Michigan Catholic Conference

December 8, 2008

TO: Participating Employers In A 403(b) Tax-deferred Annuity

FROM: The Michigan Catholic Conference

RE: The Michigan Catholic Conference 403(b) Plan

***Important Announcement!*** Effective on and after January 1, 2009, the sole vehicle under which you and your employees will be able to make 403(b) contributions will be the new Michigan Catholic Conference 403(b) Plan (the "MCC 403(b) Plan"). Representatives of the seven Roman Catholic Dioceses in Michigan and the Michigan Catholic Conference (the "MCC 403(b) Plan Committee") have been working for many months to find the best way to comply with new IRS Regulations governing 403(b) plans. The members of this Committee unanimously concluded that consolidating to a single plan and single vendor for all the qualifying Catholic entities in Michigan will be in their employees' best interests, and acting on the Committee's input and recommendation, the Bishops of all the Dioceses in Michigan have approved the new MCC 403(b) Plan. The MCC 403(b) Plan Committee has hired Prudential Retirement® to be the single administrator of the MCC 403(b) Plan beginning January 1, 2009. Prudential Retirement has a long tradition of proven experience, exceptional service, and excellence in managing retirement programs. The MCC 403(b) Plan Committee has also hired CapTrust Advisors, LLC as investment advisor to the Committee to work with it in identifying and monitoring the performance of the mutual funds that will be made available to employees participating in the MCC 403(b) Plan.

**Prudential Retirement**

Prudential Retirement, a business unit of Prudential Financial, is exclusively dedicated to providing quality retirement services for public, private and non-profit organizations. With more than 75 years of experience, Prudential Retirement offers an excellent combination of investment management expertise, state-of-the-art recordkeeping services and comprehensive educational programs.

**Benefits For Your Employees**

Some highlights of what your employees can expect from Prudential Retirement:

- web capabilities for easily managing their account and planning for their retirement
- a new investment lineup with a diverse array of investment options
- a free and easy-to-use program called **GoalMaker®**, that takes the guesswork out of choosing your investment mix

510 South Capitol Avenue
Lansing, Michigan 48933
517 372-9310 • FAX 517 372-3940

- Prudential's Retirement Education & Planning website, ***www.prudential.com/prep***, where you and your employees can learn about basic financial concepts and how to make the most of this plan

**What You Need To Do**
To participate in the MCC 403(b) Plan your employees will need to enroll in the new Plan, beginning in January 2009. More information about this easy enrollment process and about the Plan's investment offerings will be available to you within the next few weeks.

**How This Impacts Your Current 403(b) Accounts**
The change to the new MCC 403(b) Plan only directly impacts 403(b) contributions made after December 31, 2008. Individuals are free to leave any amounts currently invested in a 403(b) contract where they are currently invested. Alternatively, an individual may voluntarily elect to transfer any 403(b) amounts held by their current 403(b) providers to Prudential to be held under the new MCC 403(b) Plan. Again, any 403(b) accounts individuals have with 403(b) providers will not be automatically moved to Prudential. If individuals have one or more accounts with other 403(b) providers, including accounts related to a prior employer, they can consolidate their retirement assets into one account with Prudential, provided the terms of those existing contracts permit such a transfer. They will need to contact their current vendor to determine what steps need to be taken should they decide to transfer their funds to the new 403(b) Plan.

If an individual transfers their current 403(b) contracts to Prudential, they will only need to choose from a single set of investment options, and will have **GoalMaker®** to help. In addition, they will have a single account statement, and will only need to go to one website to access their account, and will need to remember only one password.

**Questions?**
Beginning in early January, representatives from Prudential will be available to address any questions that you or your employees may have about the new MCC 403(b) Plan. More information about exact times and locations will be provided after the first of the year.

We're confident that you'll appreciate the tools and services Prudential Retirement provides to help you meet your retirement goals.

If you should have any questions, please feel free to call your Diocesan Fiscal Managers. Or you may call Ms. Karen LaRosa or Ms. Laura Stearns at the MCC at 1-800-395-5565.