

Memo

To: All Employees Eligible for Adventist Retirement Plan Benefits
From: Human Resources Department
Date: July 1, 2008
Subject: Increase in Retirement Benefits

Effective July 1, 2008 there will be a change to your NAD Defined Contribution Retirement Plan (AIG Retirement). This change will provide an increase in the Employer Match component of this Defined Contribution Plan, as approved by the North American Division. This change is intended to increase the employer match from a maximum of 1.25% to a maximum of 3%, through a four step phase, that will begin July 1, 2008 and be fully implemented July 1, 2011.

Please read this information carefully to determine how this change can affect your ability to receive the maximum benefit and what you may need to do to maximize your retirement.

The Current Plan

Employer Basic Contribution	5.00%
Employee Voluntary Contribution	2.50%
Employer Match	1.25%

The Changes

The four step phase to increase the Employer Match is intended to graduate up to a 3% match Employee Contribution/Employer Match. To achieve the maximum match, you will need to bring your voluntary, Employee Contribution up to the minimum percentage as follows:

	<u>Employee Contribution</u>	<u>Employer Match</u>
July 1, 2008	2.75%	1.65%
July 1, 2009	3.00%	2.10%
July 1, 2010	3.00%	2.55%
July 1, 2011	3.00%	3.00%

Increasing the Voluntary Contribution

To increase the pre-tax Voluntary Contribution, you must complete the enclosed Salary Reduction Agreement form. Please use this form to indicate the percentage you wish to defer to your AIG Retirement account. Also, this is the time to ensure that you have designated a beneficiary to your account and indicate your choice on the form. This form should be returned to Human Resources Department before this change can be implemented.

If you are already making a voluntary Employee Contribution of 3% or more, you do not need to complete this form unless you would like to make any changes.

If You Do Not Wish To Contribute

If you do not wish to contribute to your AIG Retirement account the enclosed Salary Reduction Agreement form still must be completed to indicate a negative elective (decline to participate). Although you chose not to participate, the Employer Basic is credited to your personal account and requires a beneficiary designation in the case of a life changing event. **The completed form must be returned to Human Resources Department.**

If You Are Not Making a Voluntary Contribution

We encourage you to make a voluntary contribution in order to take full advantage of this retirement program and access the Employer Match. Since this contribution is pre-tax, the actual impact on your income is minimized.

Enclosure