

SECURIAN FINANCIAL SERVICES

—————401(k)—————

HOCKING-ATHENS-PERRY COMMUNITY ACTION

401(k) RETIREMENT PLAN

QUESTIONS AND ANSWERS

1. What is the objective of the plan?

This is a long term retirement savings plan. The primary objective is to help you provide a more secure future after you stop working.

2. What advantages does this plan offer?

You receive several major advantages:

-Each month the Agency will match 100% of the first 3% you contribute.

-All eligible employees will receive an Agency base contribution of 1% of earnings.

-Your contributions are made with before-tax dollars.

-You currently have 11 investment options.

-Your investment earnings accumulate tax-free.

-You enjoy tax savings upon withdrawal after age 59 1/2.

3. How much can I contribute?

You can contribute as much as \$15,500 from your salary in 2008. If you are age 50 or older in 2008, you can contribute an additional "catch-up" amount of \$5,000. These amounts are expected to increase annually by IRS directive.

4. How do I make a contribution?

This is a salary savings plan. All contributions you make must come from your salary, so each paycheck will be adjusted based on the level of contribution you have elected. Rollovers from other qualified plans will be allowed after you are enrolled in the plan. Rollovers are not eligible for the Agency match portion.

You may change the amount of your contribution in January and July of each year if you wish.

5. Can anyone take away the contributions I put into the plan?

No, everything you put into the plan is yours. However, if you elect to invest your contributions in Stocks or Bonds, the risk of loss to those contributions does exist, depending on the Stock or Bond. All Agency contributions are invested in the LifeStrategy Conservative Fund.

6. Do the contributions the Agency makes to my account belong to me?

Yes, but you must work for the Agency a certain length of time before you have ownership in those contributions. Your ownership increases with length of service, after enrollment, based on the following table:

Years of Service	Vesting Agency Contribution	Vesting Your Contribution
1 Year	10%	100%
2 Years	30%	100%
3 Years	60%	100%
4 Years	100%	100%

7. What are my investment options?

You have eleven investment options:

General Fixed Interest Account - All contributions received between January 1, 2008 and December 31, 2008 will receive 2.40% through December 31, 2010. This rate will be restated each year for that plan year's contributions.

LifeStrategy Growth Stock Fund

Large Equity Indexed Fund

LifeStrategy Balanced Fund

Aggregate Bond Fund

Money Market Fund

Short Term Bond Fund

Large Equity Fund

LifeStrategy Conservative Fund

Small Equity Fund

International Account

You may change your investment selection at anytime. No transfers, however, are allowed from the Fixed Interest Fund to the Money Market Fund. Transfers between funds, other than the Fixed Interest Fund, can be made at anytime.

Information on these investment funds is provided in your 401(k) enrollment

packet. Additional information is available upon request.

8. Can I split up or mix my investments?

Yes. You can have your funds allocated to any or all eleven investment options.

9. Do I receive a report of my funds?

You will receive a comprehensive, personal report every three months.

10. For what reasons can I withdraw my money?

- Termination of employment (Agency contributions are subject to vesting)
- Death
- Disability
- Early retirement - age 59 1/2
- Normal retirement - age 65
- Age 59 1/2 (Agency contributions subject to vesting)
- Financial hardship (10% tax penalty; Agency contributions not included)

11. How do I avoid the IRS 10% penalty if I terminate employment prior to age 59 1/2 and want my money?

- Roll your funds into another 401(k) if available
- Roll your funds into a stand-alone IRA
- Purchase an annuity

12. What is "financial hardship"?

The IRS defines it as:

1. Payments for tax deductible medical expenses
2. College tuition for you or a dependent
3. To prevent eviction or foreclosure
4. Down payment on your principle residence
5. Funeral expenses for a parent, spouse, or dependent.
6. Repair damages to principle residence that qualify for deduction under the Internal Revenue Code.

Unless the funds are used for the payment of tax deductible medical expenses, you may be subject to a 10% penalty tax. Remember, you will have to demonstrate "heavy and immediate need" and prove that this is your financial source of last resort.

13. Who is investing my money and administering the plan?

Securian Financial Services of Minnesota Life Insurance Company is investing your money and administering the plan. The company provides services to over 2000 plans, manages over \$20 billion in assets and serves more than 6 million people nationwide.

14. When can I join the plan?

Enrollment will be allowed in January and July each year subject to the following:

- One year of employment
- At least 18 years of age
- Worked at least 1000 hours in previous year

15. How do I get started?

The Agency will notify you when you are eligible to enroll. You will be required to attend an informative meeting and complete the appropriate forms.

Note: Your Summary Plan Description has a more complete description of the plan.