



**Woods Hole  
Oceanographic Institution  
Defined Contribution Retirement  
Plan**

# **Your Plan of a Lifetime**



# Today's Agenda

- Your Plan's Features
- Transition Update
- The Funds
- Investing Your Way
- Tools and Resources





# Your Plan's Features

# New Plan Model

**The retirement program at Woods Hole Oceanographic Institution is designed to assist you in planning for your financial future by providing:**

- Single platform to consolidate and manage your retirement
- On-line calculators/tools to assist in your retirement planning
- A manageable number of investment choices
- Dedicated ongoing support - on-site, telephone, web
- Fiduciary Oversight/guidance of Retirement Plan Committee



## Plan Highlights (See Page 3 of Enrollment Book)

- **No Waiting Period** – There is no waiting period for commencing employee contributions and employees may commence new contributions or transfer existing account balances to Diversified as early as August 1, 2010
- **Eligibility** – Employees will become eligible for contributions from WHOI as of the first day of the month after completing one year of service with 1,000 hours worked (this waiting period is waived for employees who were hired prior to January 1, 2010 who are scheduled to work 1,000 hours or more per year). Employer contributions will be made on a per pay period basis
- **Contribution Limit** – The annual IRS dollar limit is \$16,500 for 2010. If you are age 50 or older, you can make an annual additional catch up contribution of \$5,500 in 2010 for a total of \$22,000
- **Auto Enrollment** – Effective January 1, 2011, the plan will include an automatic enrollment provision. Unless you enroll in the Plan or choose to opt out, you will be automatically enrolled into the Plan with a 4% deferral and invested in the Plan's default option
- **Rollover** – If you have an existing retirement account with a prior employer, you may rollover that account into the WHOI Plan at any time



## Plan Highlights (See page 4 of the Education Book)

- WHOI will make a base contribution into the Defined Contribution Retirement Plan for eligible employees. The amount of WHOI's contribution is based on a points system determined by a combination of age + service

Points (age + service):	Base Contribution
Less than 60 points	8% of pay*
60 < 70 points	10% of pay*
70 or more points	12% of pay*

- In addition, WHOI will make extra contributions through a special transition benefit, *which is available from January 1, 2011 through December 31, 2020* for eligible employees who were hired prior to January 1, 2010. These special transition benefits are based on an employee's age

Age:	Transition Contribution
Under 50	None
Age 50 < 60	Additional 2% of pay*
Age 60 < 62	Additional 4% of pay*
Age 62 or older	Additional 6% of pay*

\*Includes base pay and overtime

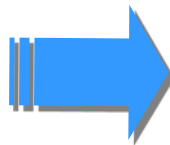




# Transition Update

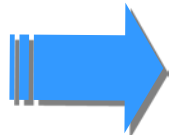
# WHOI Contributions for Benefits-Eligible Employees

If you were hired before *January 1, 2010* and did not become a participant in the Defined Benefit Plan by December 31, 2009



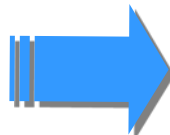
WHOI will begin making contributions to your Defined Contribution account effective *August 1, 2010*

If you were hired before *January 1, 2009* and are currently a participant in the Defined Benefit Plan



WHOI will begin making contributions to your Defined Contribution account effective January 1, 2011

If you were hired after *January 1, 2010*



WHOI will begin making contributions to your Defined Contribution account as of the 1st day of the month you become eligible: 1 year with 1000 hours





# Consolidating Assets: One Plan May be All You Need

By moving your assets currently held at TIAA-CREF, Vanguard, and Fidelity to Diversified you will benefit from:

- **One easy way to track your 403(b)** – One consolidated statement and Web site to obtain all your 403(b) account information
- **Personalized Assistance** – On-site representatives to discuss the new investment options available August 1, 2010
- **Diversified's Website** – provides easy-to-use online retirement planning tools to help you monitor your account progress
- **One-on-One Consultation Appointments** – [www.whoitimetrade.com](http://www.whoitimetrade.com)

*In some cases, your prior provider may charge a surrender or withdrawal fee for transferring your account. Contact that provider to confirm if any fees or changes apply to you. Review the fees and expenses you pay, including any charges associated with transferring your account, to see if consolidating your accounts could help reduce your costs. Be sure to consider whether such a transfer changes any features or benefits that may be important to you.*



# Voluntary 403(b) Participants

**Beginning January 1, 2011, salary deferral contributions into the Voluntary 403(b) will be sent to Diversified Investment Advisors. Participants are encouraged to access their accounts today to:**

- **Review Your Salary Deferral Contribution Rate:**
  - ✓ Current contributing employees will continue at the same rate unless you choose to change your deferral rate  
**NOTE:** If contributing less than 4%, your deferral rate will be automatically increased to 4% unless you opt out or choose otherwise
- **Make New Investment Allocations:**
  - ✓ All employees must make new investment allocations
  - ✓ If no investment allocations are elected, your contributions will be automatically invested in the Plan's default investment option, PortfolioXpress
- **Elect a Beneficiary:**
  - ✓ Complete the form located in the back of your Education Book and return it to Human Resources



# The Funds



# Employee Contributions: Traditional 403(b) and Roth 403(b)

**You have a choice about how to contribute:**

	Traditional 403(b)	Roth 403(b)
Contributions	Before-tax*	After-tax
Earnings	Tax-deferred as accumulated	Tax-deferred as accumulated
Distributions	Taxes due	Tax-free for qualified distributions

- Choosing between Traditional 403(b) and Roth 403(b) can depend on your tax bracket at retirement
- Participants can contribute to both Roth and Traditional contributions up to the aggregate \$16,500 limit or \$22,000 if age 50 or more in 2010

*\*Federal, and most states*



# Risks and Rewards

	Risks	Rewards
<b>Stocks and Stock Funds</b>	Fluctuates in short-term In bankruptcy, stockholders are last in line	Historically outperforms other asset classes over extended periods of time
<b>Bonds and Bond Funds</b>	Issuer may default Value declines when interest rates rise	Generally less volatile than stocks
<b>Money Market Funds</b>	May not keep pace with inflation	Value fluctuates very little over time

*There is no guarantee that any asset class will achieve a certain rate of return or outperform another asset class.*



# Core Investment Options (See page 12 of the Education Book)

Less Aggressive

More Aggressive

## Passively Managed Funds (4 Funds)

- Vanguard Total Bond Market Index<sup>3</sup>
- Vanguard 500 Index Inv<sup>8</sup>
- Vanguard Extended Market Index<sup>9</sup>
- Vanguard Total International Stock Index<sup>6</sup>

## Actively Managed Funds (11 Funds)

- Guaranteed Pooled Fund<sup>1</sup>
- MFS Value A<sup>6,8</sup>
- TIAA CREF Mid Cap Value Inst<sup>6,9,10</sup>
- American Funds EuroPacific Growth R4<sup>6</sup>
- Vanguard Inflation Protected Bond<sup>2,3</sup>
- Fidelity Contrafund<sup>6,8</sup>
- Jennison Mid Cap Growth A<sup>9</sup>
- Templeton Global Bond A<sup>3,6,7</sup>
- JP Morgan Core Bond A<sup>3,4,5</sup>
- Fidelity Small Cap Value<sup>6,9</sup>
- Sentinel Small Company I<sup>9</sup>

## Socially Responsible Actively Managed Funds (3 Funds)

- Domini Social Bond Inv<sup>3</sup>
- First Focused Balanced Inst<sup>3,8</sup>
- TIAA CREF Social Choice Equity Inst<sup>6,8</sup>

Schwab Personal Choice Retirement Account®(PCRA)<sup>11</sup> Self Directed Brokerage Account – Mutual Funds Only

*All registered funds are available by prospectus only. A prospectus may be obtained by contacting Diversified Investment Advisors (Diversified) at 800-755-5801. The prospectus contains additional information about the fund, including the investment objectives, risks, charges and other expenses. Investors should consider all such information carefully before investing. Please read the prospectus carefully before making investment choices.*

*See next slide for important fund information.*



# Schwab Personal Choice Retirement Account® (PCRA) Self Directed Brokerage Account – Mutual Funds Only

*PCRA Platform is through Charles Schwab and Co., Inc*

- Offers large selection of no-load, no transaction fee mutual funds
  - Over 6,000 mutual funds
  - Over 3,000 have no loads and no transaction fees
  - More than 1,100 institutional funds not normally available to retail customers
- Examples of some of the investment companies offered through PCRA:



**Columbia Management.**



**DODGE & COX**



**Dreyfus**



**T.RowePrice**



FINANCIAL SERVICES  
FOR THE GREATER GOOD®



**JANUS**



# Footnotes

- <sup>1</sup> *The Guaranteed Pooled Fund is a pooled separate account offered through Transamerica Financial Life Insurance Company (TFLIC), 440 Mamaroneck Avenue, Harrison, NY 10528, which provides the guarantee of principal and interest. Diversified Investment Advisors is affiliated with TFLIC.*
- <sup>2</sup> *Any US Government guarantees of the securities held in this investment fund only pertain to those securities and not the Fund or its yield.*
- <sup>3</sup> *Bonds and bond funds are subject to interest rate risk, credit risk and inflation risk. Interest rate risk means that the value of bonds and bond funds generally falls when interest rates rise, causing an investor to lose money upon sale or redemption.*
- <sup>4</sup> *Mortgage-backed securities are subject to prepayment risk and may be sensitive to changes in prevailing interest rates.*
- <sup>5</sup> *Investments in derivatives may subject the fund to greater volatility than investments in traditional securities.*
- <sup>6</sup> *Foreign securities and markets pose different and possibly greater risks than those customarily associated with domestic securities, including currency fluctuations and political instability.*
- <sup>7</sup> *Lower rated, high yield corporate debt securities represent a much greater risk of default and tend to be more volatile than higher rated or investment grade bonds. This fund is classified as a non-diversified investment company which may be subject to greater market fluctuation.*
- <sup>8</sup> *Equity funds, unlike bond funds, invest in equity securities, which include common stock, preferred stock and convertible securities. Because such securities represent ownership in a corporation, they tend to be more volatile than fixed income or debt securities, which do not represent ownership.*
- <sup>9</sup> *The securities of small and medium-sized companies, because of the issuers' lower market capitalization, may be more volatile than those of large-sized companies.*
- <sup>10</sup> *Value-based investments are subject to the risk that the broad market may not recognize their intrinsic values.*
- <sup>11</sup> *The Schwab Personal Choice Retirement Account® (PCRA) is not a fund but rather a participant self-directed brokerage account maintained at Charles Schwab & Co., Inc. Participants must individually apply for PCRA and are solely responsible for their fund selections made under the PCRA. Securities purchased through the PCRA are available through Charles Schwab & CO. Inc., Member SIPC. An annual fee of \$50 will apply for the Schwab PCRA. Charles Schwab & Co., Inc. is not affiliated with Diversified.*





# Fee Comparison

Fund Name	Morningstar Category	Net Expense through Prior Program	Net Expense with Diversified	Morningstar Category Net Average*
Vanguard S&P 500 Index Fund Inv	Large Cap Blend	0.18%	0.18%	1.10%
Fidelity Contrafund	Large Cap Growth	1.01%	1.01%	1.33%
TIAA-CREF Mid Cap Value Inst	Mid Cap Value	0.54%	0.54%	1.37%
Sentinel Small Company I	Small Cap Growth	New Fund	0.83%	1.64%

*The net expense ratio reflects the expense ratio of the fund after applicable expense waivers or reimbursements.*



# Fund Profiles

## Asset Class: Intermediate/Long-Term Bonds

quarter ending March 31, 2010

### JPMorgan Core Bond A

**Style:** Intermediate-term Bond

**Objective:** Corporate Bond - High Quality

**Strategy:** The investment seeks to maximize total return. The fund primarily invests in investment-grade bonds and debt securities. It normally invests at least 80% of assets in bonds. Normally, the fund's average weighted maturity ranges between four and 12 years. It may invest in derivative instruments.

**Risks:** (Bond Risk) (Mortgage Securities Risk) (Derivative Risk)

**Fund Family:** JPMorgan

**Ticker Symbol:** PGBOX

PGBOX

#### Annualized Returns (%) as of 03/31/10

1Q	1.68
YTD	1.68
1 Yr	8.96
3 Yrs	6.69
5 Yrs	5.72
10 Yrs	6.33

**Gross Expense Ratio:** 0.99%

**Net Expense Ratio\*:** 0.76%

**Inception Date:** 5/1/1992

#### Credit Quality as of 2/28/2010

AAA	83.5
AA	4.3
A	6.8
BBB	4.0
BB	0.5
B	0.2
Below B	0.7
NR/NA	0.0

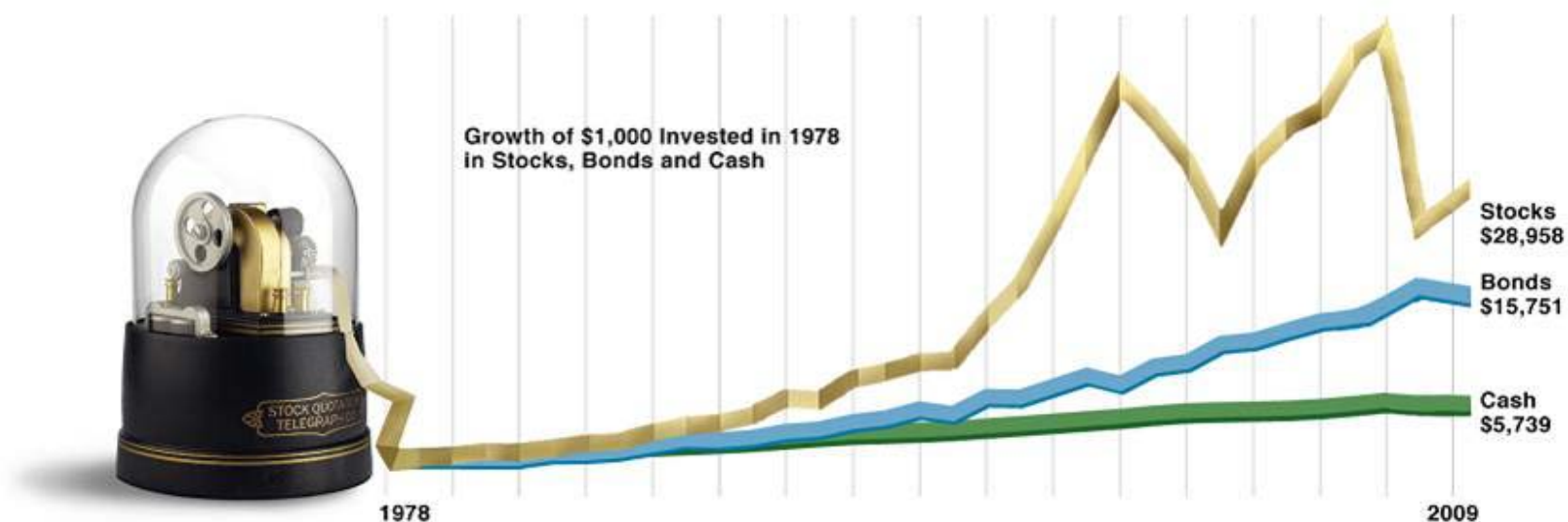
0.76%

*The performance figures represent past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Call toll-free at 800-480-4111 to obtain performance data current to the most recent month-end. Returns less than one year are cumulative. Performance prior to the inception date of the fund (if any) is based on returns of an older share class, which have been adjusted for expenses. \*The net expense ratio reflects the expense ratio of the fund after any applicable expense waivers or reimbursements. This waiver or reimbursement is contractual and is currently in effect through 06/30/2010.*



# Investing for the Long Term

- Don't overreact to short-term fluctuations; time is on your side
- Periodically revisit your long-term strategy; rebalance when necessary



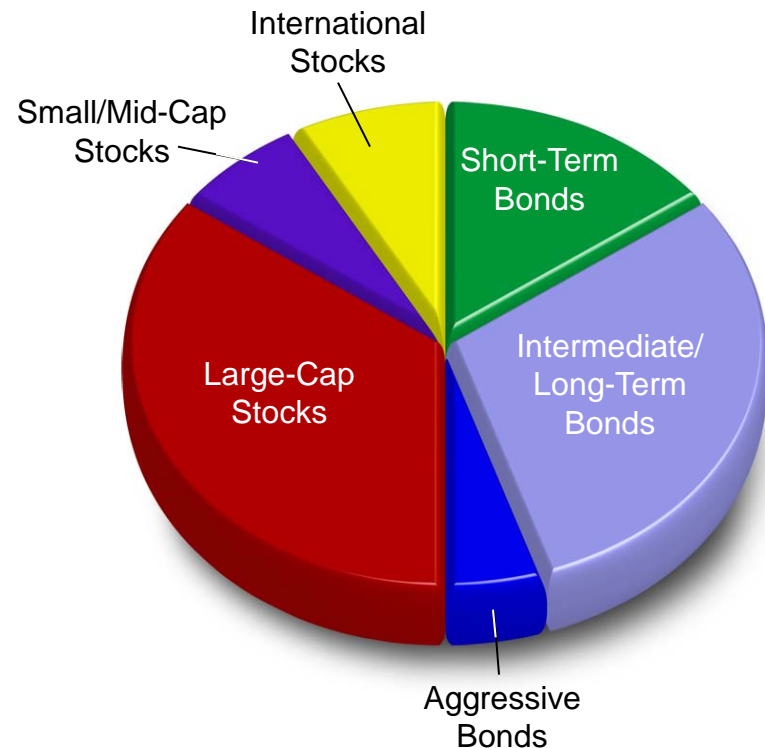
Source: Morningstar Direct. Stocks are represented by the S&P 500 Index. It is not possible to invest directly in an index. An index is unmanaged and does not take into account the fees and expenses associated with an actively managed fund, so performance may differ. Bonds are represented by long-term Treasuries (10+ years) as referenced by the ML US Treasuries 10+ Year Index. Cash is represented by the yield of 90-day Treasury bills. Past performance does not guarantee future results. There is no guarantee that any asset class will achieve a certain rate of return or outperform another asset class. [2GM78LIN]



# Diversifying Your Investments to Reduce Risk

**Spreading your assets among the available investments *within* each asset class:**

- Reduces volatility
- Increases likelihood of achieving more consistent returns



# Investing Your Way



# Investing Solutions



- Investing solutions created from your Plan's core fund line-up so you can seamlessly manage your account over time
- Tools and services enable you to take action when and how you want



## PortfolioXpress<sup>SM</sup>

- Provides an investment mix based on the funds available in your Plan and the retirement year you select
- Automatically rebalances your account, if necessary, each quarter
- Adjusts your asset allocation to a more conservative mix over time

*PortfolioXpress presents a series of asset allocation models up to and through a designated retirement year. You are solely responsible for choosing the retirement year. In implementing the service, you agree to each of the asset allocation mixes and each of the automated rebalancing transactions that will take place over time within your account. If you sign up, you should carefully review the service agreement and the Form ADV Part II disclosure statement of the investment adviser for the service, if applicable, for additional information regarding fees and other terms and conditions that may apply to this service. Retirement date portfolios are subject to the same risks as the underlying asset classes in which they invest. The higher the Portfolio's allocation to stocks, the greater the risk. The principal value of the portfolio is not guaranteed at any time, including at the target date.*





# Tools and Resources





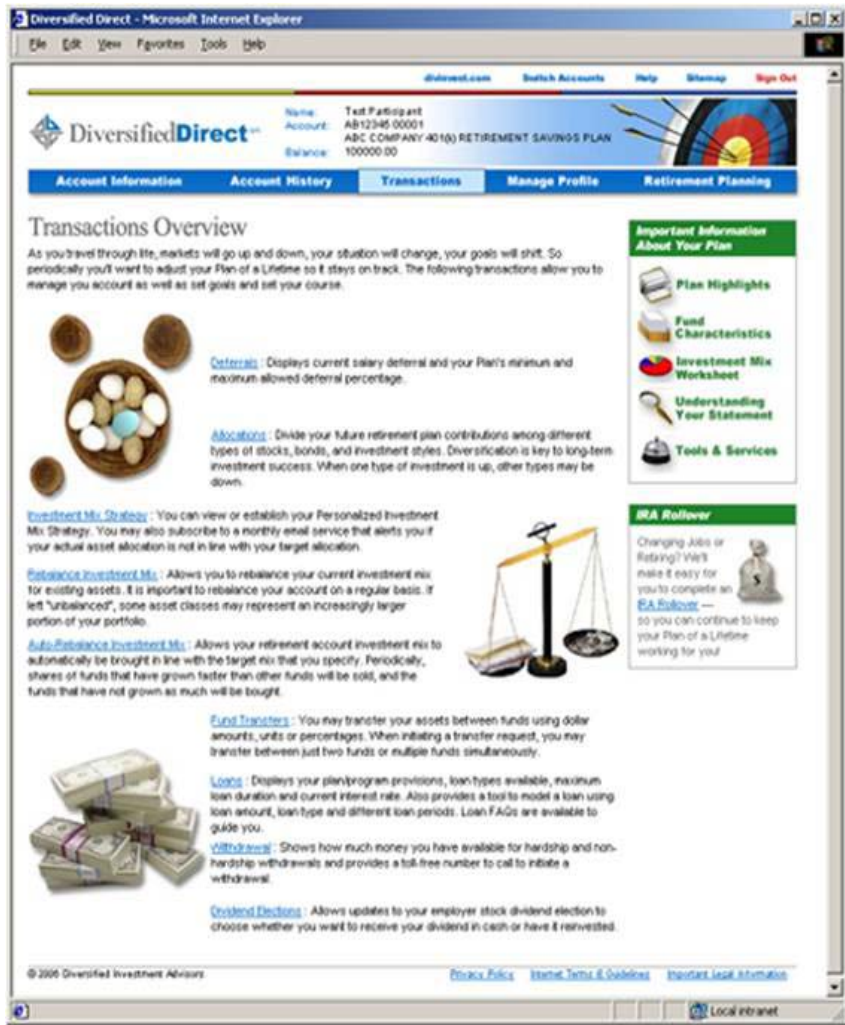
# Diversified Direct- 888-676-5512



- Get account information
- Check investment performance
- Make changes
- Speak to a Customer Service Representative



# Diversified Direct Online - Demonstration of www.divinvest.com



- **Deferrals:** Update your savings rate
- **Allocations:** Change the investment direction of your future contributions
- **Investment Mix Strategy:** Monitor your targeted investment mix
- **Rebalance Investment Mix:** Realign your investment strategy
- **Auto-Rebalance:** Sign up to have your account automatically rebalanced to match your targeted mix



# Summary



# The Diversified Difference

## Convenient services help you manage your account:



**On the web:**  
Diversified Direct Online  
**[www.divinvest.com](http://www.divinvest.com)**



**Online or through the mail:**  
Quarterly statements  
and newsletters



**Over the phone:**  
Diversified Direct  
**800-755-5801**



**One-on-one:**  
Participant Counselors  
You can schedule a one-on-one meeting by visiting  
**[www.whoitimetrade.com](http://www.whoitimetrade.com)**






# Summary

- Single Platform
- Integrated Tools
- Expert Guidance

Switch Accounts [divinvest.com](#) [Help](#) [Sign Out](#)

 **DiversifiedDirect**<sup>SM</sup>

Name: Test Participant  
Account: AB12345 00001  
ABC COMPANY 401(k) RETIREMENT SAVINGS PLAN  
Balance: 159805.01

[Account Information](#) [Account History](#) [Transactions](#) [Manage Profile](#) [Retirement Planning](#)

Welcome TEST PARTICIPANT

**Your Retirement Profile**

Desired Retirement Age: 68  
Retirement Income Goal: 85% of final years salary  
After-Tax Ret. Income Goal: \$50,606.46  
Last Sign-In: 05/16/2008 at 2:30 pm EST  
You can provide more information about yourself to customize your plan.  
[Update Your Profile](#)

**Account Balance** [Account Activity & Return](#)

Balances As Of: Jan 22 2008 [Run](#) [Account Balance Details](#)

Asset Category	Balance
Short Term Bonds	\$4,823.07
Interm./Long-Term Bonds	\$5,031.10
Aggressive Bonds	\$2,236.99
Large-Cap Stocks	\$20,637.52
International Stocks	\$0.00
Multi-Asset/Other	\$0.00
<b>Vested Balance</b>	<b>\$20,321.23</b>
<b>Total Balance</b>	<b>\$61,806.26</b>

31% Vested

**Message Center**

- [Your Combined Statement is Ready](#)
- [Plan Related Forms](#)
- [A Message from your employer](#)
- [Diversified's Response to the Banking Crisis](#)
- [Important message about your Beneficiary Designations](#)
- [Market Volatility](#)
- [Dangers of Chasing Performance](#)

**The Diversified Managed Account**  
Get professional asset allocation advice.

**Your Retirement Outlook**

Based on your current savings and investing strategy, you may have an estimated annual retirement income of **\$34,248**.  
**You are not currently on track to meet your goal.**

Annual Retirement Income  
Estimated: \$34,248  
Goal: \$45,468

**At this rate you may not meet your retirement income goal.**  
Use RetireTrack to help you analyze your saving and investing strategy.  
[RetireTrack<sup>SM</sup>](#)

**IMPORTANT:** The projections generated by the Retiretrack simulation models regarding the likelihood of various outcomes are hypothetical in nature, do not reflect actual investment results, and do not guarantee future results. See the [Information About Probability Illustrations](#) section of this report for more information.



# Questions?



*Diversified Investors Securities Corp. (DISC), 440 Mamaroneck Avenue, Harrison, NY 10528, distributes securities products. Any fund offered under the plan is distributed by that particular fund's associated fund family and its affiliated broker-dealer or other broker-dealers with effective selling agreements such as DISC. The Guaranteed Pooled Fund is made available under a group annuity contract issued by Transamerica Financial Life Insurance Company (TFLIC), 440 Mamaroneck Avenue, Harrison, NY 10528. Diversified, TFLIC and DISC are affiliated companies, but are not affiliated with Woods Hole Oceanographic Institution.*

*The information in this seminar is general in nature and subject to change. Neither Diversified nor DISC give legal or tax advice. Applicable laws and regulations are complex and subject to change. For legal or tax advice concerning your situation, please consult your attorney or professional tax advisor.*

