

### Affiliated Computer Services

#### **401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

We launched our Healthy 401(k)-Plan Analytics application, which provides flexibility in employer access to plan data. Among the Healthy 401(k)'s features is a plan information dashboard that enables instant access to the information necessary to properly manage retirement plans. This application contains configurable options that can be leveraged for additional reporting features to meet the client's needs.

### Ascensus

#### **Call-center service: How well have the centers performed?**

AscentData surveys more than 10,000 of our clients annually, receiving 2,500 to 3,000 responses. Through these surveys, Ascensus has earned "Best in Class" status in the following areas:

- Overall satisfaction
- Client service-representative support
- Participant service-representative support
- Transaction processing
- Participant statements
- Internet services
- Employer communications
- Plan year-end events

### Bank of America Merrill Lynch

#### **Call-center service: How well have the centers performed?**

In 2010, Retirement & Benefit Plan Services's call centers were recognized for customer-satisfaction excellence under the J.D. Power and Associates Certified Call Center Program for the sixth consecutive year (2005–2010). According to J.D. Power's evaluation, our call-center operation has a strong commitment to providing an "outstanding customer service experience." We are the only contact center in the retirement industry to receive this designation.

**Bank of America Merrill Lynch, cont.**

**401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

**Wellness Score Report**

This report provides an overview of the financial well-being of plan participants based on whether or not they are exhibiting behaviors in the plan that may lead to retirement success. Also included is a comparison of participants who use Advice Access with those who do not. In the future, this report will evolve to show plan trends over time and will include benchmark comparisons against the aggregate results of other Merrill Lynch plans using Advice Access. The results of the wellness score can also be used to guide the plan's future communication objectives. Specifically, we will:

- Utilize available data to pinpoint inferred, at-risk behaviors
- Assign scoring to assess the degree of financial well-being across the population
- Establish a baseline financial-wellness measure to observe trends over time
- Identify suitable audiences for targeting key messages

**Retirement Bank Account**

An interest-bearing, money-market deposit account that plan sponsors can include as a choice in their company's qualified retirement plan. The Retirement Bank Account offers:

- FDIC Insurance up to \$250,000 on both principal and interest
- Reduced exposure to market risk during periods of market volatility\*
- Unlimited withdrawals (restrictions on withdrawal timing apply)
- Greater peace of mind, knowing that a retirement dollar in the bank today will be a retirement dollar in the bank tomorrow

*\* Diversification does not ensure a profit or protect against loss.*

**Regulatory Action Disclosures**

**2. Has the company been investigated or are you being investigated for any issues by any outside agencies? No**

Retirement & Benefit Plan Services—the Bank of America Merrill Lynch business unit that administers 401(k) plans—is not involved in pending material investigations related to the services we provide.

Bank of America and certain of its subsidiaries (including Merrill Lynch, Pierce, Fenner & Smith Inc.) have been named as defendants in civil actions and have been involved in various regulatory inquiries arising out of their respective business activities.

All material litigation is reported in the Bank of America annual form 10-K report, filed with the U.S. Securities and Exchange Commission. In addition, Bank of America reports all material regulatory matters on Schedule D of Form B-D filed with the SEC.

## BB&T Institutional Services

### **Call-center service: How well have the centers performed?**

For 2009, our call center met all service-standard requirements, averaging a service level of 96% and a speed-of-answer time of 22 seconds. Call-center capacity and response times are strictly monitored to ensure quality client service. Minimum service-level standards of our call center include:

- <30 seconds average speed of answer
- <5% call-abandonment rate
- Callbacks from voice-mail messages are made by the end of the same business day
- Calls are logged daily and monitored randomly by supervisory personnel to ensure transactions and information requests are handled within a 24-hour time frame

### **401(k) Services**

- 4. Is the company owned by, does it own, or is it an affiliate of a company(ies) that advises 401(k) plans? Yes**  
**If yes, please explain.**

BB&T offers investment advisory services to clients through SHDR Investment Advisors Inc., a wholly-owned subsidiary of BB&T Corp. BB&T Asset Management Inc. is an independent Registered Investment Advisor offering a full range of investment-management services and strategies.

## Charles Schwab

### **Regulatory Action Disclosures**

- 1. Is your company involved in litigation regarding fees, fee disclosures, or revenue sharing? Does your company intend to change its policies regarding these issues?**

Due to the diverse nature and size of its business, The Charles Schwab Corp., its broker-dealer subsidiary Charles Schwab & Co. Inc., and its various other subsidiaries and affiliates (including Schwab Retirement Plan Services Inc.; Schwab Retirement Plan Services Co.; and Charles Schwab Trust Co., a division of Charles Schwab Bank) is routinely subjected to claims, lawsuits, arbitrations, regulatory examinations, requests for information, and other proceedings in the ordinary course of its business. Most of such proceedings involve business entities other than Schwab Retirement Plan Services Inc., Schwab Retirement Plan Services Co., and Charles Schwab Trust Co.

- 2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

Due to the diverse nature and size of its business, The Charles Schwab Corp., its broker-dealer subsidiary Charles Schwab & Co. Inc., and its various other subsidiaries and affiliates (including Schwab Retirement Plan Services Inc.; Schwab Retirement Plan Services Co.; and Charles Schwab Trust Co., a division of Charles Schwab Bank) is routinely subjected to claims, lawsuits, arbitrations, regulatory examinations, requests for information, and other proceedings in the ordinary course of its business. Most of such proceedings involve business entities other than Schwab Retirement Plan Services Inc., Schwab Retirement Plan Services Co., and Charles Schwab Trust Co.

**Charles Schwab, Regulatory Action Disclosures, cont.**

**3. Has the company been involved or are you involved in any ethical investigations?**

Due to the diverse nature and size of its business, The Charles Schwab Corp., its broker-dealer subsidiary Charles Schwab & Co. Inc., and its various other subsidiaries and affiliates (including Schwab Retirement Plan Services Inc.; Schwab Retirement Plan Services Co.; and Charles Schwab Trust Co., a division of Charles Schwab Bank) is routinely subjected to claims, lawsuits, arbitrations, regulatory examinations, requests for information, and other proceedings in the ordinary course of its business. Most of such proceedings involve business entities other than Schwab Retirement Plan Services Inc., Schwab Retirement Plan Services Co., and Charles Schwab Trust Co.

CPI Qualified Plan Consultants

**Call-center service: How well have the centers performed?**

Clients responding to CPI's quarterly survey of services consistently rank the call center a 9 out of a possible 10 for providing prompt, courteous, and accurate service to plan participants.

**401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

The RetireTool(k)it is an Internet-based application that allows financial advisers to monitor the performance of current plan investments, and research new investment options as needed. Advisers can create mandates to use in their searches to find funds that meet specified criteria.

The Comprehensive Plan Review summarizes plan design, plan and participant information, and the demographics of plan participants. Sponsors and advisers use this information to design employee education and communication strategy for the upcoming year, improving participation and employee appreciation.

Diversified Investment Advisors

**Call-center service: How well have the centers performed?**

In 2009, Diversified's call-center representatives earned "Best in Class" scores for:

- Communicating in a courteous manner
- Treating participants as customers
- Processing transactions on a timely basis
- Processing transactions accurately

### Diversified Investment Advisors, Call-Center Service, cont.

In 2009, Diversified was the highest-rated provider in the benchmark for:

- Overall satisfaction
- Processing transactions on a timely basis
- Processing transactions accurately
- Responding accurately
- Communicating in a courteous manner

## EPIC Advisors

### 401(k) Services

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

EPIC has a strategic partnership with Stadion Money Management to deliver the Stadion QDIA managed-account option for retirement plans and their participants. EPIC is also a recordkeeper and administrative service provider for Mutual of Omaha as it provides annuity products to qualified retirement plans.

## ExpertPlan

### Call-center service: How well have the centers performed?

Our performance statistics for 2009:

- Average speed of answer: 24 seconds
- Call-abandonment rate: 4%
- Calls answered: 39,172
- E-mails received: 35,633

Less than 1% of plans terminate due to service-related issues. (ExpertPlan has a 96% client-retention rate.)

### 401(k) Services

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

- Adoption Agreement Changes for EGTRRA
- Implemented Short-Term Trading Block Expiration Notification
- Developed EACA & QACA Quick Enrollment

### **ExpertPlan, 401(k) Services, cont.**

In addition, we developed (for Financial Advisors) the Portfolio Builder Model/Strategy for use as the investment default in either a new or existing plan that has an automatic-enrollment/contribution feature. This option can also be used as the default for nonautomatic enrollment/contribution plans when the “Quick Enrollment” function is needed to enroll a participant.

## First Mercantile

### **Call-center service: How well have the centers performed?**

Our client service satisfaction scores meet or exceed industry benchmarks in virtually every major category. Our response and call-resolution times steadily improved in 2009.

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

We improved our custom asset-allocation-model functionality to an industry-leading level, according to the Registered Investment Advisors who use that functionality. We also rolled out a robust quarterly Plan Summary Report with key metrics for fiduciary support.

## Great-West Retirement Services

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

##### **The Maxim Lifetime Asset Allocation Series**

The Series gives plan participants retirement-readiness help before, at, and after retirement. It builds on the first generation of target-date funds to provide the plan with a comprehensive solution that includes six core features:

- Three distinct glide paths
- A lifetime investing approach
- Expert consultation from Ibbotson Associates
- 20 leading investment managers<sup>1,2</sup>
- 28 underlying funds<sup>2</sup>
- A blend of active and passive investment management

The Maxim Lifetime Asset Allocation Series is designed for investors seeking a professionally managed asset-allocation program to simplify the accumulation of assets prior to retirement. The Series includes five different target dates (2015, 2025, 2035, 2045, and 2055), each with three different glide paths, ranging from conservative to aggressive. Each of the funds is a “fund-of-funds” that invests in the shares of other mutual funds.

## **Great-West Retirement Services, 401(k) Services, cont.**

Each underlying fund in the Maxim Lifetime Asset Allocation Series provides a dynamic asset-allocation and underlying fund-selection investment strategy based on methodologies designed primarily to optimize risk-appropriate capital growth strategies prior to the designated transition year, and longevity-driven capital appreciation and inflation-protected income thereafter.

<sup>1</sup> *Maxim Lifetime Asset Allocation Series includes funds managed by GW Capital Management LLC—doing business as Maxim Capital Management LLC, investment managers retained by MCM, and unaffiliated third-party fund managers*

<sup>2</sup> *As of May 1, 2009*

### **SecureFoundation**

Our SecureFoundation investment product provides participants with a retirement paycheck through a Guaranteed Lifetime Withdrawal Benefit. Participants can allocate all or part of their regular contributions to one of the Maxim SecureFoundation funds that have been added to the plan. They can also transfer account value into and out of these funds—the same as with other investment options. Contributions, transfers, and any gains in the fund value create a “benefit base” that determines the participant’s retirement paycheck (guaranteed annual withdrawal) amount. The bottom line: the participant receives guaranteed income for life, even if the fund value drops to zero due to regular retirement paychecks or poor market performance.

### **Additionally...**

We also have added and continue to add significant enhancements to our recordkeeping system, call center, and the participant/plan-sponsor Websites.

## Guardian

### **Call-center service: How well have the centers performed?**

We have received the Dalbar Seal of Excellence for the past five years—an award given only to firms that consistently exceed customer expectations. According to Dalbar, Guardian is the only retirement plan service provider to win these awards.

## The Hartford

### **Regulatory Action Disclosures**

- 1. Is your company involved in litigation regarding fees, fee disclosures, or revenue sharing? Yes  
Does your company intend to change its policies regarding these issues? Yes**

Any material information regarding litigation matters affecting the company may be found in our annual report, annual SEC 10-K filing, and quarterly SEC 10-Q filings. Our annual report and SEC filings may be viewed by visiting our investor-relations Website at <http://ir.thehartford.com>.

- 2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

Any material information regarding litigation matters affecting the company may be found in our annual report, annual SEC 10-K filing, and quarterly SEC 10-Q filings. Our annual report and SEC filings may be viewed by visiting our investor-relations Website at <http://ir.thehartford.com>.

### **The Hartford, Regulatory Action Disclosures, cont.**

#### **3. Has the company been involved or are you involved in any ethical investigations?**

Any material information regarding litigation matters affecting the company may be found in our annual report, annual SEC 10-K filing, and quarterly SEC 10-Q filings. Our annual report and SEC filings may be viewed by visiting our investor-relations Website at <http://ir.thehartford.com>.

## Hewitt Associates

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

Specific enhancements for our defined-contribution services include:

- Enhanced online decision-support tools for retirement modeling that are designed for the broad population and intended to make taking action easier while incorporating the features needed by more-savvy investors
- Expanded education services designed to help employees gain investment and retirement-planning knowledge through online strategies that match adult- and online-learning theories. The service applies to specific behaviors within the defined-contribution plan as well as to education for broader financial needs.
- Greater financial-support tools to help employees with their broad financial needs, of which retirement plans are one part. These tools are part of our Personal Finance Center, and we are enhancing the integration of our site with the Personal Finance Center.

## ING Life Insurance & Annuity

### **Call-center service: How well have the centers performed?**

Based on our annual customer-satisfaction surveys, ING scores well above industry benchmarks for “ease of doing business,” driven significantly by customer satisfaction with our phone service and transaction-processing capabilities. In addition, the average speed in which we answered calls comfortably exceeded our 2009 target.

## J.P. Morgan Retirement Plan Services

### **Call-center service: How well have the centers performed?**

In an effort to capture continuous feedback about our Retirement Service Center, each week 1,000 participants are randomly selected to participate in a survey regarding their experience via an online survey tool. In 2009, more than 85% of the participants surveyed ranked the following attributes as best-in-class:

**J.P. Morgan Retirement Plan Services, Call-center service, cont.**

- Answering your phone call in an acceptable amount of time
- Representative had the expertise to take care of what you called about
- Representative took time to answer all of your questions
- Representative communicated in a friendly manner
- Representative treated you as a valued customer

We also averaged an abandon-call rate of only 1.3% vs. our service standard of 3%, and more than 93% of participant questions were answered on the first call. Some 82.9% of calls were answered within 20 seconds (beating our service standard of 80%).

**401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

We enhanced and redesigned our online participant retirement-planning tool, Retirement Dream Machine, to incorporate principals of behavioral finance into the Dream Machine's projections. We plan to leverage this research to other communications as well as provide a personalized, accurate assessment across communication channels. Dream Machine now uses unconventional questions to keep a user's interest and to make a more accurate assessment based on actual versus reported behavior.

We have also updated our Audience of One communications philosophy to help participants answer the question, "Can I live comfortably through retirement?" Additional enhancements include Secure Message Center, an electronic mailbox on the participant Website that serves as the foundation for ecommunication with participants. Participants may elect to receive confirmations and notifications electronically on the site. Not only does this allow participants to choose the media in which they wish to receive content, it also furthers our green and paperless initiatives. On the participant Internet, we also have added multifactor authentication. And we upgraded the IVR platform to leverage Chase Card Services's IVR management expertise and technology resources.

MassMutual Financial Group

**401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

- Enhanced financial-reporting platform and distribution process
- Technology upgrades (specifically "Data Direct")
- Significant enhancements to our TPA Alliance Business Model
- RetireSmart participant-engagement platform

## Milliman

### **401(k) Services**

- 2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

Milliman has added extensive online tools to our participant Website ([www.millimanbenefits.com](http://www.millimanbenefits.com)). Highlights are located on the landing page (calculators, market information, etc.). Additionally, we have added an online tutorial on how to use the defined-contribution and defined-benefit tools located within each participant's personal Webpage. We have also released a new automated glidepath solution for target-date model portfolios utilizing the underlying core-fund options as the investment vehicle driving returns, risk, and expenses (as opposed to utilizing target-date mutual funds).

## Nationwide Financial

### **401(k) Services**

- 2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

We have made significant enhancements to our loan capabilities to improve accessibility, customizability, education, and the user experience for TPAs, plan sponsors, and participants. Additionally, significant advancements were made in the capabilities of our Websites for our participants, plan sponsors, TPAs, and investment professionals to improve the usability of the sites, as well as the information and tools available to these stakeholders.

### **Regulatory Action Disclosures**

- 1. Is your company involved in litigation regarding fees, fee disclosures, or revenue sharing? Yes  
Does your company intend to change its policies regarding these issues? NA**

For information on any pending litigation or administrative actions, please consult the filings of Nationwide Financial Services, available from our investor-relations Website, [www.nationwide.com/investor-relations.jsp](http://www.nationwide.com/investor-relations.jsp).

- 2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

No. At the present time, Nationwide's 401(k) business is not the subject of any investigations by any outside agencies. In the normal course of business, Nationwide is subject to routine examinations by outside agencies, such as state insurance department market-conduct examinations. Any material investigations are publicly disclosed in the normal course of business. For more information, please visit the investor-relations section of our Website at [www.nationwide.com/investor-relations.jsp](http://www.nationwide.com/investor-relations.jsp).

## The Newport Group

### **Call-center service: How well have the centers performed?**

Newport's plan-sponsor clients consistently give high ratings to our participant call center. It received "Best in Class" honors in *Plansponsor* magazine's 2009 survey of plan-sponsors' satisfaction with their providers. The call center consistently performs above the industry average.

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

The following are a sampling of some of our most recent enhancements:

##### **Destination Accounts**

A managed-account solution for qualified retirement plans that invests a participant's account according to the participant's current age, target retirement date, and personal tolerance for market risk.

##### **Integrated Benefit Portal**

Our Website allows participants to upload (and download) financial data from other sources. The "Integrated Benefits Portal" allows Newport's nonqualified system to integrate with a third-party stock-option program, 401(k) plans, restricted-stock units plans, etc. The open-architecture portal can support any employer-sponsored benefits program that maintains participant-account balances (e.g., qualified defined-contribution plans, non-qualified deferred-compensation plans, equity-compensation/stock-option plans, defined-benefit plans, etc.).

## New York Life Retirement Plan Services

### **Call-center service: How well have the centers performed?**

Our 2009 client survey shows a 100% service-satisfaction rating from all of our clients—defined-contribution, defined-benefit, combined defined-contribution/defined-benefit, and Taft-Hartley plan clients—with 87% describing themselves as "highly satisfied."

New York Life received top scores from *Plansponsor* magazine's 2009 DC Survey Awards, including 43 "Best in Class" awards.

Despite these high marks, we continue to evolve, which is evidenced by the fact that nearly one-third of respondents said that our services have improved in the past year.

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

We base a number of enhancements on feedback we receive from client and participant surveys. The following describes a few of these new capabilities:

### New York Life Retirement Plan Services, 401(k) Services, cont.

- We recently rolled out our “In-Retirement” advice module with Morningstar called the Retirement Income Advisor. This component of our advice services is focused specifically on participants who are already in, or who are approaching, retirement. This module is designed to help participants make the most of their accumulated nest eggs and manage their money properly for retirement. Participants enter detailed financial information and Retirement Income Advisor provides recommendations for asset allocation and lifetime income sources, which could include an annuity.
- For participants in 2009, we began offering our phone-based investment advice through our Participant Service Center. The representatives provide Morningstar’s savings rate and investment recommendations over the phone.

### Regulatory Action Disclosures

#### **2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

Yes. On May 27, 2009, New York Life Investment Management LLC (NYLIM) settled charges by the Securities and Exchange Commission relating to the MainStay Equity Index Fund—one of MainStay’s 45 mutual funds. This fund was closed to new investors and investments in 2002, and is not among the investments currently being offered to clients.

The SEC alleged that NYLIM had failed to provide the fund’s board with information necessary to evaluate the cost of a principal guarantee provided to shareholders of the fund, and that prospectus disclosures misrepresented that there was no charge to shareholders for the guarantee. NYLIM, without admitting or denying these allegations, consented to the entry of an order by the SEC finding violations of the Investment Advisers Act and the Investment Company Act, and providing for a civil penalty and disgorgement, with interest, of a portion of its management fees relating to the fund for a 28-month period. These amounts totaled approximately \$6.1 million, and are being distributed to specified shareholders of the fund without any material financial impact to NYLIM.

As is the case with many other firms in the financial-services industry, New York Life Investment Management has received and may from time to time receive requests for information from various government authorities and regulatory bodies regarding its operations. The company cooperates fully with the authorities in response to such requests.

### The Online 401(k)

#### **Call-center service: How well have the centers performed?**

In our 2009 client-satisfaction survey, our clients rated the overall quality of support they receive from us as an 8 out of 10. Approximately 57,000 calls were made to and from our call center in 2009.

### OppenheimerFunds

#### **Call-center service: How well have the centers performed?**

These are our client-service statistics:

### OppenheimerFunds, Call-center service, cont.

- Call-abort rate: quarterly volumes at or below 3% servicing level
- Callbacks: 100% of callbacks completed on or before due date
- Queue standard: all calls answered within 30 seconds

### 401(k) Services

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

In January 2009, OppenheimerFunds selected Fi360's Platinum Toolkit to be used by wholesalers, asset managers, and analysts. The tool will provide research, analytical, and reporting tools such as Web-based fund comparisons, customizable due-diligence criteria, and performance-measure indices. They will also use the Fi360 Fiduciary Score to analyze performance.

In March 2009, OppenheimerFunds announced several educational programs, including targeted, personalized communications intended to alleviate concerns regarding market volatility and retirement-savings plans. The personalized-communications program includes postcards highlighting two messages: "Enroll Today" and "Stay the Course"; a resource for plan sponsors to assist in keeping their plan on course during these times; and additional Website resources to address plan-sponsor and participant concerns.

In addition, we now offer Custom Model Portfolios in Pinnacle. These are risk-based portfolio models that can be structured like a balanced fund, thus qualifying for QDIA. Plan sponsors choose one of the three models that is the most appropriate for the entire population of participants: Income & Growth Portfolio, Moderate Growth Portfolio, or Long-Term Growth Portfolio. Sponsors choose the funds that make up the model and the rebalancing frequency. Models offer more flexibility with the ability to offer a multimanager QDIA option to participants.

## Principal Financial Group

### 401(k) Services

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

- **Retirement Rebuilding Estimator:** Developed an online resource in conjunction with the Employee Benefits Research Institute to help participants determine how long it might take them to rebuild 401(k) account balances to January 1, 2008, levels
- **Nonparticipant Report:** Implemented the annual distribution of a report to eligible employees who are not enrolled in their employer's retirement plan
- **Text messaging:** Gave plan participants easier access to retirement-account information through optional e-mail or text messages, providing total account balance and personalized rate of return
- **iGoogle Gadget:** Created an iGoogle gadget that allows participants to view key account information directly from their iGoogle homepage

### Principal Financial Group, 401(k) Services, cont.

- **Form 5500 filing tools:** Enhanced and developed online tools to help plan sponsors comply with new Department of Labor regulations
- **Principal Retirement Income Edge:** Launched a comprehensive program featuring education and resources to help financial professionals create tailored retirement-income strategies for individual investor clients
- **Replacement Ratio Tool:** Developed a new tool for defined-contribution plans that financial professionals can use to easily show clients what percent of employees are saving enough to maintain their standard of living in retirement
- **Target-date investment options:** Increased investment option choice and flexibility with the addition of Principal Trust Target Date Funds as an alternative target-date choice to Principal LifeTime Portfolios
- **Thought Capital White Papers:** Released 10 white papers to help educate financial professionals and plan sponsors on a variety of retirement-related topics

### Regulatory Action Disclosures

#### **2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

Yes. Regulatory bodies (such as state insurance departments, the Securities and Exchange Commission, the National Association of Securities Dealers, and the Department of Labor) regularly make inquiries and conduct examinations or investigations concerning our compliance with, among other things, insurance laws, securities laws, ERISA, and laws governing the activities of broker dealers. We also receive requests from regulators and other governmental authorities relating to other industry issues and may receive additional requests, including subpoenas and interrogatories, in the future.

## Prudential Retirement

### Regulatory Action Disclosures

#### **1. Is your company involved in litigation regarding fees, fee disclosures, or revenue sharing? Yes Does your company intend to change its policies regarding these issues? Yes**

As a major financial institution, we and our affiliates are subject to litigation in the normal course of our business, none of which in any manner restricts, limits, or affects our ability to provide services to retirement plans. In the last five years, there has been no material litigation arising from Prudential Retirement's defined-contribution business. As a public company, Prudential generally discloses material litigation affecting its businesses through filings with the Securities and Exchange Commission. For additional information about these matters, please see Prudential's SEC filings at [www.investor.prudential.com](http://www.investor.prudential.com).

Prudential Retirement's policy is to inform plan sponsors and plan participants of the amount of all investment-management and other fees associated with the investment options it makes available, as well as the amount of any per-participant charges and transaction charges imposed. We believe that our disclosures comply with all applicable laws and regulations. We are aware of the Department of Labor's and Congress's activity on the subject of fee disclosure. We do not think those activities are inconsistent with our existing policy. To the extent modifications to how we implement our policy become necessary because of changes in applicable laws or regulations, we will make those changes.

### **Prudential Retirement, Regulatory Action Disclosures, cont.**

#### **2. Has the company been investigated or are you being investigated for any issues by any outside agencies? Yes**

As a major financial institution, we and our affiliates are subject to governmental and regulatory reviews and inquiries and other legal proceedings in the normal course of our businesses, which in no manner restrict, limit, or affect our ability to provide services to retirement plans. In the last five years, there has been no material litigation arising from Prudential Retirement's defined-contribution business. As a public company, Prudential generally discloses material litigation concerning its businesses through filings with the Securities and Exchange Commission. For additional information about these matters, we refer you to Prudential Financial's SEC filings, which can be accessed at [www.investor.prudential.com](http://www.investor.prudential.com).

#### **3. Has the company been involved or are you involved in any ethical investigations? Yes**

Prudential, being a large financial-services organization, is frequently subject to regulatory examinations by regulators and governmental authorities. As a public company, Prudential generally discloses material matters concerning its businesses through filings with the Securities and Exchange Commission. For additional information about these matters, please see Prudential Financial's SEC filings at [www.investor.prudential.com](http://www.investor.prudential.com).

## Putnam Investments

### **Call-center service: How well have the centers performed?**

For the 20th consecutive year, Putnam has received Dalbar Service Awards, winning five in total for 2009. This is the 11th year that Putnam has won the Dalbar "triple crown" for outstanding service delivery.

### **401(k) Services**

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

- **A new platform.** Putnam's new defined contribution model leverages the FASCore recordkeeping platform. (Putnam and FASCore are affiliated with Great-West Life & Annuity Insurance Co.)
- **Investment flexibility**
- **A choice in QDIAs**
- **Clear, complete disclosure of all fees and expenses**
- **An intuitive Web experience.** Putnam's Lifetime Income Analysis Tool is intended to shift participant mind-set from savings accumulation to income-generation potential, from account balances to projected lifetime income. It is designed with a bias toward action, and is focused on one overriding goal: to encourage employees to take actions over time that enable them to get the most value out of their retirement plan and put them on a path that is more likely to lead to a successful retirement.

### **Regulatory Action Disclosures**

#### **2. Has the company been investigated or are you being investigated for any issues by any outside agencies? Yes**

**Putnam Investments, Regulatory Action Disclosures, cont.**

Putnam received subpoenas and/or requests for information from state and federal agencies inquiring into: (1) matters that are the subject of the Securities and Exchange Commission and Massachusetts market-timing allegations; (2) matters that are the subject of the SEC's investigation into certain brokerage-allocation practices that existed prior to 2004; (3) Putnam's plan-expense reimbursement agreements and Putnam's relationship with consultants retained by certain of Putnam's defined-contribution plans; (4) Putnam Fiduciary Trust Co.'s treatment of gains generated by trading errors arising from securities trades effected by PFTC on behalf of its 401(k) defined-contribution plan clients; (5) investments by the Putnam Profit Sharing Plan and certain discretionary ERISA accounts in Putnam mutual funds that pay 12b-1 fees; and (6) a program pursuant to which subsidiaries within Marsh & McLennan refer business to one another and receive compensation for such referrals.

The CFA Institute requested information concerning Putnam's fixed-income portfolio composites.

For additional information on investigations and settlements involving Putnam, please contact the company.

**3. Has the company been involved or are you involved in any ethical investigations? Yes**

Putnam received subpoenas and/or requests for information from state and federal agencies inquiring into: (1) matters that are the subject of the Securities and Exchange Commission and Massachusetts market-timing allegations; (2) matters that are the subject of the SEC's investigation into certain brokerage-allocation practices that existed prior to 2004; (3) Putnam's plan-expense reimbursement agreements and Putnam's relationship with consultants retained by certain of Putnam's defined-contribution plans; (4) Putnam Fiduciary Trust Co.'s treatment of gains generated by trading errors arising from securities trades effected by PFTC on behalf of its 401(k) defined-contribution plan clients; (5) investments by the Putnam Profit Sharing Plan and certain discretionary ERISA accounts in Putnam mutual funds that pay 12b-1 fees; and (6) a program pursuant to which subsidiaries within Marsh & McLennan refer business to one another and receive compensation for such referrals.

The CFA Institute requested information concerning Putnam's fixed-income portfolio composites.

For additional information on investigations and settlements involving Putnam, please contact the company.

RSM McGladrey Retirements Resources

**Call-center service: How well have the centers performed?**

**4th Quarter 2009 Statistics**

	<b>Actual</b>	<b>Target</b>
Avg. speed to answer	27 sec.	45 sec.
Accessibility	97%	95%
Service level	98%	85%
Avg. talk time	8:31 min.	NA

Securian Financial Group

**401(k) Services**

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

### Securian Financial Group, 401(k) Services, cont.

- New investment options for plan sponsors
- New online executive plan-summary for sponsors
- New online reporting features for sponsors
- **Retirement Success Accounts:** a new feature for participants to maintain their accounts under the plan during job transitions, offering independence in managing their personal information and cost savings to the plan sponsor
- **Personalized Savings Illustration:** Easy enrollment solution for eligible noncontributing employees
- New plan-sponsor eNewsletter that delivers timely plan-servicing and participant-communication resources

## Sentinel Benefits & Financial Group

### 401(k) Services

#### **4. Is the company owned by, does it own, or is it an affiliate of a company(ies) that advises 401(k) plans? If yes, which one.**

Sentinel Pension Advisors is a registered investment advisory firm that advises 401(k) plans. Sentinel Securities is a broker dealer firm that provides brokerage services for plans. Sentinel Benefits & Financial Group is owned by Focus Financial, the largest fiduciary wealth-management firm in the United States.

## SunTrust Bank

### Call-center service: How well have the centers performed?

The Spectrem Group conducted a participant-satisfaction survey on behalf of SunTrust's recordkeeping alliance partner, FASCore, in July and August 2009. The sample was selected randomly from all FASCore partners' participants with an e-mail address on file. The final sample consisted of 907 respondents. The percentage of participants who could name SunTrust as their plan provider was higher than among participants in the small corporate market or among FASCore's other institutional partners. SunTrust participants expressed a higher level of satisfaction across the board, including overall satisfaction with the plan, as well as satisfaction with a variety of components of plan service, the plan Website, and service delivery through the customer-service call center. Usage of the plan Website and call center was also higher than among market participants. When asked to name things they have been impressed with about their retirement-plan provider, the most frequently cited items were the plan Website and the quality of customer service.

### 401(k) Services

#### **2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes If yes, what are they?**

SunTrust developed new investment types aimed at addressing capital preservation and lifetime income options.

### SunTrust Bank, 401(k) Services, cont.

In August, SunTrust introduced the SunTrust FDIC NOW Deposit account, which is insured by the FDIC up to \$250,000. As an alternative to money-market funds, this cash-equivalent option is performance-competitive against money-market mutual funds. In January, SunTrust launched a “db-like” vehicle, a guaranteed retirement-income option, to address the needs of participants seeking lifetime income from their 401(k) plan. SunTrust also enhanced online participant-education tools, including a “spend-down” feature, to improve customized financial-planning services across an employee’s life span.

## Transamerica Retirement Services

### 401(k) Services

**2. Has your company added significant new capabilities that are applicable to 401(k) plans? Yes  
If yes, what are they?**

- Launched our new mutual-fund platform, which offers an investment lineup with no proprietary fund requirements and includes target maturity funds from three fund families
- Improved our Web-based Message Center, allowing clients to send and receive messages to and from Transamerica
- Launched Transamerica’s RECOVER plan, a workshop designed to assist participants in understanding current market conditions and keeping their retirement savings on course
- Introduced the Market Resource Center to help sponsors and participants better understand investing in a volatile market
- Enhanced our online reporting capabilities
- Redesigned our enrollment materials for ease of use
- Offered participants the ability to view their account information through their iPhone or iPod Touch
- Launched nondiscrimination testing on the Web, where the plan sponsors can view their year-end testing results as PDF documents online at [www.TA-Retirement.com](http://www.TA-Retirement.com)

## Vanguard

### Regulatory Action Disclosures

**1. Is your company involved in litigation regarding fees, fee disclosures, or revenue sharing? No  
Does your company intend to change its policies regarding these issues? NA**

As with similar institutions, The Vanguard Group and certain of its affiliates are involved in litigation from time to time. This includes litigation relating to contractual disputes, provision of investment-related services, employment disputes, and property liability matters. None of that litigation has been material to the operations or financial condition of The Vanguard Group or its affiliates.

**Vanguard, Regulatory Action Disclosures, cont.**

**2. Has the company been investigated or are you being investigated for any issues by any outside agencies?**

The Vanguard Group and the Vanguard funds are subject to routine government and regulatory exams and requests for information. To our knowledge, neither The Vanguard Group nor any of the Vanguard funds has been the subject of an investment- or retirement plan-related regulatory investigation into allegations of misconduct.

**3. Has the company been involved or are you involved in any ethical investigations?**

The Vanguard Group and the Vanguard funds are subject to routine government and regulatory exams and requests for information. To our knowledge, neither The Vanguard Group nor any of the Vanguard funds has been the subject of an investment- or retirement plan-related regulatory investigation into allegations of misconduct.

Well Fargo

**Call-center service: How well have the centers performed?**

We consistently measure participants' satisfaction with our services by conducting ongoing satisfaction surveys, measuring how well our call center interacts with randomly sampled participants, and how well we meet their needs. Survey results for December 2009 were a satisfaction rating of 6.67 on a scale of 1 to 7.

We partnered with the Gallup Organization to develop a participant satisfaction survey. Gallup requests feedback from participants by telephone to conduct the satisfaction survey. This new survey process replaces the participant satisfaction survey that was e-mailed to participants. Gallup may contact up to 400 participants per month by telephone, with any one participant receiving a call no more than once every six months. This survey allows us to performance-manage representatives on specific participant feedback as well as to measure the overall Retirement Service Center performance on an ongoing basis.

**401(k) Services**

**1. Has your company merged with or acquired another 401(k) provider in the past year? Yes  
If yes, which one(s)?**

On April 28, 2009, Wachovia Bank, N.A., a subsidiary of Wells Fargo & Co., announced that it had agreed to acquire the proprietary defined-contribution plan recordkeeping business of Comerica Bank, a subsidiary of Comerica Inc. Through this transaction, Wachovia Bank acquires Comerica Bank's proprietary retirement services business, which provides recordkeeping services to 250 retirement plans with nearly 100,000 participants and manages approximately \$3.4 billion in assets.

**4. Is the company owned by, does it own, or is it an affiliate of a company(ies) that advises 401(k) plans? If yes, which one.**

Yes. BPS&M is an employee benefits consulting firm. Wells Fargo brokerage includes Wells Fargo Advisors; Members SIPC; and separate, registered broker-dealers and nonbank affiliates of Wells Fargo & Co. and Wells Fargo Investments LLC (a nonbank affiliate of Wells Fargo & Co.).