



Set your sights

**The Savannah River Nuclear Solutions, LLC
Defined Contribution Plan (also known as SIP)
Education Guide**

What's your vision of the future?

Whether retirement is decades away or right around the corner, it's important to contribute as much as you can to the Savannah River Nuclear Solutions, LLC Defined Contribution Plan (SIP). The sooner you begin to save for the future, the more time your invested contributions have to grow.

Savannah River Nuclear Solutions, LLC (SRNS) and Savannah River Remediation LLC (SRR) help you get started.



As a new employee of SRNS or SRR you are eligible for the SIP. To help you prepare for the future, you will be automatically enrolled in the SIP as soon as you become eligible to participate. Each pay period the Company will contribute an amount equal to 5% of your pay as a “non-elective” contribution to your account in the SIP. As explained later in this Guide, you will have to designate which SIP investment option(s) you want this money invested. If you make no election, the money will be deposited in the default fund, which is explained later.

In addition to the non-elective contribution by the Company, you will be automatically enrolled to make employee contributions to your account. Each pay period, 4% of your pay will be contributed on a before-tax basis to your account through payroll deductions unless you elect to opt out of participation when you are eligible. You will have 30 days prior to being automatically enrolled in the SIP to opt out of the 4% contribution or to make your own contribution election at some amount other than 4%. These contributions will be invested in the funds of your choice. If you do not make an election on where to invest these contributions, they will be invested in one of the Vanguard Target Retirement Funds (age-based) that most closely matches your target retirement year, based on retirement at age 65. Please refer to pages 7–8 for information about investing in the Vanguard Target Retirement Funds.

SRNS/SRR will make a matching contribution of 50% of the first 8% of your combined before-tax contributions and after-tax contributions, not to exceed 4% of your eligible pay. You are eligible for the company match after you complete one year of service with SRNS or SRR or if you have previously been eligible to participate in the SIP for one year or more. For more information on these SIP features, see pages 19–21.

Note: If you have made previous before-tax contributions to another company 401(k) plan this year, those contributions apply towards the annual maximum limit established by the IRS. If you exceed the IRS annual before-tax limits, you will have to reconcile that difference when you file your taxes for this year. If you have made before-tax contributions to another employer plan this current year, we suggest you discuss your situation with the Company SIP administrator to determine your best option.

Take action

You are encouraged to review your options and make an active choice for your account. To do so, simply log on to www.ibenefitcenter.com or call 1-866-288-3257 (toll-free) between 8:00 a.m. and 10:00 p.m. Eastern time, Monday through Friday, to speak with a Mercer Service Representative.

Write your own retirement plan

Take out a pen or log on to your computer and get ready to write your plan for the future. First of all, think of how you'd like to spend your retirement and write a few ideas in the spaces below. Many things are possible because your retirement is what you make of it.

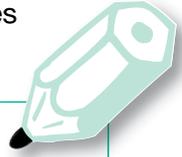


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Let's get started!



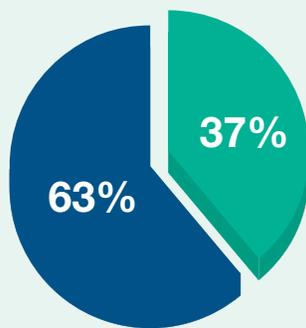
1. CHOOSE YOUR CONTRIBUTION RATE

Why invest in retirement?

Consider these factors:

- **Longevity** – People are living longer, healthier lives than ever before, which means you may spend literally decades in retirement.
- **Social Security** – This government benefit will probably only cover a portion of what you’ll need in retirement. In fact, for many people, it makes up less than 40% of their income in retirement.
- **Cost of health care** – While some of your current expenses may be reduced or eliminated in retirement, other expenses, like health care, could be a substantial expense.

Sources of income for people age 65 and older*



63% Investments, savings, earnings, and other assets

37% Social Security

* Source: Social Security Administration, Office of Research, Statistics, and Policy Analysis, *Income of the Population 55 and Older, 2008* (released April 2010).

How much should you contribute?

You’re eligible to enroll in the SIP immediately. In fact, if you are a new hire, you will be automatically enrolled in SIP unless you opt out within 30 days. But the question is: When you enroll, how much should you invest in order to pursue your retirement goals?

Calculate your retirement goal

Many experts estimate that you may need at least 80% of your pre-retirement annual income in retirement to maintain your standard of living. That means that your retirement savings nest egg must be large enough to “write your paycheck” for 20 years or more.

Your vision of the future, anticipated expenses and outside investments will all factor into how much you may want to invest through the SIP. Get a better idea of your retirement savings goal by logging on to www.ibenefitcenter.com and using the retirement goal calculator.

How much can you invest?

You may be able to contribute more than you think. Your before-tax contributions are tax deferred.

Pay your taxes later

The SIP allows you to invest money before it's taxed, and the amount you invest reduces your current taxable income. As a result, you'll pay less in taxes each pay period and may have more money to invest. (You can also make after-tax contributions to the SIP to increase your savings.) Plus, you won't pay taxes on the money in your SIP account until you start withdrawing it, typically at retirement, at which point you may be in a lower tax bracket.

You can contribute between 1% and 75% of your eligible pay to the SIP on a before-tax basis and/or an after-tax basis. Contributions are made in 1% increments. The amount you can contribute on a before-tax basis is established each year by the IRS. For example, the annual limit for 2011 is \$16,500. Under our Plan, you can also contribute to an after-tax account. Your after-tax limit is only capped by the maximum contribution of 75% of your eligible pay for both before-tax and after-tax contributions.

Contribute more on a before-tax basis if you're age 50 or older

If you will be age 50 or older during the calendar year, you can make additional before-tax contributions above the regular before-tax contribution limit. These additional "catch-up" contributions are subject to a separate annual limit (\$5,500 in 2011). In order to make catch-up contributions, if eligible, one needs to be first contributing enough in the before-tax account to reach the annual limit established by the IRS (\$16,500 in 2011).

Please note, you will not be automatically enrolled to make catch-up contributions and will have to choose to participate. If you want to participate in catch-up contributions, you would elect a flat dollar amount per payroll period to contribute as catch-up contributions, in addition to your regular elective deferrals. (Catch-up contributions will automatically stop when the annual limit for catch-up contributions is reached.) This election can be made at any time in the current plan year. This election does not roll over from year to year, so it has to be made each year. Catch-up contributions are not eligible for the company match.

Get paid to save with the company match

To help you prepare for retirement, SRNS/SRR will match 50 cents for every one dollar of your combined Before-Tax Contributions and After-Tax Contributions, up to your first 8% of your eligible pay. You are eligible for the company match after you complete one year of service with SRNS or SRR or if you have previously been eligible to participate in the SIP for one year or more.

Additional employer contributions

Remember, in addition to the above-mentioned company matching contribution, if you are a new hire, the Company is making an automatic 5% non-elective contribution to your SIP account regardless of how much you contribute each pay period. This non-elective contribution is separate from the company match explained above. In addition, you are immediately vested in the 5% non-elective company contribution. Please refer to the SIP Summary Plan Description (SPD) for additional information.

When is the company match yours to keep?

“Vesting” indicates what percentage of your account will be yours even if you leave the company. While you are always 100% vested in the value of your own contributions, company non-elective contributions, and any rollover contributions (subject to investment gains or losses), you will become fully vested in any company matching contributions after three years of service with SRNS or SRR.

Put time on your side

If you're tempted to put off investing for retirement until next month, next year, or even longer, remember that the sooner you start saving, the better. That's because as your account balance accumulates, you can earn an investment return on both the money you invested and any earnings. This effect is known as compounding and potentially it's even more powerful over time.

What's the big deal? The high cost of a slow start.

Here is an example of why contributing to your SIP is so advantageous: Jennifer and Jane each contribute a total of \$72,000 to the SIP. They experience identical returns on their investments. Jennifer's account balance at retirement is almost twice the amount of Jane's balance. What happened?



Jennifer starts contributing **\$150** a month to the SIP today

Jennifer contributes a total of **\$72,000** to the plan.

Thanks to an extra 10 years of compounding, Jennifer's account is worth **\$523,651**

Jane waits 10 years but tries to catch up by contributing **\$200** a month to the SIP

Jane contributes a total of **\$72,000** to the plan.

Jane's account is worth **\$298,072**. **Delaying 10 years cost Jane \$225,579**

* This illustration is intended solely to demonstrate the comparative effect of compounding on current versus delayed investments. It assumes the investor makes contributions at the end of each month and that the investment earns a hypothetical 8% nominal rate of return compounded monthly (the effective return is 8.30%). It does not reflect the return of any investment in the SIP, which will fluctuate. Nor does it include any company non-elective contributions or company match contributions. Regular investing does not ensure a profit or protect against a loss in declining markets. Examples do not reflect taxes due upon withdrawal. Withdrawals are subject to income tax, and those made before age 59½ may be subject to an additional 10% penalty.

What are you waiting for? Choose your contribution rate

So, what percentage(s) works for you? Write it in the space(s) below. *Consider contributing a combined 8% so that you get the full match after one year of service!*



Before-tax _____%

After-tax _____%

2. SELECT YOUR INVESTMENTS

What kind of investor are you?

When it comes to investing for retirement through the SIP, would you prefer some assistance or would you rather do it yourself?

Take this quiz to get a better idea of whether you may want to choose a single age-based fund or create your own portfolio of individual investment options.



<input type="checkbox"/> I want to pick a single investment.	<input type="checkbox"/> I want to choose my own combination of funds of varying types.
<input type="checkbox"/> I want my portfolio professionally invested among funds of varying types.	<input type="checkbox"/> I want to take the time to learn as much as I can about the SIP's investment options.
<input type="checkbox"/> I want my portfolio actively rebalanced based on a defined strategy.	<input type="checkbox"/> I want to monitor my portfolio and make adjustments on an ongoing basis.

If you checked off more items in the left-hand column, then you may want to consider selecting a single age-based fund. Review your choices on page 8.

If you checked off more items in the right-hand column, then you may want to consider creating your own portfolio of individual investments. Turn to page 9 for general guidance regarding your tolerance for investment risk.



Pick a Vanguard Target Retirement Fund

The SIP offers 12 age-based fund options to choose from.

Make the most of your options

The Vanguard Target Retirement Funds give you the opportunity to make a single investment choice that professionally diversifies your retirement investments based on when you plan to retire. Each Vanguard Target Retirement Fund invests in an array of underlying Vanguard funds, allowing you to invest in a mix of stocks, bonds and capital preservation investments without having to do any of the analysis yourself.

The Vanguard Target Retirement Funds offer a one-step approach to investment diversification. By choosing a single Target Retirement Fund based on the year you plan to start withdrawing money (retirement based on age 65), you can easily pursue a diversified investment strategy while maintaining a level of risk appropriate to your investment time horizon. The Funds invest in underlying Vanguard funds following the principles of age-based asset allocation: They incrementally decrease exposure to equities (stocks) and increase exposure to fixed-income investments (bonds) over time, providing a combination of diversification, inflation protection, risk control and growth potential.

Target date funds are structured to provide an asset allocation for individuals who are planning to retire at age 65. Using target date funds in conjunction with other investments alters that asset allocation.

Vanguard's Target Retirement Funds may be a smart choice for investors who want:

- A simplified approach to the investment selection process
- An investment strategy specifically designed for their anticipated retirement date
- A portfolio that automatically adjusts to a more conservative investment mix over time – reaching a final allocation during retirement (based on retirement at age 65)
- Built-in diversification among stock, bond (including inflation-protected securities) and short-term reserves funds
- Professional investment selection and portfolio design
- Automatic rebalancing within each fund

How do the Vanguard Target Retirement Funds work?

These investments seek to provide growth of capital and current income. The funds invest in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire on, or within a few years of the stated Target Retirement Date.

Fund Name	Annual Gross Expense Ratio*	Age and Target Retirement Date	Current Investment Strategy
Vanguard Target Retirement Income	.17%	Investors who are close to achieving or have already achieved their retirement goal or other savings objective.	28% stocks 72% bonds
Vanguard Target Retirement 2005	.17%	Investors who are close to achieving or have already achieved their retirement goal or other savings objective.	36% stocks 64% bonds
Vanguard Target Retirement 2010	.17%	Investors in their 60s who plan to retire between now and 2012.	60% stocks 40% bonds
Vanguard Target Retirement 2015	.16%	Investors in their late 50s and early 60s who plan to retire between 2013 and 2017.	61% stocks 39% bonds
Vanguard Target Retirement 2020	.17%	Investors in their 50s who plan to retire between 2018 and 2022.	68% stocks 32% bonds
Vanguard Target Retirement 2025	.18%	Investors in their late 40s and early 50s who plan to retire between 2023 and 2027.	76% stocks 24% bonds
Vanguard Target Retirement 2030	.18%	Investors in their 40s who plan to retire between 2028 and 2032.	83% stocks 17% bonds
Vanguard Target Retirement 2035	.19%	Investors in their late 30s and early 40s who plan to retire between 2033 and 2037.	90% stocks 10% bonds
Vanguard Target Retirement 2040	.19%	Investors in their 30s who plan to retire between 2038 and 2042.	
Vanguard Target Retirement 2045	.19%	Investors in their late 20s and early 30s who plan to retire between 2043 and 2047.	
Vanguard Target Retirement 2050	.19%	Investors in their 20s who plan to retire between 2048 and 2053.	
Vanguard Target Retirement 2055	.19%	Investors in their early 20s who plan to retire between 2053 and 2057.	

*As of March 31, 2011

A note about Vanguard Target Retirement Funds

The target date investment is designed for investors expecting to retire around the year indicated in the product name. The asset allocation strategy generally becomes increasingly conservative as it approaches the target date and beyond. Investment risks change over time as the underlying investment asset allocation changes. The investment is subject to the volatility of the financial markets, including equity and fixed-income investments in the U.S. and abroad, and may be subject to risks associated with investing in high yield, small-cap, commodity-linked, and foreign securities. Principal invested is not guaranteed at any time, including at or after the target dates.

If you've chosen an age-based fund option from the chart on page 8, you're ready to enroll! See page 13 to find out how.

Create your own portfolio

What is your risk tolerance level?

When it comes to selecting your SIP investments, it's important to consider how much risk you're willing to accept in exchange for potential reward. To help you figure out your tolerance for investment risk, answer the following questions in the spaces provided and add up your points.



How long do you have until retirement?

Points: _____

- a. 20 years or longer (1 point)
- b. 10–20 years (5 points)
- c. 0–10 years (10 points)

How would you feel if the value of your savings dropped by 20% in a year?

Points: _____

- a. Fine – I know the market's likely to come back over the long term (1 point)
- b. A little worried – I'm investing for the long haul, but any drop in value makes me nervous (5 points)
- c. Awful – watching my money disappear makes me feel sick (10 points)

Which sentence best describes your investing goals?

Points: _____

- a. I'd like to accumulate a great deal of money (1 point)
- b. I want a comfortable retirement, but I don't care if I get rich (5 points)
- c. I want to protect my savings (10 points)

Total points: _____

If your point total is...

3–11: You have a high risk tolerance. You may want to invest all but a small portion of your SIP assets in stock funds.

12–16: You have a moderate risk tolerance. You may want to invest most of your SIP assets in stock funds, while maintaining a healthy stake in bond funds.

17 or greater: You have a conservative risk tolerance. You may want to invest half or less of your SIP assets in stock funds, with the remainder in bond funds and cash investments.

Source: Investor Insight, summer 2008, Patrick Doland, Financial Advisor, Reason Financial Advisors, Inc.

This self-test and the resulting points allocation are not intended as investment advice, but are intended only as a guide of your risk tolerance and investor profile. The point system is designed to reflect optimal allocation of assets, considering the time horizon remaining to age 65, historical inflation rates, and risk and potential return relationships. No other assumptions have been made.

Which investment options can you choose from?

The SIP offers a range of investment choices to help you build a diversified portfolio. These sample investor profiles can help you decide how to diversify your money among the SIP's fund styles, based on your goals, risk tolerance and time horizon. Then, turn to the next page to select your investments.

Style	Growth	Blend	Value	Income	Capital preservation
Types of underlying investments	Primarily stocks	Primarily stocks	Primarily stocks	Primarily bonds	Primarily bonds and/or investment contracts
Definition	Seek to maximize the value of savings by investing in stocks with a strong potential for above-average earnings growth.	Seek to increase the value of savings by investing in a combination of stocks with potential for strong earnings growth and stocks that are priced below their expected worth.	Seek to increase the value of savings by investing in attractively priced stocks of well-established companies.	Seek to provide a steady stream of income and in some cases a small amount of growth by investing in bonds issued by governments or corporations.	Seek to offer price stability and a steady stream of income by investing in short-term bonds or contracts issued by creditworthy companies, banks and governments.

Which investments might work for you?

The SIP has 13 individual investment options to choose from. When creating your own portfolio, keep in mind your time horizon and tolerance for investment risk. Use the table below to start mapping out your investment strategy.



Investment selections	Percent invested
Growth funds	
BGI MSCI AC World ex-U.S. Index Fund	_____ %
Rainer Small/Mid Cap Equity Fund	_____ %
T. Rowe Price Institutional Large Cap Growth Fund	_____ %
Blend funds	
Fidelity Puritan Fund	_____ %
Jennison U.S. Small Cap Equity Collective Trust	_____ %
SSgA S&P 500 Index Fund	_____ %
Vanguard Total Stock Market Index Fund	_____ %
Value funds	
SSgA Russell Large Cap Value Index Fund	_____ %
Vanguard REIT Index Fund	_____ %
Vanguard Selected Value Fund	_____ %
Vanguard Small Cap Value Index Fund	_____ %
Income fund	
SSgA U.S. Bond Index Fund	_____ %
Capital preservation fund	
Galliard Stable Value Fund	_____ %
Total (must equal 100%)	100%

Why diversify?

Diversification, a strategy of owning a mix of different investments, can help you reduce risk and increase your exposure to market opportunities. The target date funds by their very nature are diversified. You can, however, choose your own diversification strategy. Of course, you can still lose money in a diversified portfolio.

See pages 15–18 for more information about these investment options in the SIP's lineup. Once you've chosen your contribution rate and selected your investment options, you're ready to enroll! See page 13 to find out how.

Professional investment help through Financial Engines Advisors, L.L.C.*

No matter what type of investor you are, you can benefit from professional assistance to help you make informed investment decisions. Savannah River Nuclear Solutions, LLC (SRNS) and Savannah River Remediation LLC (SRR) have selected Financial Engines Advisors, L.L.C., a leading provider of independent investment advice, to offer two different types of advice services for your SIP account.

Online Advice: If you actively manage your account, you might consider a personalized service to help you refine your investment strategy. Online Advice is available at no additional charge to you. Through the service, you can fine-tune your retirement strategy with personalized recommendations, see a realistic retirement income forecast, explore different savings and investment scenarios, and register for e-mail Progress Reports and Advice Alerts. To get started, access the SIP's website via www.ibenefitcenter.com and select "Financial Engines" from the "Wealth Resources" box on the homepage.

Professional Management: If you'd like professional help to manage your account, you might consider Professional Management from Financial Engines. When you sign up, Financial Engines creates a personalized strategy for investing, saving, and retirement income. They put your plan into action and work to help keep you on track over time. You have access to professional advisor representatives to discuss your account. SRNS/SRR has negotiated an annual program fee of 0.60% of your managed account balance (about \$5.00 per month for each \$10,000 in your account). Discounts apply for balances over \$100,000 (see below). To get started, visit www.financialengines.com/ forSRNS or call a Financial Engines Investment Advisor Representative at 1-800-601-5957.

Comparison of Monthly Fees (per \$10,000 invested)		
Portion of Account Balance	Financial Engines Vs.	Industry Average**
Up to \$100,000	\$5.00 (0.60%/yr)	\$7.50 (0.90%/yr) if available
Between \$100,001 & \$250,000	\$3.75 (0.45%/yr)	\$7.50 (0.90%/yr) if available
Above \$250,000	\$2.50 (0.30%/yr)	\$7.50 (0.90%/yr) if available

* Advisory services, including Online Advice and Professional Management, provided only by Financial Engines Advisors, L.L.C., an independent, federally registered investment advisor and wholly owned subsidiary of Financial Engines, Inc. Financial Engines does not sell investments or receive commissions for the funds it recommends. Financial Engines does not guarantee future results. The information in this footnote has been provided by Financial Engines. Financial Engines is not affiliated with Mercer HR Services, LLC or MMC Securities Corp. Mercer HR Services, LLC and MMC Securities Corp. do not provide investment advice and are not responsible for the descriptions of Online Advice or Professional Management products that are offered by Financial Engines Advisors, L.L.C.

** According to the annual AdvisorBenchmarking Study, on average, Registered Investment Advisors (RIA) charge 0.9% or \$7.50/mo per \$10,000 and require a minimum balance of \$250,000. Financial Engines has no minimum balance requirement (except for nominal amounts, as needed operationally to manage the account) and charges Professional Management fees are charged at a frequency and in the manner detailed in the Terms and Conditions; monthly fee examples for illustrative purposes only. Industry average fees shown are subject to change. The AdvisorBenchmarking Study is based upon online surveys of 561 self-selected RIA firms from February to April, 2009. Investment Advisor services vary. Some advisors in the Study may provide different services than Financial Engines Advisors, L.L.C.

3. ENROLL IN THE SIP

How do you get started?

It's simple to enroll and make your own elections. As a new hire, if you take no action, you will be automatically enrolled and 4% of your eligible pay will be contributed to the SIP each pay period. You should, however, go online or call a Service Representative to pick your investment options for all the company and employee contributions that will be credited to your SIP account. If you do not make an election as to where to invest these contributions they will be invested in the Vanguard Target Retirement Fund (age-based) that most closely matches your target retirement year, based on retirement at age 65.

The SIP offers you two convenient ways to get started.

Online – www.ibenefitcenter.com

The SIP's website walks you through the simple enrollment process and provides you with interactive planning tools to help you make your investment decisions.

By telephone – 1-866-288-3257 (toll-free)

For personal assistance with enrolling, call between 8:00 a.m. and 10:00 p.m. Eastern time, Monday through Friday, to speak with a Service Representative.



What you need to enroll

Online – The first time you log on:

- Website:** www.ibenefitcenter.com
Temporary User Name: Your Social Security number (without dashes)
Temporary Password: Month, day and year (MMDDYY) of your birth.

After you log on, you will be prompted to select a new User Name and Password as part of our account security process. Both your new User Name and Password must be at least eight characters and contain at least one letter and one number.

Upon logging in for the first time, you'll be directed to a "Create Profile" page where you'll be asked to provide answers to three security questions. This will be used for security purposes to verify your identity should you forget your User Name or Password in the future.

By phone – The first time you contact the SIP's toll-free number, you will need your Social Security number and your personal identification number (PIN), which will be the month and year (MMYY) of your birthday.

Don't forget to name a beneficiary

Your beneficiary is the person who inherits your SIP account in the event of your death. If you don't have a beneficiary on file, your SIP account will be paid to your spouse if you're married or to your estate if you're not married.

You can designate a beneficiary online by logging on to www.ibenefitcenter.com. Simply select the “Beneficiary Form” message box on the “Plan Overview” tab.

If you are naming your spouse as your sole primary beneficiary or are not married, you will be able to submit real-time updates to your beneficiary information and name primary, secondary and tertiary beneficiaries. If you are married and wish to designate a primary beneficiary other than your spouse, you may complete all the same information online and Mercer will print and mail the completed Beneficiary Consent Confirmation Form to your address of record. You must mail the completed form to Mercer once you have your spouse review and sign the spousal consent with a notary public or plan representative certification. Upon completion of the electronic beneficiary designation, you will be able to view your beneficiary information at any time online.

SIP tools and resources

Take advantage of the following tools and resources:

- **Call center support** – To speak with a Service Representative, call 1-866-288-3257 (toll-free) between 8:00 a.m. and 10:00 p.m. Eastern time, Monday through Friday.
- **Website:** www.ibenefitcenter.com – The SIP’s website provides you with all the tools you need to effectively plan for your future, including full transactional capabilities, taking a loan, hardship withdrawals, address changes and retirement planning calculators.
- **Access to investment advice** – You have access to independent, unbiased help from Financial Engines, a leading investment advisor. You can get step-by-step action plans and personalized fund recommendations, or work with experts on your account.*
- **Smart Goal** – Using this online tool, you can make your own decision to systematically increase your SIP contributions each year until reaching your contribution goal. Remember, to receive the full company match of 4% after one year of service you will need to contribute 8% of your pay each pay period. The company match of 50 cents on the dollar up to 8% contributed by the employee is in addition to the 5% non-elective contribution made by the company each pay period. Regular investing does not ensure a profit or protect against a loss in a declining market.
- **Automatic portfolio rebalancing** – Over time, differences in performance among the investments in your SIP account can cause your portfolio to shift away from your original diversification strategy. The SIP’s automatic rebalancing feature allows you to realign your portfolio – every three, six or 12 months – with the investment percentages you originally chose for your account. *Rebalancing does not guarantee a profit or protect against a loss in declining markets.*
- **MyView™ Retirement Planner/MyView Plus™ Retirement Planner** – When you log on to the SIP’s website, be sure to check out the two interactive retirement planning calculators, the MyView Retirement Planner and the MyView Plus™ Retirement Planner. Both calculators help you model a wide variety of retirement scenarios based on assumptions that you can easily customize. These calculators can be accessed from the account summary section of the homepage.
- **Summary Plan Description** – For a full description of all the features of the SIP, click on the “Plan Info & Forms” tab, go to the “Plan Information” section and download a copy of the Plan’s Summary Plan Description. The Summary Plan Description is also available on the intranet (InSite/ShRINE > Human Resources > Benefits > SIP) or, externally (www.srs.gov > Careers link > Benefits link > SIP link).

* Financial Engines Inc. is not affiliated with Mercer HR Services, LLC or MMC Securities Corp., which do not provide investment advice.

Fund Descriptions

Growth funds

Growth investing targets companies with above-average earnings that may be subject to price volatility if earnings expectations are not met.

BGI MSCI AC World ex-U.S. Index Fund

Ticker symbol: N/A Investment type: Global

The investment seeks to track the performance of the Morgan Stanley Capital International All Country World Index ex-US Index (MSCI ACWI ex-US Index), which defines the non-U.S. equity asset class and covers 21 developed markets and 26 emerging markets. BGI uses the full index replication investment approach in the developed markets, given efficient access to local shares in the developed countries. For the emerging markets portion of the fund, BGI addresses the investment issues specific to that market. In countries where access to local equity shares is more efficient, BGI fully replicates the index. In markets with investment restrictions or particularly high transaction costs, a sampling/optimized procedure may be employed and alternative investment vehicles such as American Depository Receipts (ADRs), Government Depository Receipts (GDRs) or country funds may be used. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging markets.

Rainer Small/Mid Cap Equity Fund

Ticker symbol: RAISX Investment type: Domestic

The investment seeks to maximize long-term capital appreciation. The portfolio invests in common stocks of smaller U.S. companies and invests at least 65% of its total assets in equity securities of companies with small-to medium-sized capitalizations. The securities of smaller, less well-known companies can be more volatile than those of larger companies.

T. Rowe Price Institutional Large Cap Growth Fund

Ticker symbol: TRLGX Investment type: Domestic

The investment seeks long-term capital appreciation through investments in the common stocks of large-capitalization growth companies. Large-cap stocks may fall out of favor relative to small- or mid-cap stocks, causing the fund to underperform other equity funds that focus on small- or mid-cap stocks.

Blend funds

Blend products have the flexibility to invest in both growth and value stocks in varying proportions. At any given time they may have a higher or lower risk/reward profile than growth investments or value investments. There is no assurance that the investment option will experience less volatility or greater reward.

Fidelity Puritan Fund

Ticker symbol: FPURX

Investment type: Domestic

The investment seeks income and capital growth consistent with reasonable risk. It invests 60% of its assets in stocks and other equity securities and the rest in bonds and other debt securities, including lower-quality debt securities, when its outlook is neutral. Bond investing is subject to risks, such as interest rate, credit, and inflation risk. As interest rates rise, bond prices fall. Long-term bonds have more exposure to interest rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses. Lower-rated bonds may offer higher yields in return for more risk. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging markets.

Jennison U.S. Small Cap Equity Collective Trust

Ticker symbol: N/A

Investment type: Domestic

The investment seeks to outperform the Russell 2000 Index over a one- to three-year period by investing in small-cap stocks, utilizing a bottom-up research approach. This fund has the flexibility to blend investments in both growth and value stocks in varying proportions. At any given time, the fund may have a higher or lower risk/reward profile than growth investments or value investments. There is no assurance that the investment option will experience less volatility or greater reward. The securities of smaller, less well-known companies can be more volatile than those of larger companies. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe.

SSgA S&P 500 Index Fund

Ticker symbol: N/A

Investment type: Domestic

The investment seeks an investment return that approximates as closely as practicable, before expenses, the performance of the S&P 500 over the long term. The S&P 500® has been widely regarded as the best single gauge of the large-cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities.

Vanguard Total Stock Market Index Fund

Ticker symbol: VITSX

Investment type: Domestic

The investment seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The fund employs a passive management strategy designed to track the performance of the MSCI US Broad Market Index. The MSCI US Broad Market Index represents companies in the U.S. equity market, including large-, mid-, small- and micro-cap companies. This index targets for inclusion 99.5% of the capitalization of the U.S. equity market. The MSCI US Broad Market Index is the aggregation of the MSCI US Investable Market 2500 and Micro Cap Indices.

Value funds

Although value investing targets stocks believed to be priced too low, there is no guarantee they will appreciate. In addition, value stocks may fall out of favor with investors and underperform growth stocks during given periods.

SSgA Russell Large Cap Value Index Fund

Ticker symbol: N/A

Investment type: Domestic

The investment seeks to replicate the returns and characteristics of the Russell 1000 Value Index. SSgA's Russell 1000 Value Index Strategy employs a replication approach to construct a portfolio whose returns closely track those of the Russell 1000 Value Index. The strategy is to buy and hold securities, trading only when there is a change to the composition of the Index or when cash flow activity occurs in the strategy. A hierarchy of trading alternatives is used when appropriate – internal crossing, external crossing, futures and open market trades – to attempt to capitalize on every opportunity to reduce the Strategy's transaction costs. The Strategy may hold a combination of S&P 500/BARRA Value Index and S&P MidCap 400 Index futures in lieu of cash. Futures contracts generally represent 2 to 5% of the Strategy's value. The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.

Vanguard REIT Index Fund

Ticker symbol: VGSNX

Investment type: Domestic

The investment seeks income and moderate long-term capital growth. The fund normally invests at least 98% of its assets in stocks of real estate investment trusts (REITs) that are included in the Morgan Stanley REIT index. Changes in real estate values, or economic downturns, can have a significant negative effect on issuers in the real estate industry.

Vanguard Selected Value Fund

Ticker symbol: VASVX

Investment type: Domestic

The investment seeks to provide long-term growth of capital and income by investing mainly in equity securities of medium-sized U.S. companies. The securities of smaller, less well-known companies can be more volatile than those of larger companies.

Vanguard Small Cap Value Index Fund

Ticker symbol: VSIX

Investment type: Domestic

The investment seeks to track the performance of a benchmark index that measures the investment return of small-capitalization value stocks. The fund employs a "passive management" approach designed to track the performance of the MSCI US Small Cap Value Index. The securities of smaller, less well-known companies can be more volatile than those of larger companies. The MSCI US Small Cap Value Index represents the value companies of the MSCI US Small Cap 1750 Index. (The MSCI US Small Cap 1750 Index represents the universe of small-capitalization companies in the U.S. equity market.)

Income fund

Bond investing is subject to risks, such as interest rate, credit and inflation risk. As interest rates rise, bond prices fall. Long-term bonds have more exposure to interest rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses. Lower-rated bonds may offer higher yields in return for more risk.

SSgA U.S. Bond Index Fund

Ticker symbol: N/A

Investment type: Domestic

The investment seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Barclays Capital U.S. Aggregate Bond Index over the long term. The Barclays Capital U.S. Aggregate Bond Index is an unmanaged, market-value-weighted index representing securities that are SEC registered, taxable and dollar denominated.

Capital preservation fund

Stable value products seek capital preservation, but there can be no assurance that this goal will be achieved. Returns will fluctuate with interest rates and market conditions.

Galliard Stable Value Fund

Ticker symbol: N/A

Investment type: N/A

The investment seeks to conservatively manage to protect principal while providing the potential for higher rates of return compared to other investments, such as money market funds. To achieve this, the fund invests in diversified portfolios of intermediate maturity fixed-income securities. To provide a stabilized earnings rate and for benefit payments at book value (deposits plus interest), the fund enters into contracts to guarantee book value with highly rated financial institutions. In managing the fixed-income securities, the fund incorporates the investment styles of four nationally recognized fixed-income managers.



Additional SIP features

Consolidate accounts from previous employers in your SIP account

The SIP accepts rollovers of before-tax distributions from other qualified plans and Traditional IRAs. You may want to consult a tax advisor to evaluate any special tax considerations that may apply if you initiate a rollover. For rollover forms and instructions, call the Mercer Service Center (toll free) at 1-866-288-3257.

You put it in, so you can take it out

You may be able to take loans and withdrawals from your account, subject to the SIP's rules.

Loans

You can apply for a loan that equals the lesser of 50% of your total vested SIP account balance or \$50,000 less your highest outstanding loan balance from the previous 12 months, minus any outstanding loan balance you may have. Other loan details include the following:

- SIP allows general purpose and primary residence loans
- A participant can have a maximum of two outstanding loans at one time
- There is a one-time origination fee of \$50 for each loan that you take, regardless of the type of loan
- The minimum loan amount is \$1,000
- The maximum loan repayment period is five years for general purpose loans
- The maximum loan repayment period is 10 years for primary residence loans
- A loan will be treated as a taxable distribution upon termination of employment unless it is repaid in full or, upon retirement, you qualify and elect to repay your loan by direct bank account debits, within 90 days of your termination of employment
- The loan interest rate will be the prime interest rate as published in the Wall Street Journal, plus 1% and will be updated on the first day of each month

Withdrawals

Participants can request a total of three after-tax, rollover and match withdrawals per year based on a plan year-end time period.

Withdrawals while actively employed

The following in-service withdrawals are available from the SIP:

After-tax withdrawal

You can withdraw after-tax contributions from your account at any time, for any reason.

Rollover withdrawal

You can withdraw rollover contributions from your account at any time, for any reason.

Match withdrawal

You can withdraw match contributions from your account at any time, for any reason, if you have at least five years of service with the SIP; otherwise you will be limited to withdrawing match contributions that have been in the SIP for at least two years.

Age 59½ withdrawal

If you have reached age 59½, you can withdraw all or a portion of your account balance at any time, with the exception of the Employee Non-Elective Contributions Account. Withdrawal from the Non-Elective Contributions Account is not available to active employees until the employee reaches the age of 65.

Withdrawal for financial hardships

If you are experiencing a financial hardship and you have exhausted all of your above loan and withdrawal rights, you may be able to withdraw a portion of your vested account balance to cover your financial need. If you take a hardship withdrawal, you cannot contribute to the SIP for a six-month period. At the end of the six-month suspension period, you may resume contributions to the plan by electing a new contribution percentage, by logging onto the SIP web site or by calling the SIP's toll-free number. Hardship circumstances include the following:

- Un-reimbursable medical expenses for you, your spouse or your dependents
- Purchase of your principal residence (excluding mortgage payments)
- Tuition and related fees for post-secondary education (for a 12-month period only) for you, your spouse or your dependents
- Prevention of eviction from or foreclosure on your principal residence
- Funeral or burial expenses for your deceased parent, spouse, child or dependent(s)
- Costs associated with rebuilding a primary residence that has been damaged

The amount available for withdrawal is reduced by the amount of any outstanding loan balance(s). Any withdrawal you make is distributed pro rata from each of your investment choices. Government regulations require substantiation for hardship, which will be reviewed by the recordkeeper.

Withdrawals of before-tax contributions, rollover contributions, vested company matching contributions and earnings on any before-tax contributions, rollover contributions, vested company matching contributions and regular after-tax contributions are subject to current income taxes, and withdrawals made before age 59½ may be subject to an additional 10% penalty. Please consult your tax advisor for further details.

Distribution of your account at retirement or at separation from employment

Your vested account balance, minus any outstanding loan balances, will be available and/or payable to you or your beneficiary upon retirement, termination of employment or death.

If the vested value of your SIP account is greater than \$1,000, you may defer distribution of your account balance until April 1 following the year in which you reach age 70½ or until you retire, whichever is later.

For more information about loans and withdrawals while you are actively employed, as well as your distribution options if you leave the company, log on to www.ibenefitcenter.com or call (toll free) 1-866-288-3257 between 8:00 a.m. and 10:00 p.m. Eastern time, Monday through Friday, to speak with a Service Representative.

Important SIP information

Notice of the SIP Qualified Default Investment Alternative

As a new employee of SRNS or SRR, if you do not elect to opt out of participation in the SIP before you're eligible to participate, you will be automatically enrolled in the SIP and 4% of your eligible pay will be contributed on a before-tax basis to your account through payroll deductions. You will have 30 days prior to being automatically enrolled in the SIP to opt out or make your own elections. A participant who is automatically enrolled in the SIP can elect to increase or decrease his or her employee contribution rate at any time, and may also elect not to make employee contributions in the SIP at all.

If you are automatically enrolled in the SIP and do not provide investment instructions for any portion of your account, your contributions will be invested in the age-appropriate Vanguard Target Retirement Fund that most closely matches your target retirement year based on retirement at age 65. Of course, you can change your elective employee contribution percentage at any time. In addition, any contributions or payments made to your account in the future without your investment instructions will be invested in this default investment option until you choose to reinvest them. This default investment option is known as a Qualified Default Investment Alternative, or QDIA.

Please keep in mind that you can transfer your future and existing contributions from the QDIA to any other option within the SIP's investment lineup at any time. However, in the event of subsequent transfers, mutual fund companies reserve the right to limit or prohibit short-term or excessive trading in their funds, and short-term trading fees may apply. Please refer to the individual fund prospectuses for further information.

Each Vanguard Target Retirement Fund has a different target date indicating when the fund's investors expect to begin withdrawing assets from their account, typically at retirement. Each fund (other than Vanguard Target Retirement 2005 Fund and Vanguard Target Retirement Income Fund) seeks capital appreciation and current income consistent with a decreasing emphasis on capital appreciation and an increasing emphasis on current income as it approaches its target date.

Vanguard Target Retirement 2005 Fund and Vanguard Target Retirement Income Fund are designed for participants who are already at or near retirement and seek current income consistent with a goal of preservation of capital.

For each fund's expense ratio and more information about these funds see page 8.

If you have questions about your investment options or any of the information in this brochure, please call 1-866-288-3257 (toll free) between 8:00 a.m. and 10:00 p.m. Eastern time, Monday through Friday, to speak with a Service Representative.



Need help or more info?

Log on to www.ibenefitcenter.com or call (toll free) at 1-866-288-3257.

About Mercer

The SIP is administered by Mercer, one of the leading providers of total benefit services in the U.S. Mercer specializes in delivering award-winning education and participant services to retirement plans like ours. Mercer knows the SIP is one of your most important benefits, and they are committed to helping you make the most of it.

Before investing, consider the investment options' or funds' investment objectives, risks, charges, and expenses. Call 1-866-288-3257 for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read it carefully.

Investing involves risk, including the risk of loss.

While every effort has been made to ensure the accuracy of the information in this material, in the case of a discrepancy, the official Plan document will govern.