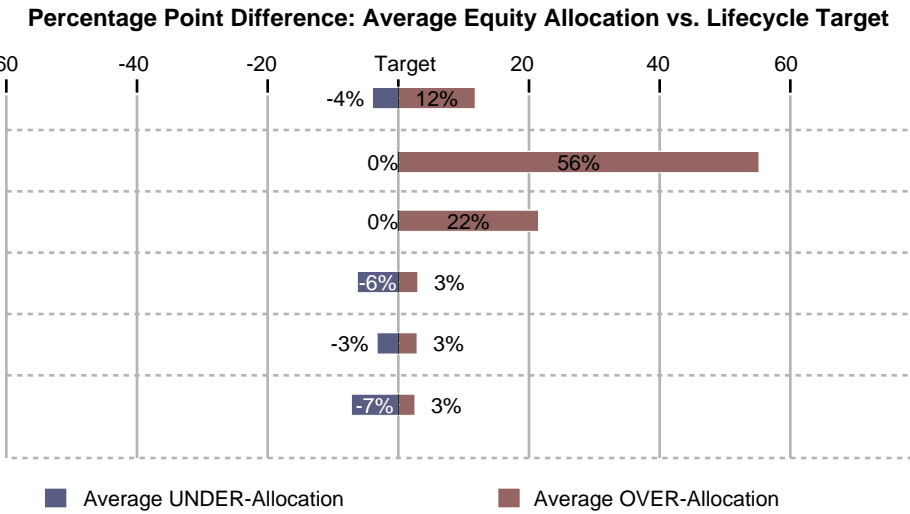
	Above Lifecycle Equity Target	On Target	Below Lifecycle Equity Target
All Participants	52%	16%	32%
Over 59 (<6 Yrs. to Retire)	100%	0%	0%
50-59 (6-15 Yrs. to Retire)	100%	0%	0%
40-59 (16-35 Yrs. to Retire)	36%	7%	57%
30-39 (26-30 Yrs. to Retire)	36%	27%	36%
20-29 (36-45 Yrs. to Retire)	29%	43%	29%



How far are participants from equity targets?

In addition to understanding what percentage of participants are over/under allocated to equities, it is important to understand the magnitude of their over/under allocation.

	Target
All Participants	
Over 59 (< 6 Yrs. to Retire)	29%
50-59 (6-15 Yrs. to Retire)	64%
40-49 (16-25 Yrs. to Retire)	84%
30-39 (26-35 Yrs. to Retire)	84%
20-29 (36-45 Yrs. to Retire)	84%





INVESTMENT VEHICLES

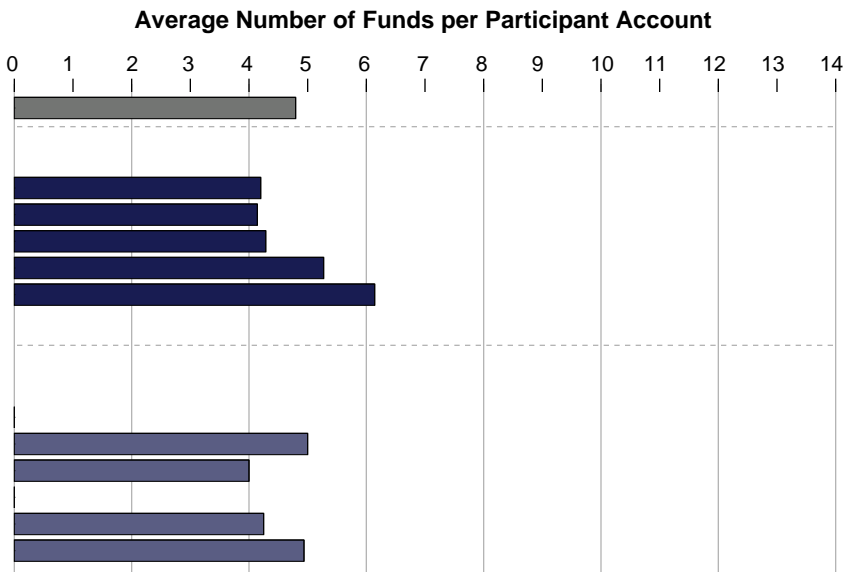
Menu Options

✓ Number of Funds

How many funds are your participants investing in?

Retirement plan participants are invested in a total of 66 funds. While diversification is important, investing in too many funds can be costly.

All Participants	
Age	Yrs. To Retire
Over 59	Less than 6
50-59	6-15
40-49	16-25
30-39	26-35
20-29	36-45
Account Size	
More than \$250,000	
\$200,000 - 249,999	
\$150,000 - 199,999	
\$100,000 - 149,999	
\$50,000 - 99,999	
Less than \$50,000	

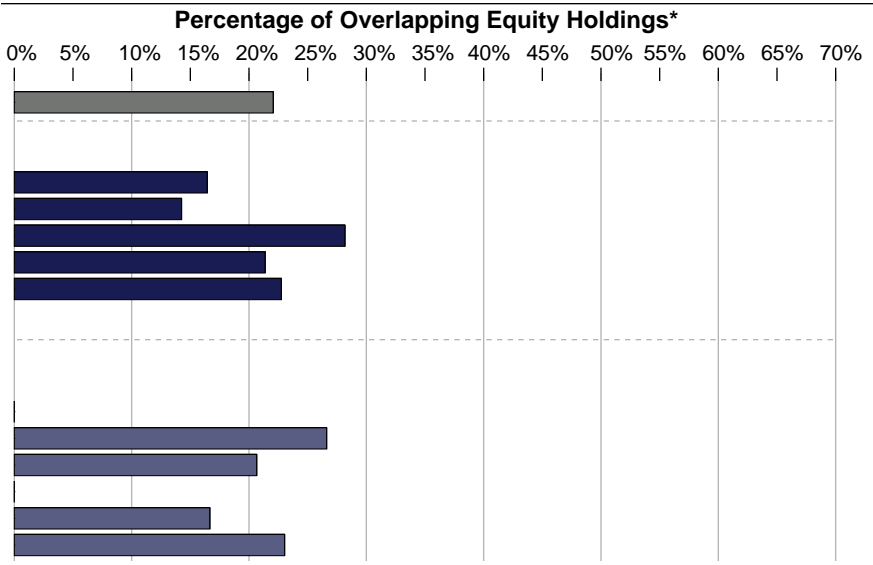


! Overlapping Holdings

Are your participants as diversified as they think?

On average, 22% of the stocks in participant portfolios were held by multiple mutual funds within their accounts.

All Participants	
Age	Yrs. To Retire
Over 59	Less than 6
50-59	6-15
40-49	16-25
30-39	26-35
20-29	36-45
Account Size	
More than \$250,000	
\$200,000 - 249,999	
\$150,000 - 199,999	
\$100,000 - 149,999	
\$50,000 - 99,999	
Less than \$50,000	



* Considers the top 100 equity holdings in each fund.

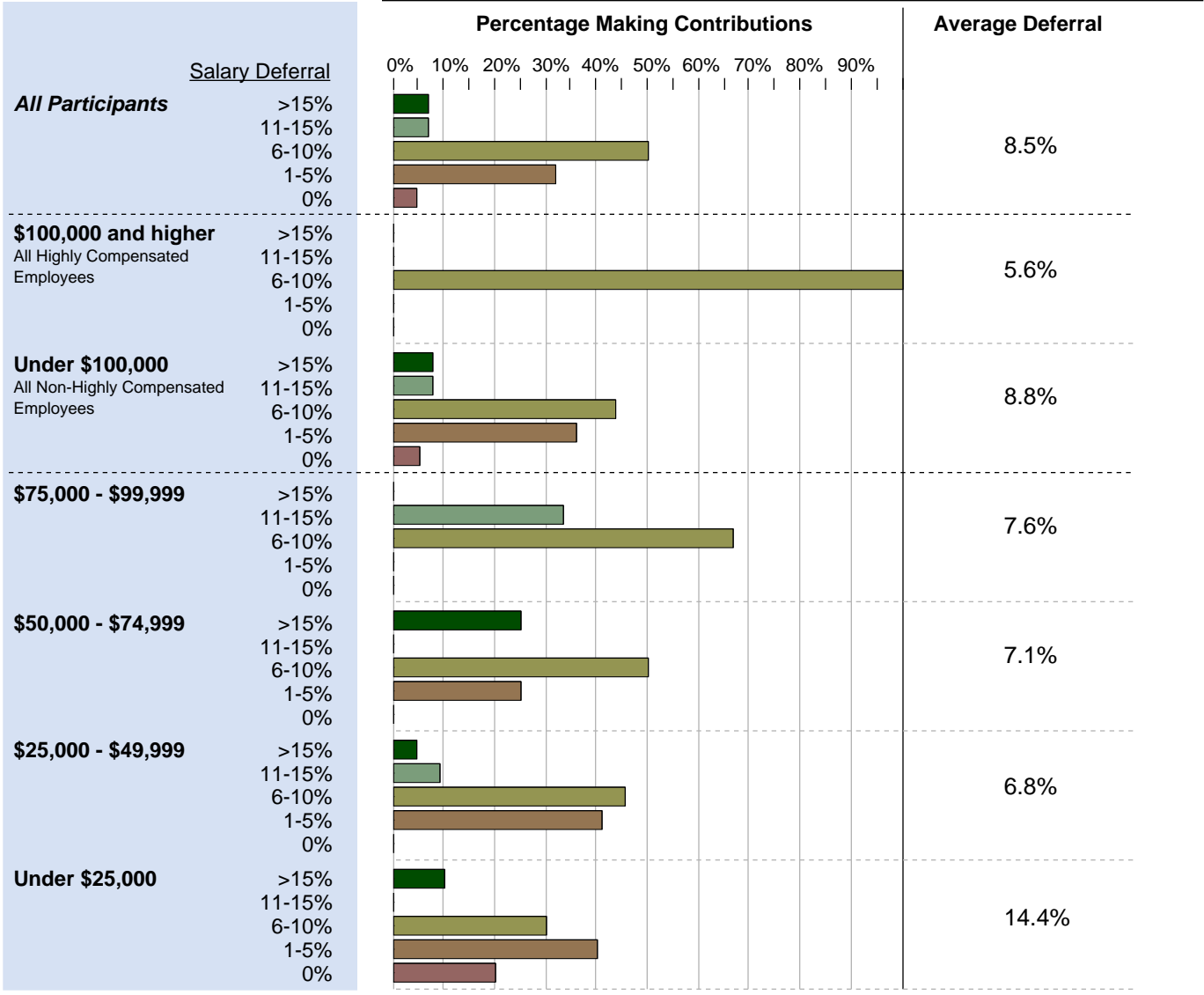


PLAN UTILIZATION

Annual Contributions by Income

Are your participants contributing enough of their income?

If your participants are not contributing the maximum allowed, they may be missing out on plan tax-advantages and employer matching funds.



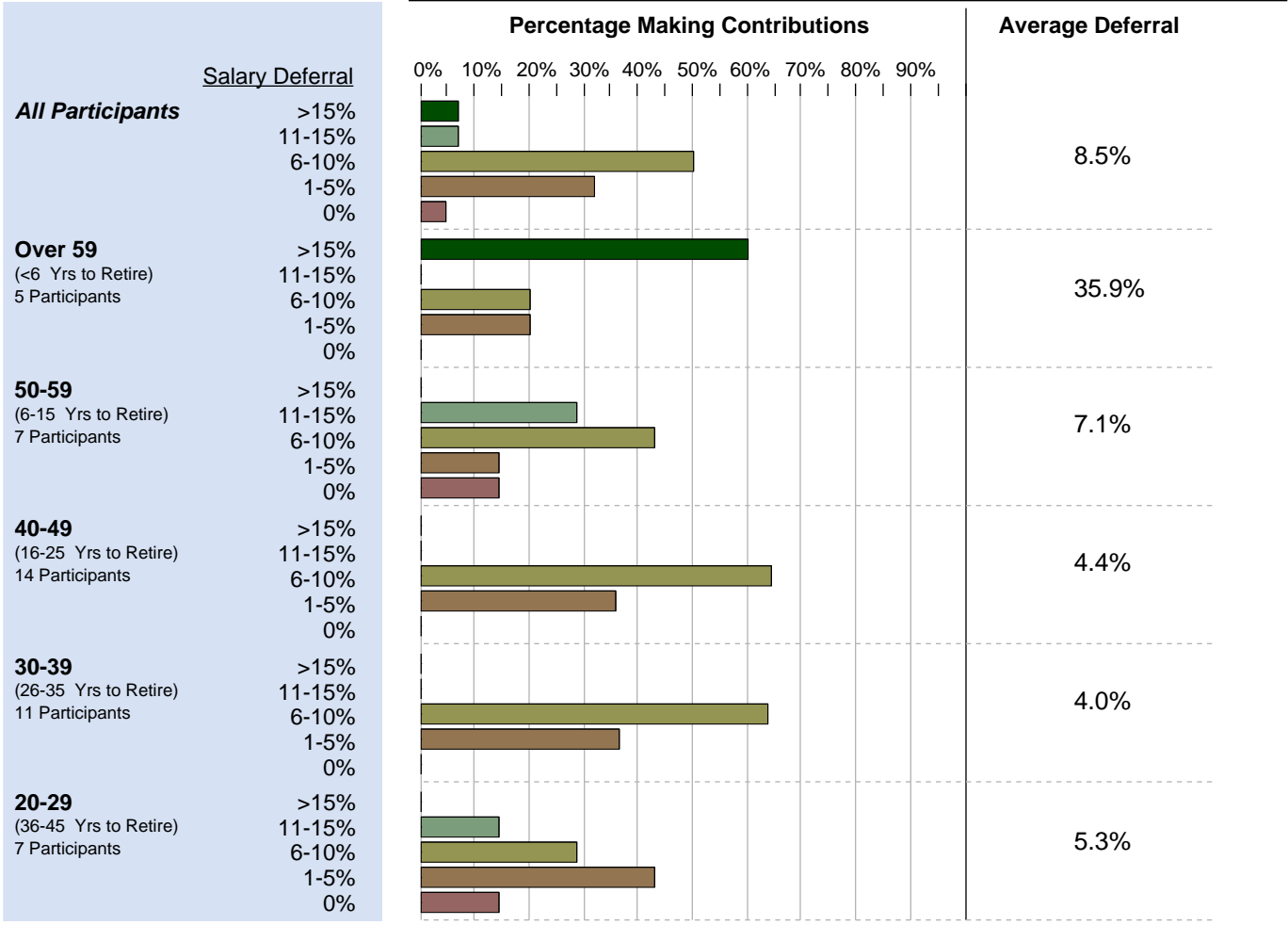


PLAN UTILIZATION

Annual Contributions by Age

Are your participants contributing enough of their income?

If your participants are not contributing the maximum allowed, they may be missing out on plan tax-advantages and employer matching funds.





APPENDIX: Important Information

The information, data, analyses and opinions contained herein do not constitute investment advice offered by Consultants, Inc. or Perspective Partners, LLC, and are provided solely for informational purposes and, therefore, are not an offer to buy or sell a security. The information, data, analyses and opinions are not warranted to be correct, complete or accurate. Except as otherwise required by law, neither Investment Management Consultants, Inc. nor Perspective Partners, LLC shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. The information, data, analyses and opinions contained herein may not be copied or redistributed.

You are under no obligation to accept any of the information provided. . and Perspective Partners, LLC can not guarantee that any particular investment suggestion or suggested solution, if implemented, will be profitable or solve the identified concern. The information provided is not investment advice or financial advice. Any recommendations for action are general in nature and are not intended to provide authoritative guidance or legal advice. Legal, investment or consulting counsel should be contacted if necessary.

This report includes several assumptions, including, but not limited to, the assumptions that an individual's salary will increase over time, that the individual will remain continuously employed by his/her current employer until retirement, any employer matching contributions will remain the same, all money remains in the plan until retirement, any and all fees associated with the plan remain constant. Annual Average Inflation assumption: 3.5%. Annual Average Salary Increase assumption: 3.5%. Social security payments projected to increase by 3.5% per year. Annual participant contributions for all accounts projected to continue at current percentage rates until retirement. The impact of participant loans or other distributions is not considered in all cases. Post retirement asset allocation assumption: 3% Cash, 69% Fixed Income, 28% Equity. These assumptions are likely to change and therefore the actual retirement account values are likely to change.

Source of historical returns used in this analysis is Ibbotson Associates' study of returns from 1926 - 2006. Stocks = S&P 500 Index; Bonds = Intermediate-Term Government Bonds; Cash = 30 Day U.S. Treasury Bills. Future investment returns may be higher or lower than the averages cited here. It is important to understand that this or any investment calculation that is based on historical returns cannot predict the future. Past performance does not guarantee future results. Tax implications are not considered in any analysis.

Target Asset Allocation

Unless otherwise noted, all targets referred to in this report are based on lifecycle funds applied according to years to retirement:

1. 0 - 3: Conservative Term
2. 4 - 7: Moderate Term
3. 8 - 15: Extended Term
4. 15 or higher: Maximum Term

Data Sources:

The data used for the purposes of portfolio analysis were provided by the following sources on the dates specified:

- Stocks: Morningstar, Inc.; 2006/11/30
- Mutual Funds: Morningstar, Inc.; 2006/11/30
- Fixed Income: CUSIP, Standard and Poor's; 2006/11/30
- APT Risk Factors: BIRR Portfolio Analysis, Inc.; 2006/11/30