

TASA

Retirement Savings Plan

Update September 1, 2009

Administered by



Investments Recommended by





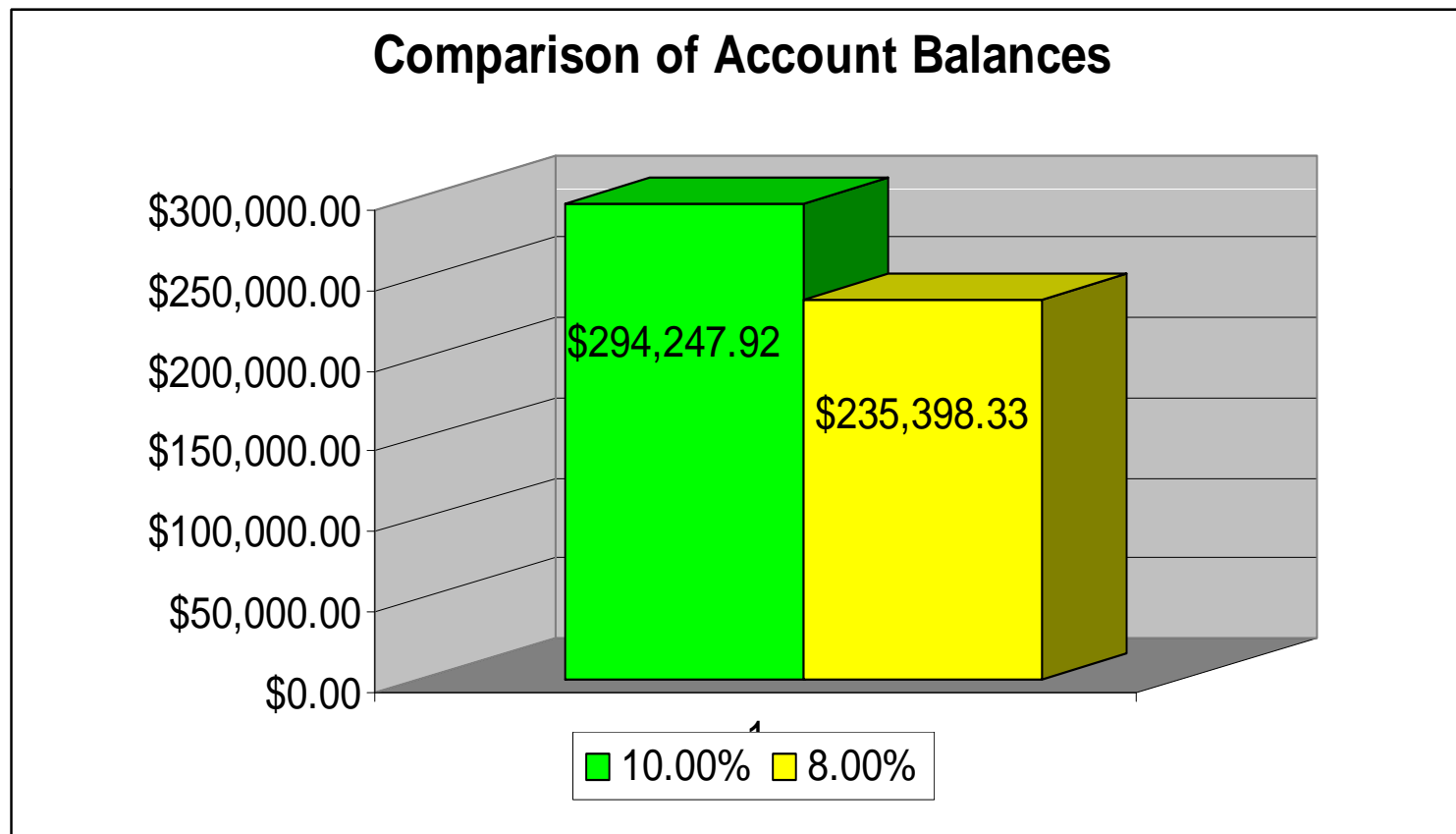
Plan Structure & Contributions

- 401(k)/"Profit Sharing" Plan
- Contribution Formula:
 - TASA Base Contribution: 5.00% of Pay*
 - TASA Match of Employee Deferral:
 - ❖ 200.00% of deferrals up to 1.00% of Pay
 - ❖ 100.00% of deferrals up to next 1.00% of Pay
- If Employee Contributes 2.00% of pay
 - TASA will contribute 8.00% of pay
- Total Retirement Savings = 10% of pay

*The TASA Integrated Contribution of 4.00% of Compensation above 80% of Social Security Wage Base will continue, as with the current plan

The Difference A Small Contribution Makes

- 10% of Pay vs. 8% of Pay Over a Career



Avg. Salary \$40,000, 25 Years, 7.5% Avg. Earnings



TASA Plan Very Unusual

- Average Private Employer in US
 - Makes **no basic contribution** to plan
 - Makes matching contributions of:
 - ❖ **50% Match up to 6% of Pay**
 - ❖ **Maximum 3% of Pay**
- **8% of Pay for Employee Deferral of 2% of Pay is Extraordinary**

Based on information from Vanguard funds



Plan Provisions

- Employees may contribute up to \$16,500 pre-tax per year (\$22,000 age 50 or older)
 - Employee funds are always 100% vested
- TASA contributions are made with each payroll
- Hardship distributions are allowed for Employee funds



Plan Provisions

- Minimum age – 21
- Minimum service – 6 months
- Entry dates – September 1 and March 1
- Requirement for eligibility, contributions and vesting (year of service) – work 1,000 or more hours per Plan year
- Plan loans allowed



Plan Provisions

- Vesting on Match and 2% Base

Years of Service with TASA	Vested Percentage
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

- Vesting on 3% “Safe Harbor” Base and Employee Deferrals = 100% Immediately



Plan Administration

- JEM Resource Partners of Austin is the administrator
 - Administer plans covering over 150,000 participants
 - Wilmington Trust is the custodian of funds
- TCG Advisors, LP (affiliate of JEM) is investment advisor and oversee Plan investments
- All forms and transactions available through JEM
 - Website www.jemtpa.com
 - Current Participants: User name – SSN; Password – Last 4 digits of SSN
 - New Participants: User name – SSN; Password – tasa (case sensitive)
- Phone Number: 795-8999 (local)



Plan Administration

■ Fees

- JEM .60% (60 basis points) Annually
- TCG .40% (40 basis points) Annually
- Total approximate fees (including investment costs), depending on investments selected:
 - ❖ 1.45%



Plan Investments

- Model Portfolios (5)
- Target Retirement Age Models
 - (7 options; 2010 – 2040)
- Individually directed investments
 - (12 options)
- Wells Fargo Stable Value/Return Fund



Kinds of Investments

- Exchange Traded Funds
 - Active vs. Passive Investments
 - Effect of Fees

Active vs. Passive Management

Percent of active managers *underperforming* the index

(From 12/31/95 to 12/31/05)

	Value (%)		Blend (%)		Growth (%)	
	Before Tax	After Tax	Before Tax	After Tax	Before Tax	After Tax
Large-Cap	82	97	72	89	39	68
Mid-Cap	76	97	57	77	52	76
Small-Cap	51	77	61	81	17	29

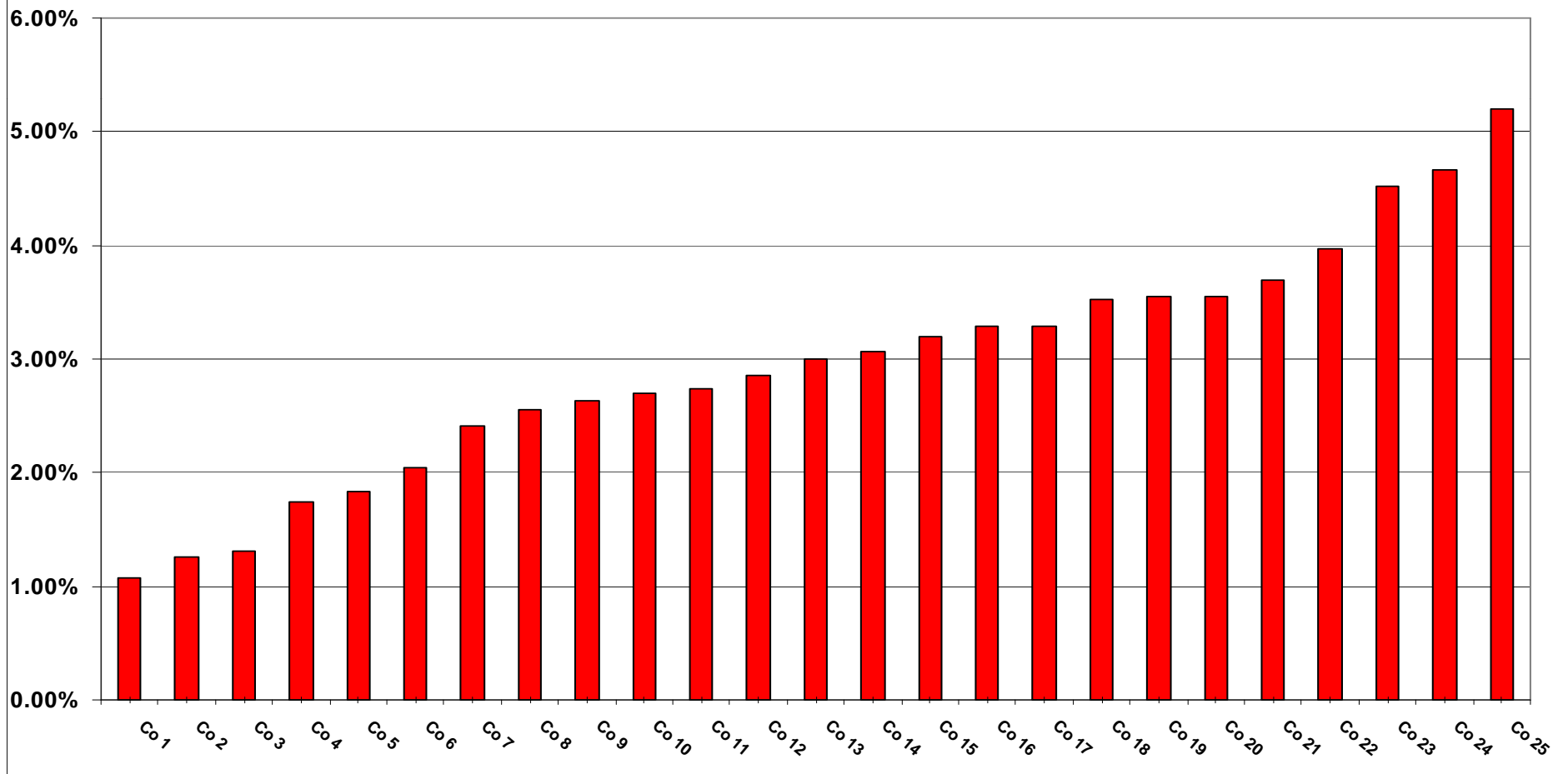
Sources: Morningstar, U.S. equity mutual funds, Barclay, Russell Indexes. Past performance is no guarantee of future results. All total returns reflect 10-year annualized figures. Funds are categorized by Morningstar objective.

Fee Comparison Examples

Annual Fees in One RFP Process Conducted by TCG

(Approximately \$200 per month @ 6.00% Earnings After Fees)

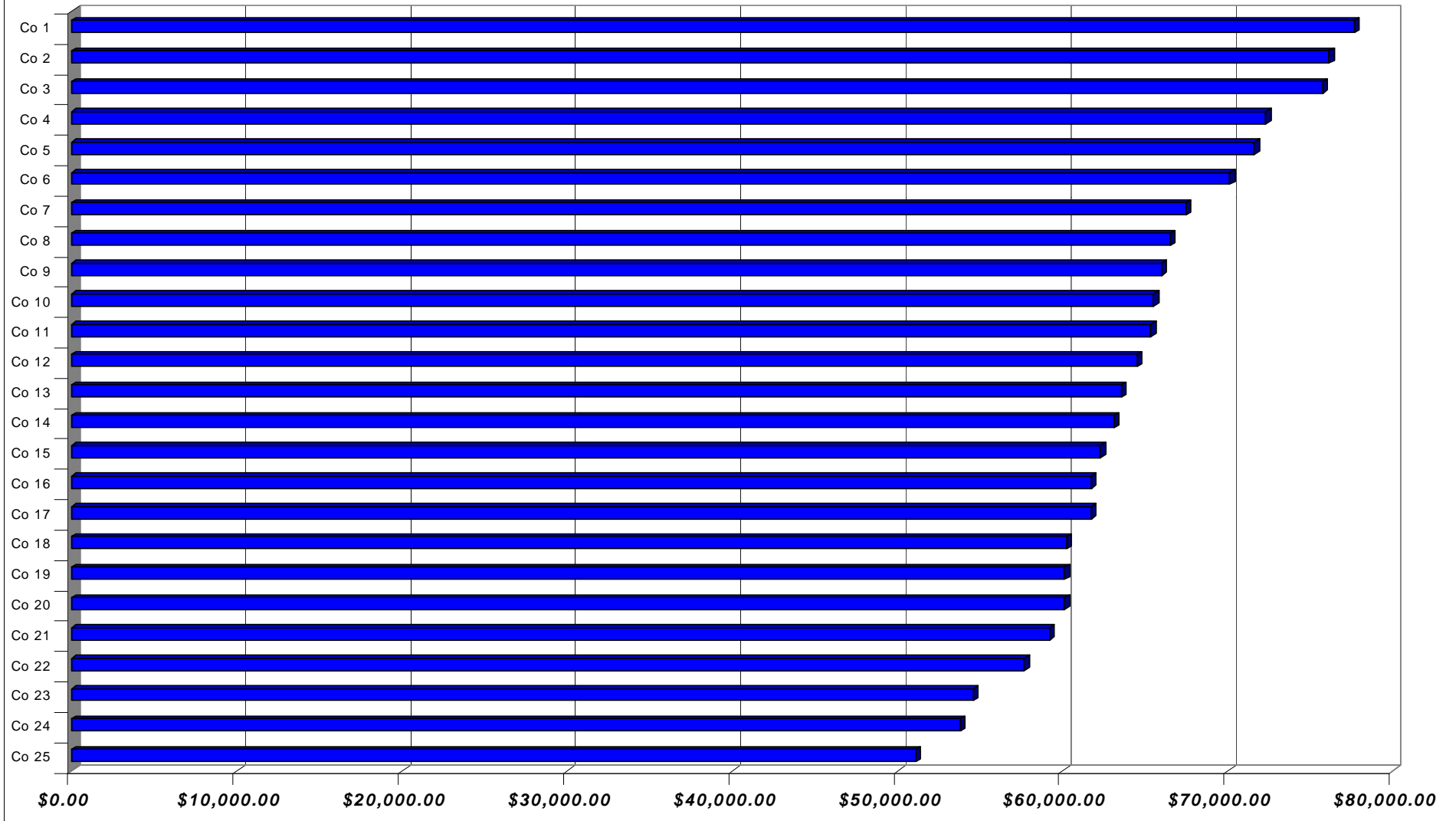
Avg Ann Fees - 5 Yrs



The Bottom Line: What you have at Retirement

(Approximately \$200 per month @ 6.00% Earnings After Fees)

Value of Account at End of 20 Years - Fee Illustration Only





Plan Investments

■ Model Portfolios

- CAPITAL PRESERVATION PORTFOLIO
- CONSERVATIVE PORTFOLIO
- BALANCED PORTFOLIO
- GROWTH PORTFOLIO
- AGGRESSIVE GROWTH PORTFOLIO



Plan Investments

■ Target Retirement Date Models

➤ 2010

➤ 2015

➤ 2020

➤ 2025

➤ 2030

➤ 2035

➤ 2040



Plan Investments

■ Target Retirement Date Model Examples

Target 2010

Wells Fargo Stable Value Fund	30.00%
Short Term Bond Index Fund	30.00%
Investment Grade Bond Index Fund	30.00%
Large Cap Equity Index Fund	10.00%

Target 2040

International Equity Index Fund	15.00%
Emerging Markets Equity Index Fund	15.00%
Mid Cap Equity Index Fund	10.00%
Large Cap Equity Index Fund	15.00%
Small Cap Equity Index Fund	10.00%
Small Cap Growth Index Fund	10.00%
Small Cap Value Index Fund	10.00%
S&P 500 Equity Index Fund	15.00%



Plan Investments

■ Wells Fargo Stable Value/Return Fund

- The Fund seeks safety of principal and consistency of returns with minimal volatility.
- The Fund is for conservative investors seeking more income than money market funds without the price fluctuation of stock or bond funds.
- The Fund invests in financial instruments issued by highly rated companies. These include guaranteed investment contracts (GICs), security backed contracts (synthetic GICs) and cash equivalents.
- The weighted average quality of the portfolio is maintained at “AA” or better.
- The Fund is one of the oldest and largest stable value collective funds in the nation and has been managed by the same portfolio management team since 1988.



Market and Investment Update



Market Movements – Good or Bad?



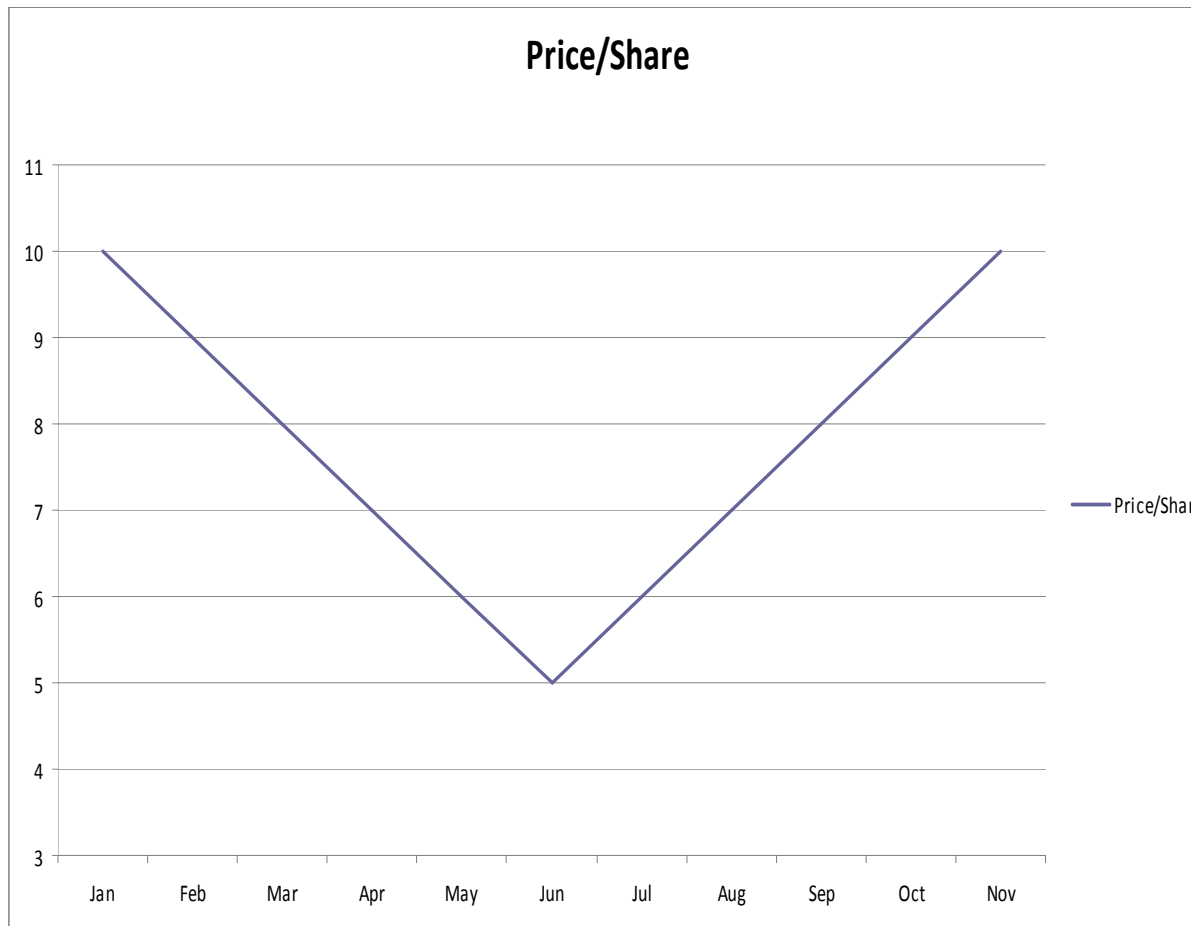
Investing \$200/mo

Month	\$/Share	# Shares
Jan	10	20.0
Feb	10.5	19.05
Mar	11	18.18
Apr	11.5	17.39
May	12	16.67
Jun	12.5	16.0
Jul	13	15.38
Aug	13.5	14.81
Sep	14	14.29
Oct	14.5	13.79
Nov	15	13.33

Total Shares Owned 178.90

Total Account Value \$2,638.48

Market Movements – Good or Bad?



Investing \$200/mo

Month	\$/Share	# Shares
Jan	10	20.00
Feb	9	22.22
Mar	8	25.00
Apr	7	28.57
May	6	33.33
Jun	5	40.00
Jul	6	33.33
Aug	7	28.57
Sep	8	25.00
Oct	9	22.22
Nov	10	20.00

Total Shares Owned 298.25 Total Account Value \$2,982.54 11.14% Increase

TASA 401(k) Plan Review 2009 Q2

Fund Name	Tot Ret YTD	Tot Ret Qtr	Tot Ret 12 Mo	Tot Ret 3 Yr	Expense Ratio
Fund Performance					
Short Term Bond Index ETF Fund	(0.11)	(0.12)	4.35	5.43	0.19
Investment Grade Bond Index ETF Fund	0.09	1.58	4.47	5.66	0.23
Equity 500 Index ETF Fund	4.09	16.20	(26.27)	(8.29)	0.15
International Equity Index ETF Fund	5.14	24.66	(30.34)	(7.96)	0.35
Mid Cap Index ETF Fund	8.57	18.62	(32.05)	(10.17)	0.19
Small Cap Index ETF Fund	8.96	23.52	(26.14)	(9.28)	0.16
Small Cap Value ETF Fund	0.88	22.38	(24.35)	(10.86)	0.18
Small Cap Growth Index ETF Fund	13.11	23.50	(27.74)	(7.67)	0.18
Large Cap Index ETF Fund	3.62	15.92	(26.04)	(8.15)	0.13
Wells Fargo Stable Return Fund	1.70	0.80	4.05	4.62	0.40

TASA 401(k) Plan Review 2009 Q2

Fund Name	Tot Ret YTD	Tot Ret Qtr	Tot Ret 12 Mo	Tot Ret 3 Yr	Exp Ratio
Profile Portfolios Performance					
Capital Preservation	0.87	2.27	1.26	3.90	0.26
Conservative	3.41	6.45	(3.96)	2.27	0.26
Balanced	3.95	9.00	(8.66)	0.26	0.25
Growth	5.87	14.62	(18.27)	(3.71)	0.20
Aggressive Growth	10.11	22.55	(27.78)	(7.10)	0.22
Lifecycle Portfolios Performance					
Lifecycle Fund Target 2010	0.87	2.27	1.26	3.90	0.26
Lifecycle Fund Target 2015	3.41	6.45	(3.96)	2.27	0.26
Lifecycle Fund Target 2020	3.95	9.00	(8.66)	0.26	0.25
Lifecycle Fund Target 2025	5.87	14.62	(18.27)	(3.71)	0.20
Lifecycle Fund Target 2030	5.87	14.62	(18.27)	(3.71)	0.20
Lifecycle Fund Target 2035	10.11	22.55	(27.78)	(7.10)	0.22
Lifecycle Fund Target 2040	10.11	22.55	(27.78)	(7.10)	0.22



Questions



4201 Bee Caves Road, Suite C-101 Austin, TX 78746

(512) 306-9939 Fax: (512) 306-9959

Email: info@jemtpa.com

Website: www.TheRetirementSolutionOnline.com