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Institution Note

To All Employees:

Retirement Plan Update – As you recall, the Board of Trustees approved the implementation of a new Defined Contribution Plan in January 2010 and in effect beginning January 1, 2011. Implementing a new retirement plan requires significant work, which has been underway since the January Board vote. I would like to take this opportunity to brief you on progress being made. Going forward, we will provide updates the first week of every month.

The legal and administrative obligations associated with a change like this are complex, but both are critical and required to ensuring a successful transition. Since the January vote, Human Resources has been working with legal counsel to prepare the necessary Plan Document for the new Defined Contribution Plan as well as an Investment Policy Statement; both documents are legally required. They have also been working with our actuaries at Towers Watson (formerly Watson Wyatt) in the preparation of individual benefit and retirement impact statements for current employees, which we hope to distribute in the spring.

In anticipation of this change, the Board appointed a Defined Contribution Retirement Committee (Committee) at their October 2009 meeting. The Committee is the entity which is responsible for the day to day fiduciary and administrative oversight of the Plan. Committee members appointed by the Board include Chris Winslow, CFO and Vice President of Finance and Administration, Emily Schorer, Director of Human Resources, and Denise Cabral, Benefits Manager. The Committee is currently working with our fiduciary consultant and partner, SageView Advisors, to evaluate and select an investment provider for the Defined Contribution Plan.

The Committee has reviewed proposals from seven (7) vendors with a focus on flexibility of investment line-up, integration with our Defined Benefit valuations, education and communication tools, and fee structure. After a careful review, three (3) providers were identified to participate in formal oral presentations as finalists. The Committee plans to have a selection by the end of March. Once the investment provider is selected, a thorough plan will be implemented to provide plan materials to employees, as well as educational sessions and tools to help employees prepare for the transition and retirement planning. As plan fiduciaries, the Committee is responsible and committed to ensuring that employees have access to manageable investment choices to simplify decision making while also providing expanded investment choices for those employees wanting to make more complex investment decisions.

The employee experience through this transition continues to be foremost in our minds, which includes ensuring that we are complying with the necessary administrative and legal steps. The Institution is committed to building an industry leading retirement plan – focusing on employee experience, educational tools, and investment choices. Continuity and quality of service to employees during the transition period and beyond remain a high priority for us.