

ABC Company Executive Deferred Compensation Plan

2011

ANNUAL ENROLLMENT

your  
LIFE



your  
BENEFITS

your  
LIFE

2011



## It's time to enroll in the ABC Company Executive Deferred Compensation Plan for 2011

The 2011 enrollment for the ABC Company Executive Deferred Compensation Plan ("EDCP" or "Plan") is December 1, 2010, to 1 p.m. Pacific time on December 15, 2010.

The EDCP is a non-qualified plan that allows you to defer additional money beyond your contributions to the ABC Company Savings and Investment Plan (SIP). The EDCP allows you to save on a tax-deferred basis without being subject to a maximum contribution limit each year.

### How the Plan works

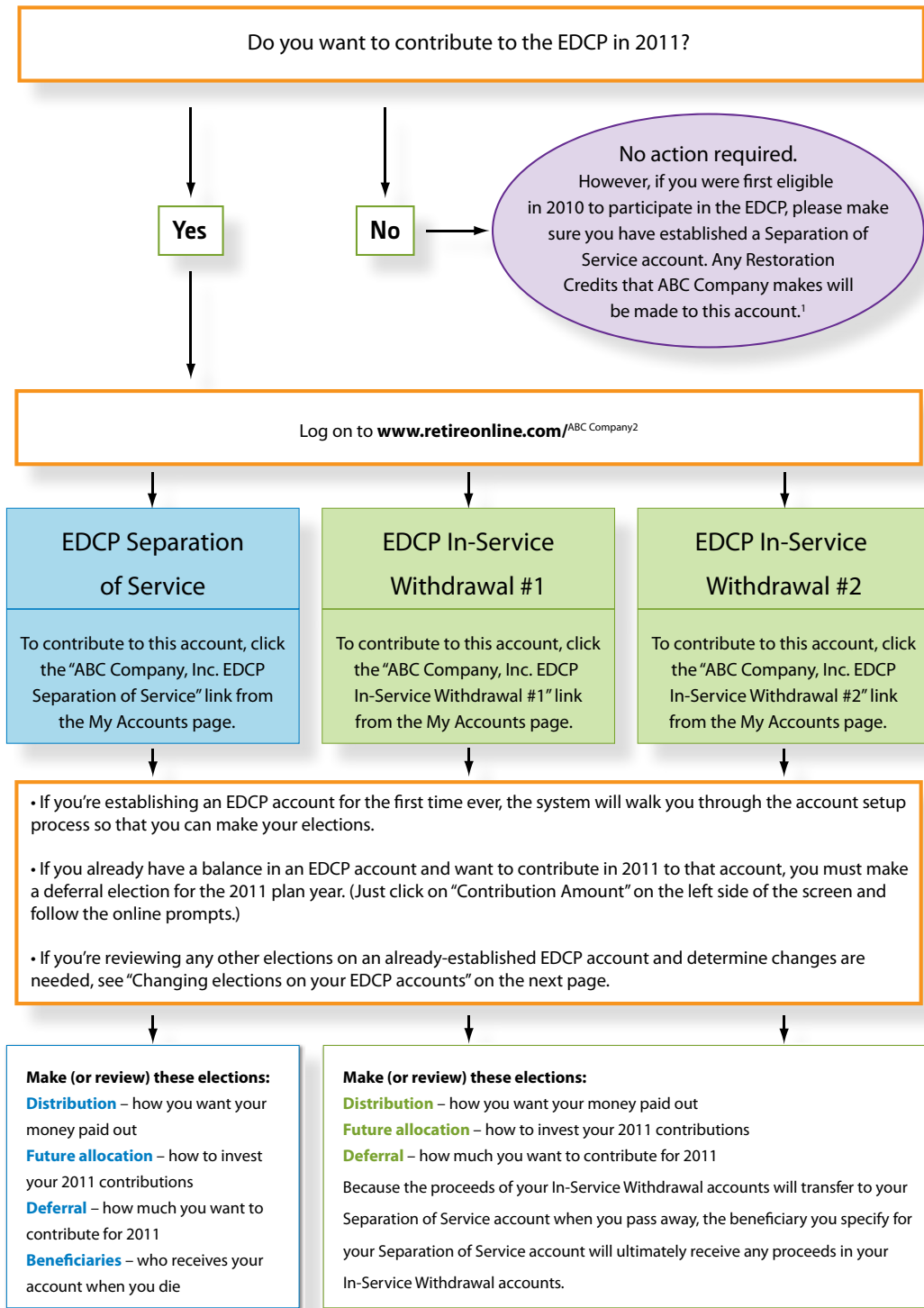
The EDCP helps you save for up to three life events at the same time by allowing you to set up different accounts within the Plan. Each of the three accounts can be managed separately, with different contribution elections, investment elections, distribution timelines and frequencies of payout.

- One is for your EDCP Separation of Service account. This account is typically used for retirement, but is payable when you terminate employment with ABC Company for any reason, regardless of your age.
- The other two accounts are for scheduled EDCP In-Service Withdrawals while you work at ABC Company and can be used for other purposes. Each account can have different contribution amounts and investment elections, as well as different payout dates and forms of payment. And once one In-Service Withdrawal account has been fully paid out, a new account can be established in its place, but no more than two In-Service Withdrawal accounts may be in place at any given time.

For more information, refer to the Plan Details booklet. To locate the booklet online, log on to [www.retireonline.com/abc](http://www.retireonline.com/abc) and click the link for one of your EDCP accounts. Under the Account Detail menu, click the "Forms and Publications" link and choose the correct publication from the list.

# Action needed

The open enrollment period for the 2011 Plan year begins December 1. You must take action before 1 p.m. Pacific time on December 15, 2010, if you wish to participate in the EDCP for the 2011 Plan year.



<sup>1</sup> See page 4 of the "Plan Details" booklet for more information.

<sup>2</sup> For help with logging on, see "Logging on to your account" on the next page.

## Changing elections on your EDCP accounts

### Distribution elections

You can change your distribution election only twice over the lifetime of each account. For more information, refer to the Plan Details booklet.<sup>1</sup>

To change your distribution election, you must submit a paper Distribution Election Change form.

*To obtain this form:*

1. Log on to **www.retireonline.com/abc**.
2. Click the desired EDCP account name.
3. Under the Account Detail menu, click the “Forms and Publications” link and choose the correct form from the list.
4. Complete and sign the form; then mail it to the address on the form.

### Future allocation (investment) elections

You can change your future investment elections at any time for each account. If you do not make an investment election, your account will be invested in the Dodge & Cox Balanced fund. For the most current lineup of available EDCP investment options, log on to **www.retireonline.com/abc**.

*To change your future investment elections:*

1. Log on to **www.retireonline.com/abc**.
2. Click the desired EDCP account name.
3. Under the Account Detail menu, click the “Manage Investments” link.
4. Click the “Change Future Investments” link.
5. Follow the online prompts.

### Deferral (contribution rate) elections

Once you establish your deferral rate for the 2011 Plan year, you cannot change this amount until next year’s open enrollment period.

**Important:** If you already have a balance in an EDCP account and want to contribute in 2011 to that account, you must make a deferral election for the 2011 plan year. (Just click on “Contribution Amount” on the left side of the screen and follow the online prompts.)

### Beneficiary elections

You can elect a new beneficiary at any time.

*To change your beneficiary designation:*

1. Log on to **www.retireonline.com/abc**.
2. Click the desired EDCP account name.
3. Under the Account Management menu, click the “Beneficiaries” link.
4. Follow the online prompts.

As a reminder, if you are married, or later become married, the law requires all benefits to be paid to your spouse at the time of your death unless you and your spouse consent to alternative beneficiaries by providing a hard-copy, notarized Designation of Beneficiary form.<sup>2</sup>

---

<sup>1</sup>To locate the Plan Details booklet online, log on to **www.retireonline.com/abc** and click the link of one of your EDCP accounts. Under the Account Detail menu, click the “Forms and Publications” link and choose the correct publication from the list.

<sup>2</sup>To obtain a paper Designation of Beneficiary form, log on to **www.retireonline.com/abc** and click the desired EDCP account name. Under the Account Detail menu, click “Forms and Publications” and choose the correct form from the list.

## Logging on to your account

Use your same Username and Password that you use for the SIP. If you’re logging on to **www.retireonline.com/abc** for the first time, enter your Social Security number as your temporary Username. The first time you log on, your temporary Password is the last four digits of your Social Security number and the four-digit month and day of your birth in MMDD format. So, for example, for someone with a Social Security number of 000-00-1234 and birth date of November 1, the temporary Username would be 000001234 and the temporary Password would be 12341101.

You must change your Username and Password after you log on for the first time. This means you won’t use your Social Security number to log on in the future.

# A few things to keep in mind

## Important!

You can contribute up to (and including):

- 65% of your base salary for 2011, and/or
- 65% of any bonus compensation earned in 2011 and paid in February 2012. (Bonus compensation eligible for the EDCP includes any bonus or incentive pay you may receive from the Management Bonus Plan and/or the Executive Bonus Plan. Signing bonuses are not eligible. Sales commissions/incentives are not eligible beginning with the 2011 Plan year.)

**When making your deferral (contribution rate) elections,** remember that the total percentage you designate for all accounts will come out of your biweekly paycheck and/or bonus compensation.

Once you establish your deferral rate for the 2011 Plan year, you cannot change this amount until next year's open enrollment period. Therefore, before you click "Finish," you may want to double-check your math to avoid any surprises.

## When taking action ...

Keep these details in mind:

- ✓ **The enrollment deadline is 1 p.m. Pacific time on December 15, 2010.** If you do not enroll by the deadline, you will be unable to contribute to the EDCP for the 2011 Plan year.
- ✓ **You'll enroll online for the 2011 Plan year.** Like last year, no paper enrollment materials will be sent to you via interoffice or to your home address.

- ✓ **Once you start the online enrollment process,** complete the screens without interruption. The system will time you out after 30 minutes of inactivity. If you get interrupted and your session ends before you are done online, you'll need to start the enrollment process again from the beginning.
- ✓ **Before setting up your EDCP accounts for the 2011 Plan year,** you may want to consult with a financial planner.
- ✓ **When making your future allocation (investment) elections, check [www.retireonline.com/abc](http://www.retireonline.com/abc)** for a list of available EDCP investments. After logging on, click the link for one of your EDCP accounts. Then, under the Account Detail menu, select "Fund Information" for a list of available investment options.

If you do not specify the investment(s) into which your contributions should be invested, your contributions will be invested in the Dodge & Cox Balanced fund.

## Need more information about the EDCP?

For more details about the Plan, including how to make changes to any of your EDCP accounts, refer to the Plan Details booklet. To locate the booklet online, log on to [www.retireonline.com/abc](http://www.retireonline.com/abc) and click the link of one of your EDCP accounts. Under the Account Detail menu, click the "Forms and Publications" link and choose the correct publication from the list.

# What it means to participate in the EDCP

Unlike the assets of a qualified plan (such as the SIP), your benefits under the EDCP are contractual obligations of ABC Company (the "Company") that are not funded by a tax-exempt trust. The deferred compensation and investment earnings are held as a company asset within a special trust called a "Rabbi Trust." This type of trust provides a measure of protection for Plan participants.

The Rabbi Trust protects Plan assets for the sole benefit of participants in the event of a change in control in the ownership or management of the Company. Further, the trust partitions Plan assets so that they may not be used for any purpose other than to pay the promised benefit to Plan participants.

Your interests under the EDCP (your contributions, ABC Company contributions and any credited earnings) are bookkeeping entries that represent ABC Company's promise to pay benefits to you in the future. It is because of this unfunded treatment that you can save on a pre-tax basis under the EDCP and defer the income tax on your contributions and the Company's contributions until payments are actually made to you.

There may be some risk involved in postponing the receipt of pay in exchange for a promise of future payment. For example, in the event ABC Company declared bankruptcy, you would have to make a claim for the payment of your EDCP benefits as one of the Company's general creditors.

This piece describes the features of the EDCP. Should there be a conflict between this piece and the Plan Document, the Plan Document will be the final authority.

This Plan is administered by the Committee, which has final discretionary authority to interpret and apply the Plan provisions, and make the rules necessary for the daily administration of the Plan.

your  
BENEFITS

2011

***For more complete information about any of the mutual funds available within the retirement plan, please call 800-345-2345. Investors should carefully consider the investment objectives, risks, charges and expenses of the fund. Please carefully read the prospectus, which contains this and other important information, before you invest or send money.***

*Recordkeeping and administrative services for the plan are provided by J.P. Morgan Retirement Plan Services LLC (JPMRPS); securities transactions for the plan may be introduced by J.P. Morgan Institutional Investments Inc. (JPMII). Member: FINRA/SIPC. JPMRPS and JPMII are affiliates of JPMorgan Chase & Co.*

*This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.*

