403(b) RETIREMENT PLAN

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403(b) PLAN

• What is it?
  – A tax-deferred retirement plan available to employees of educational institutions and certain non-profit organizations.
  – 2009 IRS Limits: $16,500 Plus $5,500 if 50 or older (catch up)

• Who can participate?
  – Part & Full-time employees who are 21 years of age provided they work at least 1000 hours during the plan year.

• Benefits to Participating?
  – A way to save money towards retirement to subsidize Social Security and personal savings
  – Generous Basic and Matching contributions from Emory
    • Emory’s “Basic” Contribution
      – 1 year of service (1,000 hours consecutively)
      – 6% of base salary
    • Emory’s “Matching” Contribution
      – 1% participant matched at 1.5% by Emory
      – 2% participant matched at 3% by Emory
403(b) PLAN CHANGES

April 2008
• Lifecycle funds become available through each vendor
• Default options across all vendors move from money market to lifecycle for future contributions
• Brokerage Window is added to each vendor

July 2008
• NEW fund additions through each vendor
  – Additions provide adequate diversification through each vendor
  – Additions create consistency across all Emory plans

October 2008
• All fund ELIMINATIONS occurred October 1st.
• All future contributions to eliminated funds were mapped to designated funds going forward.

December 2008
• Remaining balances in “inappropriate” eliminated funds on 12/31/08 were mapped on January 1st, 2009.

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2009 PLAN CHANGES

April 2009 - Too Narrowly Focused or Duplicate Fund Eliminations

- Contact your vendor to transfer all existing balances in too narrowly focused or duplicate funds by March 31, 2009.
- Any remaining balances in these funds will be redirected into designated “mapped” funds in April 2009.
FOUR WAYS TO INVEST

Planning can be complex when selecting from the variety of investment options available in your 403(b) plan. To help you select your plan investments we are introducing a more organized approach.

- Lifecycle investments
  - “Ready Mixed” based on your target retirement age – 65
  - Five year intervals (i.e. 2010, 2015, 2020, etc.).
- Core investments
  - Consolidated fund choice lineup across major asset classes (i.e. Money Market, Fixed Income (Bond), US Equity (Domestic Stock) and Non-US Equity (i.e. International Stock)).
- Expanded investments
  - Provide a substantially larger fund selection across all major asset classes.
- Mutual Fund Brokerage Window
  - Provides participants access to the world of mutual fund choices
  - Individual stocks, bonds and other investments can not be purchased through this option.

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Participant Statistics

• Total Eligible to Participate: 9,377
• **Actually Participating: 7,417 (79%)**
  - Average Contribution: 6.64% of Salary
  - Average Service: 10.56 years
  - Average Age: 47 years
• **At or above 3%:**
  - 42% contribute more than 3%
  - Average Service: 12 years
  - Average Age: 50
• **At 2%:**
  - 36% contribute at full match levels
  - Average Service: 9 years
  - Average Age: 45
• **At 1%:**
  - 2% contribute and don’t meet full match
  - Average Service: 7 years (VESTED)
  - Average Age: 41
Market Statistics

- DJIA Close YESTERDAY: 7,949
- DJIA since 1975 / 5yr Intervals
CONTACT INFORMATION

All three vendors provide one-on-one counseling services. For more information, contact:

Fidelity Investments
800 – 343- 0860
www.fidelity.com/atwork

TIAA-CREF Financial Services
800-842-2888
www.tiaa-cref.org

Vanguard
800-523-1188
www.vanguard.com