



October 21, 2005

«FirstName» «LastName»
«Company»
«Address1» «Address2»
«City», «State» «ZipCode»

Dear «FirstName»:

RE: Roth 401(k) feature effective January 1, 2006

We are letting you know that next week we will be sending to our clients who are 401(k) plan sponsors information about the Roth 401(k) feature that can be added to their 401(k) plan effective January 1, 2006.

We want to help you understand Roth 401(k) contributions and how they work, as well as provide you assistance in implementing this feature. The addition of a Roth 401(k) feature is a tremendous opportunity to provide service to your clients.

Our Fall Newsletter previously sent by email featured the Roth 401(k) and how it works. You can also find a PowerPoint presentation on our website at www.pensioninsider.com.

You may also be hearing about the Roth 401k in the news media. For your information, we are including the following information on Roth 401(k)'s with this letter:

- TPS Service Alert – designed to assist financial consultants
- TPS Fall Newsletter, explaining Roth 401(k) contributions
- Tri-fold brochure with advantages, and steps to implement
- Sample participant enrollment form with a decision matrix on the back
- Chart comparing the Roth and traditional 401(k) features
- Blank client engagement letter which can be signed and faxed to us if you are meeting with a client who wishes to add this feature

There is a one-time fee for implementing this change to 401(k) plans. If the Client wishes, this fee can be paid from plan assets. This fee covers any changes in documents that may be required due to changes in the Roth IRS rules through December 31, 2007. There are no additional ongoing costs for the administration of the Roth 401(k).

The addition of a Roth 401(k) plan option allows plan participants to customize their savings for retirement based on their own financial situation and tax brackets. It will also allow the plan to receive Roth 401(k) rollover money from participants that may have come from employers that have the Roth 401(k) option.

If you have additional questions regarding this service, or wish to speak to one of our consultants, please call us at 815.394.5500 or 800.963.5501, or contact us by email at info@pensioninsider.com.

Sincerely,

Anne Brannon
Director of Technical Consulting

Encl.



October 20, 2005

Name: _____

Name of Company/ Plan Sponsor: _____

("The Client") 401(k) Plan Name: _____
also referred to as ("The Plan")

CLIENT ENGAGEMENT LETTER AND CONTRACT FOR SERVICES

The Plan Sponsor and Plan Trustee signatures below authorize The Client to engage The Pension Specialists, Ltd. (TPS, Ltd.) to provide the following services to the The Plan for the stated fee:

I. Consulting Services (One Time) for plan design change to add Roth 401(k) feature to The Plan:

Prepare Documents to add Roth 401(k) feature:

- Sample Corporate Resolution
- Preparation and Review of Amendment to plan document
- Summary of Material Modifications for plan participants
- Revised Enrollment Form
- Participant Education materials explaining differences between Roth and Traditional 401(k) deferrals
- Establish administrative record keeping for Roth contributions
- Process enrollment forms

The company wishes to deduct this fee from my plan assets

The company wishes to pay this fee from the company. Please invoice.

NOTE: the one time fee for this plan change can be paid from the retirement plan assets

II. Payment Terms

Balance due at time of engagement letter is signed and returned. Balances not paid in full within 40 days of the original invoice date are subject to interest of 1.5% per month. The minimum interest charge is \$0.50. In the event an unpaid balance is referred to our collection agency, the client agrees to pay 35% in addition to the unpaid balance in order to cover collection costs. The Client also agrees to reimburse TPS for attorney fees, court costs and other expenses should legal action become necessary.

III. Additional Terms

Fees owed to TPS for administrative services are an obligation of the Client. Any unpaid fees will be deducted from the plan assets if not paid pursuant to the Payment Terms above. This fee covers any changes in documents that may be required due to changes in the Roth IRS rules through December 31, 2007. There are no additional ongoing costs for the administration of the Roth 401(k).

_____/_____
Plan Sponsor Signature Date

_____/_____
Plan Trustee Signature Date

_____/_____
The Pension Specialists, Ltd. Date