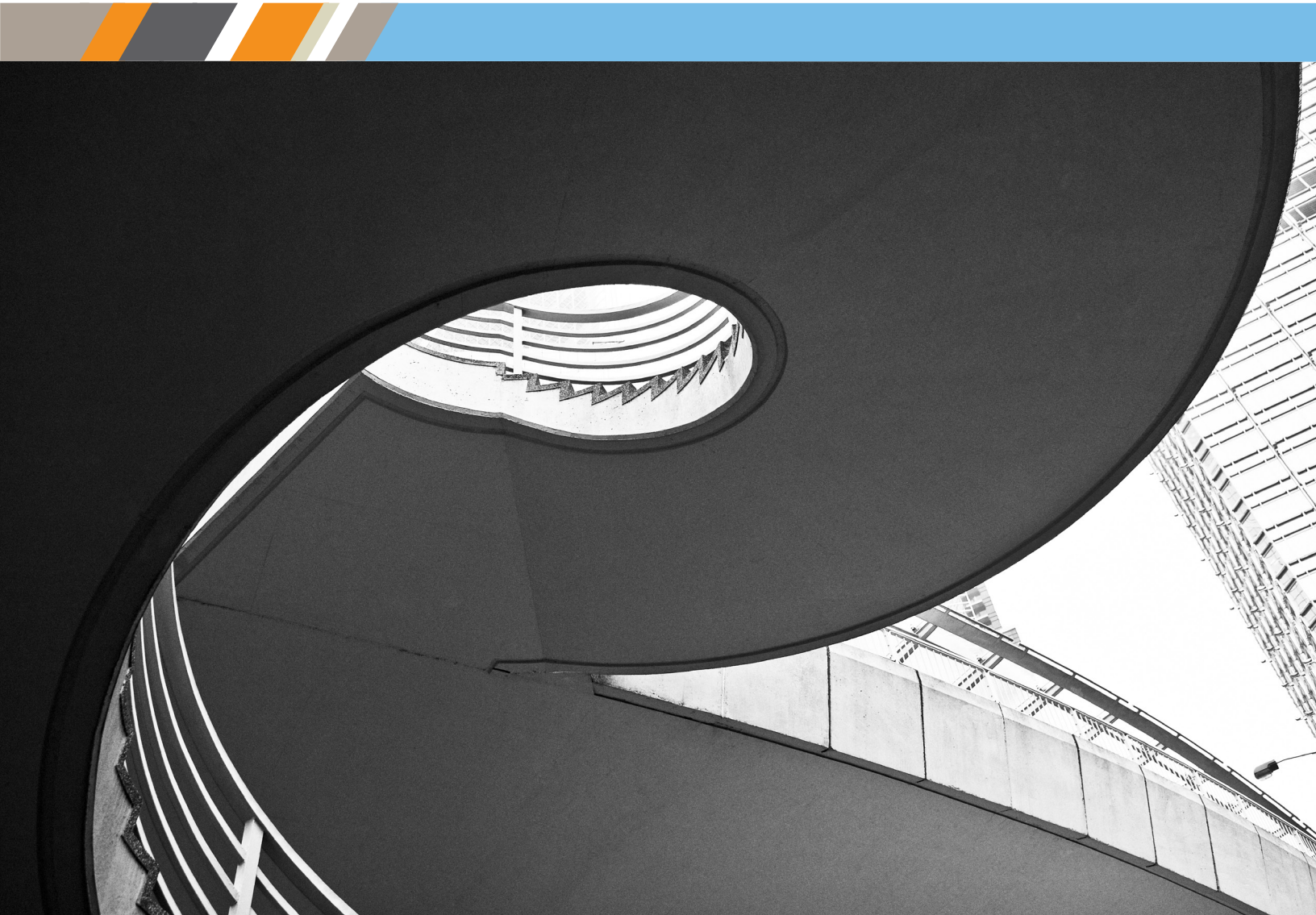


Strategic Review

Insight to help manage your
pension plan challenges.



Your objectives are changing. Your investment strategy needs to respond.

NEW RULES, NEW CHALLENGES

Given the way current pension and accounting regulations recognize volatility, effective management of pension plan risks is more critical than ever.

Russell Strategic Review is an automated strategic asset allocation process, which includes sophisticated asset/liability modeling, liability driven investment strategies, the design of return-seeking portfolios and ongoing reporting against objectives. It is designed to help you integrate pension plan management with your organization's overall risk management process.

HOW IT WORKS

Using a suite of integrated analytical tools and in-depth asset/liability processes we can help you:

- › Determine the current state of your pension plan in relationship to your business.
- › Establish integrated investment and funding policies to help manage the financial impact of the pension plan on your organization.
- › Tie your investment decisions to specific concerns and goals.

MAKING SMART DECISIONS BASED ON TIMELY INSIGHTS

Russell has been helping clients make sense of their financial challenges for decades. So it's no surprise that more institutions are turning to us for strategic advice during this period of market uncertainty and rapid change.

After completing the initial Strategic Review process we can help you work through ways to structure your investment and funding policies to meet your fiduciary responsibilities to participants, while managing the financial impact on your organization.

Going forward, we'll work closely with you to monitor progress and suggest changes to your portfolio allocation (using a liability responsive asset allocation model) and funding policies as needed.

LINKING YOUR STRATEGY TO YOUR GOALS

Pension challenges vary from one organization to the next. So do plan goals and objectives. That's why Russell takes a consultative approach to help you:

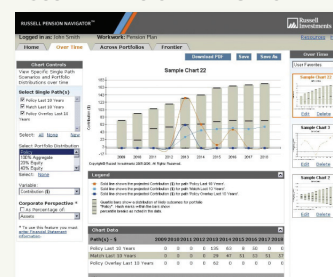
- › Analyze your specific challenges.
- › Articulate your future plan goals and objectives.
- › Determine your overall risk relative to other plan sponsors and industry peers.
- › Evaluate possible investment allocations for fixed income and return-seeking portfolios, alternative contribution policies and potential risk factors.
- › Implement investment strategy and contribution policy changes that are designed to allow you to achieve your goals at an acceptable level of risk, while satisfying your fiduciary obligations, managing costs, and minimizing volatility of key financial metrics.
- › Monitor results and discuss changes as needed.

The nuts and bolts of Russell Strategic Review

- 1 Data collection**—Russell begins by gathering data about the current state of your organization and pension plan, relative to future organizational plan goals and objectives.
- 2 Analysis**—We then evaluate whether current contribution policies, investment strategy and fixed income and return-seeking asset allocations will realistically allow you to reach your stated objective. We:

- › Identify key risks to achieving your goals.
- › Use Russell Enterprise Risk Report to determine your overall risk relative to other plan sponsors and industry peers.
- › Use RUSSELL PENSION NAVIGATOR™ to evaluate possible funding and investment policy scenarios that could better help you reach your objectives.

RUSSELL PENSION NAVIGATOR



For illustrative purposes only.

SPECIAL CHALLENGES IF YOUR PLAN IS FROZEN

The decision to freeze a plan is the start of a long process. Over time your plan's investment strategy will evolve, with emphasis moving away from return-seeking and towards liability-matching.

As with active plans, we take a consultative approach to help you understand and articulate your long term objectives and determine the best strategies to meet those objectives.

MEETING YOUR PENSION CHALLENGES

The Pension Protection Act, accounting rule changes and market turmoil have added new complexities to pension plan management. Russell Strategic Review can help you evaluate and implement investment and contribution policies to meet your obligations to participants while managing risks and overall financial impact on your organization.

Put our pension expertise to work for you.

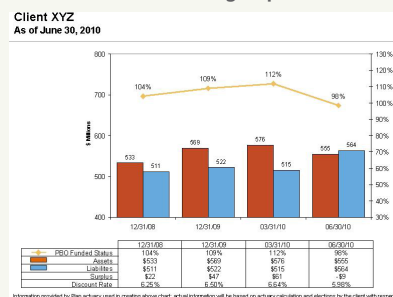
For 40 years our commitment to the pension marketplace has earned Russell the trust of companies around the globe.

3 Implementation—This analysis can help you refine your funding policy and investment strategy and asset allocation. Russell's Interest Rate Management solution allows you to implement an appropriate level of interest rate hedging for your fixed income assets.

Our model portfolio framework enables the broad strategic decision to be implemented, and an investment program to be built that fits your objectives.

4 On-going monitoring—Going forward we'll help you monitor results so you stay on track to meet your objectives. Russell Pension Funding Report Card™ and interest rate management reporting provide metrics to analyze trends and make necessary corrections. RUSSELL PENSION NAVIGATOR, our proprietary online tool, allows you to model different scenarios to determine possible courses of action.

Russell Pension Funding Report Card



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For more information:

Call:
800-426-8506

Visit:
www.russell.com/institutional



Helping solve your pension challenges is our goal.

Russell Strategic Review process can provide the insight and solutions to meet your organization's pension challenges.

For more information, call Russell at **800-426-8506** or visit **www.russell.com/institutional**.

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Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

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