

Navy Exchange Service
Command 401(K) Plan

Welcome to the NAVY EXCHANGE SERVICE COMMAND 401(K) PLAN

We're excited to provide you with important information on your retirement plan. This great benefit could make a difference in the quality of your life during retirement. No matter what your retirement goals are, you need to start planning now to reach those goals.

Your retirement plan offers you features such as:

- **DWS Scudder University.** DWS Scudder's retirement planning program. Visit www.university.dws-scudder.com for your online planning tools and resources.
- **Diverse fund offerings.** Choose from a wide range of investment options to create a well-balanced portfolio that best meets your needs.
- **Convenient account access.** You have access 24/7* to your retirement account online or through an automated voice response system.

This kit has the tools you need to get started. It's easy to use and walks you step-by-step through the process by helping you set goals, create a plan and invest for retirement.

Inside you will find your plan highlights, fund summaries, sample portfolios, helpful worksheets, an interactive calculator and much more.

* 24/7 means generally available 24 hours a day, seven days a week except for periods of scheduled maintenance.

Navy Exchange Service Command 401(k) Plan Highlights

WHO CAN JOIN

Your plan covers

Your plan covers all civilian, non-appropriated employees of the following companies (subject to certain exceptions described in the summary plan description):

- Navy Exchange Service Command

To participate, your plan requires

- You must be a regular full or part-time employee.
- You must be age 18.
- You must have completed one year of service.
- You must be a U.S. citizen, or a non-U.S. citizen employed in the United States.

To enroll in your plan

Once you have met the requirements, you can enroll in the plan by completing an Enrollment Form and completing a Designation of Beneficiary Form and returning the form to your employer.

YOUR CONTRIBUTIONS

Employee pre-tax contributions

You may contribute to the plan on a pre-tax basis — which means that your contributions are deducted from your paycheck before taxes are taken out. You do not pay taxes on your pre-tax contributions or earnings until you take a distribution from the plan.

Pre-tax contributions are allowed as a percentage taken from your paycheck each payroll period — minimum: 1% — maximum: 90% (a lower maximum may apply if you are a highly compensated employee).

Pre-tax contributions are limited per plan year (subject to the tax law limit for any calendar year).

Rollover Contributions

Rollovers are accepted (even if you are not a participant yet).

EMPLOYER CONTRIBUTIONS

Employer matching contributions

- The plan provides for matching contributions.

- The contribution is made based on employee pre-tax contributions — these are called match eligible contributions.
- The contribution is determined under the following schedule:
- For every dollar you contribute, your employer will contribute 50 cents, up to 6% of pay, for a maximum employer contribution of 3%.

VESTING

You are always fully — 100% — vested in your accounts.

- Employer contributions are subject to the following vesting schedule:

Vesting Years*	1	2	3
Percentage of Ownership:	25%	50%	100%

**Vesting years are measured using your first day of participation in the Plan. You must complete 12 months of plan participation to receive credit for one year of vesting service.*

PLAN LOANS

- Loans are allowed from the plan in accordance with a participant loan program.
- A loan is allowed for any reason.
- The minimum loan amount is \$1,000. The maximum loan is 50% of your vested account balance, or \$50,000 less your highest outstanding loan balance during the past 12 months (whichever is less).
- You may have only one loan outstanding at a time.
- Loan principal and interest is paid back into your account, where they can grow tax deferred. So long as you make timely loan repayments, you do not pay taxes or penalties on your loan amounts.
- Plan loans have a one-time setup fee of \$75.

DISTRIBUTIONS

Distributions are allowed in the event of the following:

- Termination of employment
- Retirement
- Disability
- Death
- Available payment forms: lump sum. Before you receive your distribution, information will be sent to you regarding the tax consequences of your distribution. You may be required to pay a 10% penalty for early withdrawal if you are under age 59½, in addition to regular income taxes. You may receive all of your contributions and vested employer contributions (if any), as well as earnings on those contributions, upon termination.

WITHDRAWALS

- Withdrawals are allowed from employee pre-tax accounts: for any reason after age 59½, or at any time on account of financial hardship.
- Withdrawals are allowed from rollover accounts: for any reason after age 59½, or at any time on account of financial hardship.
- Withdrawals are allowed from employer matching accounts: for any reason after age 59½, or at any time on account of financial hardship (to the extent vested).

24-HOUR ACCOUNT ACCESS

You can access account information or make changes to your investments by calling the Voice Response System, at 1-800-541-7705, or logging on to InterActive Account at <http://university.dws-scudder.com> for the following:

- Account balance information
- Fund information
- Transfer current account balances from one fund to another at the then-current net asset value
- Change your contribution percentage
- Stop contributions

You will receive written confirmation of your transaction within approximately five business days of the transaction. Transaction requests made by 4:00 p.m. Eastern Time will generally receive that business day's closing price. Requests made after 4:00 p.m. Eastern

Time, or on weekends or holidays, will receive the next business day's closing price.

INVESTMENT OPTIONS

Through your retirement plan, you are able to allocate contributions to a variety of investment options.

Please call 1-800-541-7705 and press "0" (zero) to speak with an Employee Service Center Representative to request a prospectus that contains more complete information, including management fees and other expenses. Prospectuses are also available on-line at <http://university.dws-scudder.com>. Please read the current prospectus(es) carefully before you invest. Trading restrictions, including short-term trading redemption fees, may exist for the funds offered in your plan. Past fund performance is no guarantee of future returns.

MORE INFORMATION

You will receive account statements on a quarterly basis.

Included with your quarterly statement is an informational newsletter containing retirement planning/investment information.

If you have questions about your retirement plan or need account information, you can speak with an Employee Service Center Representative. Representatives are available Monday through Friday, 8:00 a.m. to 9:00 p.m. Eastern Time, by calling 1-800-541-7705.

You can also access interactive retirement planning calculators and a wealth of retirement plan information through the Internet at <http://university.dws-scudder.com>

Note: This form was created by ADP, Inc. Retirement Services Division. Neither DWS Scudder Distributors Inc. nor any of its affiliates is responsible for the content of this form.

1. SET GOALS

Define your retirement goals and start your retirement savings strategy.

Retirement can be a time of extraordinary fulfillment. But you need the financial resources to enjoy retirement your way. If you want to retire comfortably, planning for retirement becomes a necessity. While your current priorities might include saving for a car or educating your kids, retirement should rank as high as possible.

Make sure you set time aside to think about your retirement goals or discuss them with someone important in your life. As you think of your goals you may want to consider these questions:

1. How much money will you need to maintain your lifestyle?
2. How will you pay for your healthcare expenses?
3. Do you have a plan for unexpected costs?

LEARNING TOOL

To learn about retirement sources of income, read the article "**How Much Do You Need To Retire?**" at www.dwsretire.com.



2. CREATE A PLAN

Once you have defined your goals, it's time to create a plan.

Experts estimate that retirees need about 70% of their annual pre-retirement income to maintain their current lifestyle in retirement. Much of the average American's retirement income now comes from personal savings. The Social Security system is facing serious future financial problems,¹ so you may need to depend on your savings even more.

Whatever your age, whenever you hope to retire, the earlier you start investing, the more you could accumulate over time.

LEARNING TOOL

Log onto www.dwsretire.com to see the difference saving more toward retirement can have on your long-term goals.

Check out the interactive chart "**Retirement Savings: The Big Difference a Little Bit Extra Could Make**" under the Quicklink, **How Much Do I Need To Save?** for more information.

¹Source: Social Security Online Retirement Planner, 04/07



3. INVEST FOR RETIREMENT

Now it's time to put your plan into action and build a retirement portfolio that meets your needs.

Your retirement portfolio will likely be made up of a variety of mutual funds. A mutual fund pools the money of people who have similar or "mutual" investment goals. Depending on the fund's investment goals, professional money managers use the pool of money to buy a variety of securities or investment options.

Your retirement plan offers you investment options that most likely include three asset classes:

- Stocks
- Bonds
- Stable value investments

Each has different potential risks and rewards. The greater risk usually goes hand-in-hand with the greater potential for reward.

Stocks: for greater growth potential, with greater risk. Stocks are shares of ownership in a corporation. Although past performance is no guarantee of future results, stocks historically have offered the greatest potential for higher returns over long periods of time. But, because their prices regularly rise and fall, they also have the highest degree of risk.

Bonds: for moderate growth potential, with moderate risk. Bonds are like an IOU written by a corporation or government. You lend them your money, and the return you make on the investment is an interest payment from the borrower. When bonds mature, the

borrower pays back your principal or original investment. While bonds generally provide higher return potential than stable investments like FDIC-insured certificates of deposit (CDs), their prices are not fixed. Bond prices rise as interest rates fall, and vice versa.

Stable value investments: for relative safety and stability of principal. Popular stable value investments include money market funds, FDIC insured CDs, and guaranteed investment contracts (GICs). Also known as cash equivalents, these products offer income potential while trying to keep the value of your principal constant. Stable value investments may provide a degree of stability to your overall retirement savings. But there is no assurance that they will maintain a stable share price and, in the long run, may not perform well enough to outpace inflation. That is why a certain amount of prudent risk-taking may be necessary when investing over the long-term for retirement.

LEARNING TOOL

Gain additional information about the different styles of mutual funds by reading the article "**Mutual Fund Investment Styles.**"

Go to www.dwsretire.com and click on the Quicklink, **How Do I Invest?** to learn more.

WHAT KIND OF INVESTOR ARE YOU?

This risk tolerance quiz can help you design a plan to succeed. When you're creating your retirement investing plan, you should understand how much risk you're willing to take with your investments. Maybe you're someone who can "put it all on the line," or maybe a need for security drives your decisions.

In the long run, a certain amount of prudent risk taking may be necessary when investing. In the chart below, please read each statement, then circle the number that

most accurately reflects how you feel about investing. Add up the circled numbers to get your total score.

The type of investor you are shows how much risk you're willing to take with your investments. Refer to the sample portfolios in the section "The Right Portfolio For You" to help you choose an investment mix that may be appropriate for you. If your score falls near the beginning or end of any of these investor types, you may want to look at the next closest sample portfolio.

RISK TOLERANCE QUIZ

How do you feel about investing?	Strongly Disagree			Strongly Agree	
I accept higher risks in order to pursue higher returns on my investments.	1	2	3	4	5
It is important for the return on my investments to stay ahead of inflation.	1	2	3	4	5
I don't move my investments, even if they lose money during the course of a year.	1	2	3	4	5
I invest in the plan to save for retirement, and therefore do not plan to take a loan or withdrawal.	1	2	3	4	5
I am well-informed about my investments, the markets, and retirement issues.	1	2	3	4	5
When do you plan to retire?	1		3		5
	Less than five years		Five to 10 years		More than 10 years

Add up the numbers you circled and enter the total here: _____

LEARNING TOOL

To learn how you may be able to reduce risk by spreading your money among different types of securities, read the article "**Reducing Risk With Diversification**" at www.dwsretire.com

Your Score	Investor Type
6 – 10	Conservative
11 – 15	Moderately Conservative
16 – 21	Moderately Aggressive
22 or more	Aggressive

THIS IS WHAT YOUR SCORE MEANS.

If you scored 6–10, you may want to consider a more conservative portfolio. (Portfolio is the financial term for all the investments you select.)

A conservative portfolio may appeal to you if:

- You have less than five years until you retire
- You plan to borrow one-third or more from your plan in the next one to three years
- You have no emergency fund
- You do not plan to have considerable expenses in retirement
- You do not believe your salary will significantly rise before you retire
- You're unwilling to accept more investment risk in exchange for potentially higher returns
- All of your retirement savings are (or will be) in this plan

If you scored 11–15, you may want to consider a moderately conservative portfolio.

A moderately conservative portfolio may appeal to you if:

- You have five to 10 years before you retire
- You do not anticipate borrowing one-third or more from your plan before retirement
- You have an emergency fund, but it's not equal to three months of take-home pay
- You may have some considerable expenses in retirement, such as travel or a child's education
- Your salary may rise by a considerable amount before you retire
- You're somewhat willing to accept more investment risk in exchange for potentially higher returns
- You have at least one other retirement savings investment outside of this plan

If you scored 16–21, you may want to consider a moderately aggressive portfolio.

A moderately aggressive portfolio may appeal to you if:

- You have 10–20 years before you retire
- You probably won't borrow one-third or more from your plan in the next four to six years
- You have an emergency fund that's equal to six months of take-home pay
- You anticipate some considerable expenses in retirement, such as travel or a child's education
- Your salary will probably rise by a considerable amount before you retire
- You're willing to accept more investment risk in exchange for potentially higher returns
- You have at least one other retirement savings investment outside of this plan

If you scored 22–30, you may want to consider an aggressive portfolio.

An aggressive portfolio may appeal to you if:

- You have more than 20 years before you retire
- You do not expect to take a loan from your retirement plan
- You have an adequate amount of money in an emergency fund
- You anticipate having considerable expenses in retirement, such as travel or a child's education
- You consider it likely that your salary will rise significantly before you retire
- You're willing to accept more investment risk in exchange for potentially higher returns
- You have two or more retirement savings investments outside of this plan

THE RIGHT PORTFOLIO FOR YOU

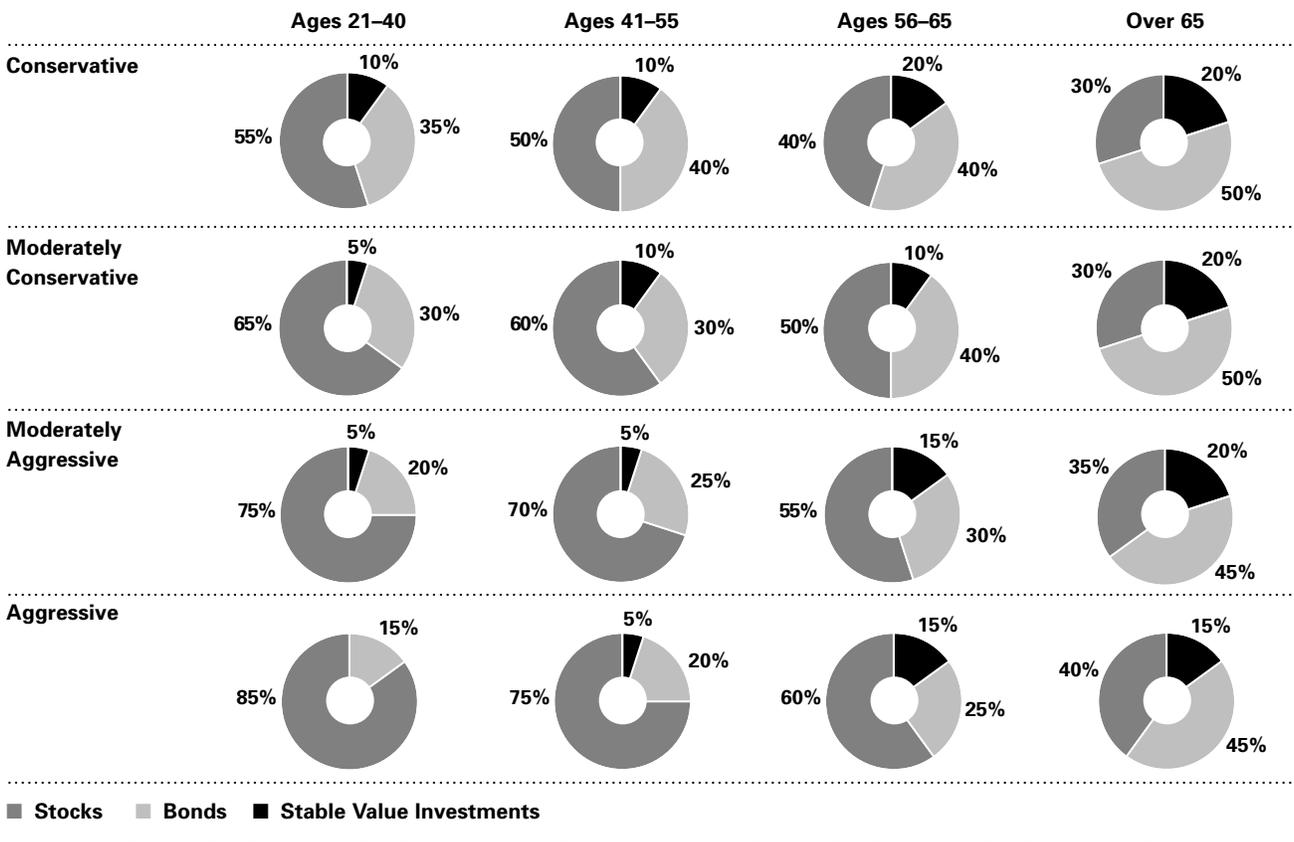
How you diversify your retirement savings across the different asset classes – stocks, bonds, or stable value investments – can have a significant impact on your investment performance. As a result, it is important for you to understand what asset allocation is so you have a strategy to reach your long-term retirement goals.

Asset allocation – the process of spreading investments across different investment categories – is a strategy for diversifying. It can help reduce your exposure to market risk, increase your potential return, or curb the volatility of your overall investment portfolio.

Your personal strategy for investing will depend mostly on your age and tolerance for market risk, and will likely need to evolve as you grow older and your circumstances change.

The sample portfolios below are models of how you might decide to invest based on your investment style. Keep in mind that these sample portfolios are guidelines and should not be construed as recommendations. Please consider your personal situation along with these sample portfolios in order to create a strategy that suits your unique needs.

SAMPLE PORTFOLIOS



Asset allocation does not assure or guarantee better performance or returns and does not eliminate the risk of investment losses.

INVESTMENT OPTION INFORMATION

The investment options that appear on the following pages are ordered from the more conservative and typically less risky investments to more aggressive investments that typically entail greater risk. It's important to note that all mutual funds involve risk. Some investment products have more risk than others.

The investment options appearing on the following pages contain information on each product's objective,

performance, and risks. Please refer to the prospectus for more detailed information on each of the products.

If you have any questions about your plan, need account information, or wish to obtain more information on any of the funds, contact the Employee Service Center at 1-800-541-7705 and press "0" to speak to a Representative, Monday through Friday, 8:00 a.m. to 9:00 p.m. Eastern time.

PERFORMANCE INFORMATION

Performance is historical and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. For the product's most recent month-end performance, please call the Employee Service Center at 1-800-541-7705.

OBTAIN A PROSPECTUS

To obtain a prospectus, talk to your financial representative or call the Employee Service Center at 1-800-541-7705. We advise you to carefully consider the product's objectives, risks, charges, and expenses before investing. The prospectus contains this and other important information about the investment product. Please read the prospectus carefully before you invest.

Ticker: N/A

Share Class: N/A

Fund Manager: Data Not Available

DWS Stable Value Trust

INVESTMENT PHILOSOPHY AND RISK

DWS Stable Value Trust seeks to provide principal stability, a competitive yield (as compared with money market instruments) and reliable liquidity from a portfolio of high-quality instruments, including guaranteed insurance contracts (GICs), bank investment contracts (BICs), synthetic contracts, private placements and cash equivalents.

DWS Stable Value Trust is a collective investment trust. It is not a mutual fund. Collective investment trusts have similar characteristics to mutual funds, but are structured differently. Collective investment trusts do not have prospectuses.

DWS Stable Value Trust seeks to maintain a constant net asset value of \$1.00 per share, but there can be no assurance that the stable net asset value will be maintained. It is possible to lose money by investing in the trust.

Investment in this trust is neither insured nor guaranteed by the US government.

The principal sponsor for this fund is DWS Trust Company, 11 Northeastern Blvd., Salem, NH 03079.

Ticker: SGINX

Share Class: S

Fund Manager: Chepolis/
MacDonald

DWS GNMA Fund

INVESTMENT PHILOSOPHY AND RISK

DWS GNMA Fund seeks a high level of income while seeking to reduce downside risk compared with other GNMA mutual funds by investing mainly in mortgage-backed securities that are issued or guaranteed by the Government National Mortgage Association (GNMA). The fund can also invest in US Treasury securities but will have 65% of assets in GNMA's at all times. With these types of securities, the timely payment of interest and principal is guaranteed by the full faith and credit of the US Government. In deciding which types of securities to buy and sell, the portfolio managers first consider the relative attractiveness of GNMA's compared to Treasuries and decide on allocations for each. Their decisions are generally based on a number of factors, including changes in supply and demand within the bond market. In choosing individual bonds, the managers review each bond's fundamentals, compare the yields of shorter maturity bonds to those of longer maturity bonds, and use technical analysis to project prepayment rates and other factors that could affect a bond's attractiveness. The fund invests in individual bonds whose yields and market values fluctuate so that your investment may be worth more or less than its original cost. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the bond fund, can decline and the investor can lose principal value. Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: SFXSX

Share Class: S

Fund Manager: Bartlett/Vile/
Flaherty/Davis/Gagnier

DWS Core Fixed Income Fund

INVESTMENT PHILOSOPHY AND RISK

DWS Core Fixed Income Fund seeks to maximize total return consistent with preservation of capital and prudent investment management by investing for both current income and capital appreciation. Under normal circumstances, the portfolio invests at least 80% of its assets, determined at the time of purchase, in fixed-income securities, which include but are not limited to those of the US Treasury and US government agencies. Investors in the fund should be able to withstand fluctuations in the fixed-income markets. The yield and value of the fund change daily and can be affected by changes in interest rates, general market conditions, and other political, social and economic developments, as well as specific matters relating to the companies in whose securities the fund invests. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the bond fund, can decline and the investor can lose principal value. Please read the fund's prospectus for specific details regarding the its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: NYVTX

Share Class: A

Fund Manager: Davis/Feinberg

Davis New York Venture Fund

INVESTMENT PHILOSOPHY AND RISK

The fund may be appropriate for investors seeking capital appreciation for long-term goals.

The fund seeks its investment objective of long-term growth of capital by investing primarily in investments that fund management believes will increase in value over the long-term.

As with any fund, the value of the fund's investments and, therefore, the value of the fund's shares may fluctuate. These changes may occur because a particular market in which the fund invest is rising or falling. In addition, there are specific factors that may affect the value of a particular security. Also, fund management may select securities that underperform the markets, the relevant indices or securities selected by other funds with similar investment objectives and investment strategies. If the value of the fund's investment goes down, you may lose money. The fund may invest in the securities of foreign issuers. Foreign investing involves special risks, including foreign currency risk and the possibility of substantial volatility due to adverse political, economic or other developments. Please see the prospectus for specific information regarding the fund's risk profile.

The principal underwriter for the Davis funds is Davis Distributors, LLC, East Elvira Road, Suite 101 Tucson, AZ 85706. (800) 279-0279. www.davisfunds.com.

Ticker: FMDCX
Share Class: N/A
Fund Manager: Jelilian/Russo

Federated Mid-Cap Index Fund

INVESTMENT PHILOSOPHY AND RISK

This fund may be appropriate for the aggressive portion of your portfolio. The fund seeks investment results generally corresponding to the aggregate price and dividend of the mid-level stock capitalization sector of the US equity market. Stocks of medium-size companies involve greater risk than securities of larger, more established companies, as medium-sized companies often have limited product lines, markets or financial resources, and the stocks may be subject to more-erratic and more-abrupt market movements. Please read the prospectus for specific details regarding the fund's risk profile.

The principal underwriter of the Federated funds is Federated Securities Corp., 5800 Corporate Drive, Pittsburgh, PA 15237-7000. www.federatedinvestors.com. (800) 341-7400.

Ticker: RGACX
Share Class: R3
Fund Manager: Crawford/Drasdo/
Ireland/O'Neal/Rothenberg

American Funds Growth Fund of America

INVESTMENT PHILOSOPHY AND RISK

The fund may be appropriate for moderately aggressive long-term investors seeking the growth potential of large company stocks, a high total return on their investment and are willing to accept short-term fluctuations in principal. The fund seeks to invest primarily in common stocks of companies that appear to offer superior opportunities for growth of capital.

Your investment in the fund is subject to risks, including the possibility that the value of the fund's investments will fluctuate in response to events specifically involving the companies in which the fund invests, as well as economic, political or social events in the United States or abroad. Please see the prospectus for specific information regarding the fund's risk profile.

The principal underwriter for the American Funds is American Funds Distributors, Inc. Los Angeles, CA 90071. www.americanfunds.com. (800) 421-0180.

Ticker: PVADX
Share Class: Admin
Fund Manager: Fischer/Magnuson/
Mckinney

Allianz NFJ Small Cap Value Fund

INVESTMENT PHILOSOPHY AND RISK

This fund may be appropriate for the aggressive growth portion of a retirement portfolio. The fund seeks fundamentally sound, dividend-paying small-cap companies that the fund manager believes are undervalued.

The fund seeks long-term growth of capital and income by investing primarily in common stocks of companies with market capitalizations of between \$100 million and \$3.5 billion that are characterized by below-average price-to-earnings ratios relative to their industry groups.

The fund normally invests 80% of its assets in smaller companies, which may entail greater risk than larger companies, including higher volatility. Regarding investing in value securities, the market may not necessarily have the same value assessment as the manager, and thus, the performance of the securities may decline. This fund may use derivative instruments for hedging purposes or as part of its investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund cannot close out a position when it would be most advantageous to do so. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments. See the prospectus regarding the fund's risk profile.

The principal underwriter for the Allianz funds is Allianz Global Investors Distributors LLC, 2187 Atlantic Street, Stamford, CT, 06902, www.allianzinvestors.com, (888) 877-4626.

Ticker: BSCFX
Share Class: N/A
Fund Manager: Clifford Greenberg

Baron Small Cap Fund

INVESTMENT PHILOSOPHY AND RISK

This fund may be appropriate for investors seeking long-term growth of capital through investments in small US companies. Investors in this fund should be able to accept above-average stock market risk and little or no current income. The fund seeks capital appreciation through investments primarily in securities of small companies that Baron believes have superior growth prospects. The advisor believes that there is more potential for capital appreciation in investments in smaller companies, but there also may be more risk. Specific risks associated with investing in smaller companies include that the securities may be thinly traded and they may be more difficult to sell during market downturns. The fund may not achieve its objectives. Portfolio holdings are subject to change. Please see the prospectus for specific information regarding the fund's risk profile.

The distributor for the Baron Funds is Baron Capital, Inc., 767 Fifth Avenue, New York, NY 10153, www.baronfunds.com, (800) 992-2766.

Ticker: KDCSX
Share Class: S
Fund Manager: Thomas Schuessler

DWS Large Cap Value Fund

INVESTMENT PHILOSOPHY AND RISK

DWS Large Cap Value Fund seeks long-term capital appreciation, with current income as its secondary objective, by investing primarily in undervalued stocks of companies with sound finances. The portfolio's managers use a contrarian value investment strategy to look for stocks from historically sound companies that are temporarily out of favor. Investments are screened based on value characteristics, including low price-to-earnings ratios, low price-to-book ratios and above-market dividend yields, creating a portfolio of undervalued, large-company stocks diversified across many sectors and industries. The fund is subject to stock market risk. It focuses its investments on certain economic sectors, thereby increasing its vulnerability to any single economic, political or regulatory development. This may result in greater share price volatility. Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: RERCX
Share Class: R3
Fund Manager: Bepler/Denning/
Lovelace/Kawaja/Heong

American Funds EuroPacific Growth Fund

INVESTMENT PHILOSOPHY AND RISK

This fund can provide international diversification and may be appropriate for investors seeking to complement existing international/global investments. The fund seeks to provide long-term growth of capital by investing in companies based outside the United States.

An investment in this fund is subject to risks, including the possibility that the value of the fund's investments will fluctuate in response to events specifically involving the companies in which the fund invests, as well as economic, political or social events in the United States or abroad, and currency fluctuations. Please see the prospectus for specific information regarding the fund's risk profile.

The principal underwriter for the American Funds is American Funds Distributors, Inc. Los Angeles, CA 90071. www.americanfunds.com. (800) 421-0180.

Ticker: SCPCX

Share Class: S

Fund Manager: Okounkova/Wang

DWS LifeCompass Retirement Fund

INVESTMENT PHILOSOPHY AND RISK

The fund seeks current income and, as a secondary objective, long-term growth of capital. The management team invests mostly in bond mutual funds, with a complement of equity mutual funds. The bond fund component of the portfolio aims to provide income and stability, while the equity fund component offers growth potential. The mixture of investments is aimed to create diversification, a strategy that can help manage overall portfolio volatility. Diversification does not eliminate risk. The portfolio's underlying funds are subject to stock market risk. Investing in foreign securities presents certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes, and market risks. The portfolio's underlying funds invest in individual bonds whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the fund, can decline and the investor can lose principal value. Derivatives may be more volatile and less liquid than traditional securities, and the portfolio could suffer losses on its derivative positions. **An investment in underlying money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. The portfolio invests in bond funds whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost.** Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: SPGRX

Share Class: S

Fund Manager: Okounkova/Wang

DWS LifeCompass 2020 Fund

INVESTMENT PHILOSOPHY AND RISK

The fund seeks to achieve as high return as is consistent with its asset allocation until the target year. The management team normally invests primarily in equity mutual funds with the potential for growth of capital. A portion of assets is in fixed income funds to provide an element of balance and help minimize risk. The mixture of investments creates diversification—a strategy that can help manage overall portfolio volatility. As the fund approaches its target year, the fund will decrease its emphasis on growth of capital and increase its emphasis on current income. The fund is designed for investors seeking to meet their respective investment goals, such as retirement, around the year 2020.

Diversification does not eliminate risk. The portfolio's underlying funds are subject to stock market risk. Investing in foreign securities presents certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes, and market risks. The portfolio's underlying funds invest in individual bonds whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the fund, can decline and the investor can lose principal value. derivatives may be more volatile and less liquid than traditional securities, and the portfolio could suffer losses on its derivative positions. **An investment in underlying money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.** Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: PPLSX
Share Class: S
Fund Manager: Okounkova/Wang

DWS LifeCompass 2030 Fund

INVESTMENT PHILOSOPHY AND RISK

The fund seeks to achieve as high return as is consistent with its asset allocation until the target year. The portfolio's target allocation is 100% equity funds, but the managers may include a fixed income position of up to 30%. The managers regularly review the actual allocation and may adjust it to take advantage of current or expected market conditions, or to manage risk, and take a top-down approach, using a proprietary mix of qualitative and quantitative inputs to arrive at a view for the securities markets. Based on the desired exposure to particular investments and a risk analysis, the managers decide which funds to use as underlying funds and in which proportions. As the fund approaches its target year, the fund will decrease its emphasis on growth of capital and increase its emphasis on current income. The fund is designed for investors seeking to meet their respective investment goals, such as retirement, around the year 2030.

Diversification does not eliminate risk. The portfolio's underlying funds are subject to stock market risk. Investing in foreign securities presents certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes, and market risks. The portfolio's underlying funds invest in individual bonds whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the fund, can decline and the investor can lose principal value. Derivatives may be more volatile and less liquid than traditional securities, and the portfolio could suffer losses on its derivative positions. **An investment in underlying money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.** Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: MSFRX
Share Class: A
Fund Manager: Hawkins/Roberge/
Gorham/Taylor/Locraft

MFS Total Return Fund

INVESTMENT PHILOSOPHY AND RISK

This fund may be appropriate for an investor seeking both stock and bond exposure in a single fund.

The main objective of the fund is to provide above-average income (compared to a portfolio entirely in equity securities) consistent with the prudent employment of capital.

The principal risks of investing in the fund and the circumstances reasonably likely to cause the value of your investment in the fund to decline are described in the prospectus. The share price of the fund generally changes daily based on market conditions and other factors. These risks may increase share price volatility. Bond investments are subject to interest-rate risk such that when interest rates rise, the prices of the bonds, and thus the value of the bond fund, can decline and the investor can lose principal value. Please see the prospectus for specific information regarding the fund's risk profile.

The principal underwriter for MFS funds is MFS Fund Distributors, 500 Boylston Street Boston, MA 02116. www.mfs.com. (800) 225-2606.

Ticker: SPBAX
Share Class: S
Fund Manager: Okounkova/Wang

DWS LifeCompass 2015 Fund

INVESTMENT PHILOSOPHY AND RISK

The fund seeks to achieve as high total return as is consistent with its asset allocation until the target year. With a mixture of equity and fixed-income mutual funds, the portfolio is designed to create diversification, a strategy that can help manage overall fund volatility. As the fund approaches its target year, the fund will decrease its emphasis on growth of capital and increase its emphasis on current income. This fund is designed for investors seeking to meet their respective investment goals, such as retirement, around the year 2015. Diversification does not eliminate risk. The portfolio's underlying funds are subject to stock market risk. Investing in foreign securities presents unique risks not associated with domestic investments, such as currency fluctuation, political/economic changes and market risks. The portfolio's underlying funds invest in individual bonds whose yields and market values fluctuate, so that your investment may be worth more or less than its original fund, can decline and the investor can lose principal value. Derivatives may be more volatile and less liquid than traditional securities, and the portfolio could suffer losses on its derivative positions. **An investment in underlying money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or by any government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.** Please read this fund's prospectus for specific details regarding its risk profile.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: TGTSX
Share Class: S
Fund Manager: Okounkova/Wang

DWS LifeCompass 2040 Fund

INVESTMENT PHILOSOPHY AND RISK

The fund seeks to achieve as high total return as is consistent with its asset allocation until the target year. The managers regularly review the portfolio's actual allocation and may adjust it to take advantage of current or expected market conditions, or to manage risk, and take a top-down approach, using a proprietary mix of qualitative and quantitative inputs to arrive at a view for the securities markets. Based on the desired exposure to particular investments and a risk analysis, the managers decide which funds to use as underlying funds and in which proportions. As the fund approaches its target year, the fund will decrease its emphasis on growth of capital and increase its emphasis on current income. The fund is designed for investors seeking to meet their respective investment goals, such as retirement, around the year 2040. Diversification does not eliminate risk. The portfolio's underlying funds are subject to stock market risk. Investing in foreign securities presents certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes, and market risks. The portfolio's underlying funds invest in bonds whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost. Bond investments are subject to interest-rate risk such that when interest rates rise, the price of bonds, and thus the value of the bond portion of the fund, can decline and the investor can lose principal value. Derivatives may be more volatile and less liquid than traditional securities, and the portfolio could suffer losses on its derivative positions. See the prospectus for details regarding the portfolio's risk.

The principal underwriter for the DWS funds is DWS Investments, Inc., 222 South Riverside Plaza, Chicago, IL 60606-5808. www.dws-investments.com (800) 621-1148.

Ticker: N/A

Share Class: N/A

Fund Manager: Data Not Available

DWS Stock Index Fund

INVESTMENT PHILOSOPHY AND RISK

DWS Stock Index Fund may be appropriate for the moderately aggressive portion of your retirement portfolio.

The fund seeks to match, before fees and expenses, the performance of the S&P 500 Index, which emphasizes stocks of large US companies.¹

While this collective investment trust seeks to closely track the characteristics and performance of the S&P 500 Index, important differences between the two exist. The index is not available for direct investment, and there are no fees or expenses associated with the index's performance. DWS Stock Index Fund is a collective investment trust, not a mutual fund. Collective investment trusts have similar characteristics to mutual funds, but are structured differently. Collective investment trusts do not have prospectuses. DWS Stock Index Fund only purchases shares of the State Street S&P 500 Fund and "Standard & Poor's," "S&P," "S&P 500," "Standard & Poor's 500" and "500" are trademarks of The McGraw-Hill Companies, Inc., and have been licensed for use by the fund's advisor. DWS S&P 500 Index Fund is not sponsored, endorsed, sold, nor promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of investing in the portfolio. There is no guarantee that the fund will be able to mirror the S&P 500 index closely enough to track its performance.

The principal sponsor for this fund is DWS Trust Company, 11 Northeastern Blvd., Salem, NH 03079.

VIEW A PROSPECTUS

For more information or to obtain a prospectus, contact the Employee Service Center at 1-800-541-7705 or you may view prospectuses for the DWS funds online at www.dws-scudder.com. We advise you to carefully consider the product's objectives, risks, charges and expenses before investing. The prospectus contains this and other important information about the investment product. Please read the prospectus carefully before you invest.

This fact sheet was prepared by DWS Distributors, Inc. to support the promotion and marketing of the listed funds. Principal underwriters of each fund listed above.

Fund description and portfolio management data for each investment have been obtained directly from the principal underwriter's web site and from each investment's prospectus. Please refer to the fund's prospectus for more information regarding its description, risk profile, portfolio management and performance.

Each investment has been classified according to its asset class category (i.e. money markets, domestic equity) and then ranked according to its Lipper, Inc. class ranking within the asset class. If multiple investments within a category are represented, the investments are listed alphabetically.

**NOT FDIC/NCUA INSURED MAY LOSE VALUE
NO BANK GUARANTEE NOT A DEPOSIT
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

DWS Scudder is part of Deutsche Asset Management, which represents the US asset management activities of Deutsche Bank AG, Deutsche Bank Trust Company Americas, Deutsche Investment Management Americas Inc. and DWS Trust Company.

DWS Scudder Distributors, Inc.
222 South Riverside Plaza Chicago, IL 60606-5808

ONE GLOBAL FORCE. ONE FOCUS. YOU.



INVESTMENT OPTIONS		CUMULATIVE RETURNS				ANNUAL TOTAL RETURNS				Inception Date	Gross Expense Ratio	Net Expense Ratio	Ticker	Footnote
Share Class	YTD	1-mo.	3-mo.	1-yr	3-yr	5-yr	10-yr	Life of Fund						
Money Market Funds														
DWS Stable Value Trust	2.05	0.32	0.97	4.35	4.27	4.16	4.96	5.86	09/29/1989	0.01	*			
Income Funds														
DWS GNMA Fund	2.16	0.12	-0.39	7.88	4.37	3.94	5.07	6.91	07/14/2000	0.58	*	SGINX	4025	
DWS Core Fixed Income Fund	-1.67	-0.33	-0.15	2.41	2.37	2.97	5.12	6.26	02/01/2005	0.77	*	SFXSX	7485	
Domestic Equity Funds														
Davis New York Venture Fund	-11.80	-9.56	-2.86	-13.87	5.02	9.39	5.62	12.67	02/17/1969	0.85	*	NYVTX		
Federated Mid-Cap Index Fund	-4.01	-7.04	5.36	-7.61	7.02	12.11	9.20	11.96	09/03/1992	0.73	*	FMDCX		
American Funds Growth Fund of America	-6.86	-6.53	1.20	-5.53	8.51	10.93	8.74	14.19	05/21/2002	0.96	*	RGACX		
Allianz NFJ Small Cap Value Fund	-2.33	-7.67	1.40	-6.84	9.05	14.55	10.51	13.29	11/01/1995	1.07	*	PVADX	815	
Baron Small Cap Fund	-15.32	-9.55	-1.94	-14.17	3.34	10.15	8.64	9.83	09/30/1997	1.31	*	BSCFX		
DWS Large Cap Value Fund	-3.02	-5.33	4.17	2.47	9.74	-	8.19	-	12/20/2004	0.67	*	KDCSX	4775	
International/Global Funds														
American Funds EuroPacific Growth Fund	-10.23	-7.95	-2.39	-4.46	15.75	18.29	9.15	12.91	05/21/2002	1.15	*	RERXC		
Multicategory/Asset Allocation Funds														
DWS LifeCompass Retirement Fund	-4.07	-2.75	0.47	-3.31	4.38	5.67	3.17	4.50	11/15/1996	1.01	*	SCPCX		
DWS LifeCompass 2020 Fund	-6.97	-5.27	0.00	-7.74	5.35	8.16	3.66	5.47	11/15/1996	1.09	*	SPGRX		
DWS LifeCompass 2030 Fund	-8.43	-6.48	0.00	-10.28	5.78	-	6.43	11/01/2004	1.43	*	PPLSX			
MFS Total Return Fund	-6.93	-4.79	-1.66	-7.63	3.75	6.45	5.63	10.51	10/06/1970	0.88	*	MSFRX		
DWS LifeCompass 2015 Fund	-6.13	-4.54	0.04	-6.45	4.50	6.66	3.07	4.54	11/15/1996	0.93	*	SPBAX		
DWS LifeCompass 2040 Fund	-8.52	-6.99	-0.22	-	-	-	-7.87	11/15/2007	1.45	*	TGTSX			
DWS Stock Index Fund	-12.03	-8.44	-2.79	-13.33	4.17	7.34	2.68	9.15	07/17/1992	0.25	*		5585	

Performance includes reinvestments of all distributions.

Performance is historical and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions, so that, when redeemed, shared may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the product's most recent monthend performance, please call the Employee Service Center at the number listed on the preceding page entitled "Investment Option Information." There may be sales charge associated with certain share classes. Any applicable sales charges of the fund are being waived. In such cases, had the sales charges not been waived, returns would have been lower. Please see each fund's prospectus for complete information on each fund's fees and expenses.

Investment performance for DWS funds have been obtained from Deutsche Asset Management. Investment performance for non-DWS Scudder funds has been obtained from Lipper Inc., an independent third-party source believed to be reliable but is not, however, guaranteed as to accuracy, completeness or consistency with such funds' prospectuses. Investment performance information for a particular share class assumes reinvestment of all distributions and may represent performance information for another share class of the same fund, adjusted to reflect the fees and expenses of the share class presented. Please refer to the fund's prospectus for more information regarding its performance and appropriate benchmark(s).

*Please see the fund's prospectus for information regarding the net expense ratio associated with this investment.

⁴⁰²⁵The fund began operations on 12/31/84 with Class AARP shares. All returns prior to inception reflect Class AARP performance adjusted for higher operating expenses and, where indicated, for sales charges.

The fund may charge a 2% fee for redemptions within 15 days.

⁴⁷⁷⁵**The fund may charge a 2% fee for redemptions within 15 days.**

⁵⁶⁶⁵DWS Stable Value Trust is a collective investment trust. It is not a mutual fund. Collective investment trusts have similar characteristics to mutual funds, but are structured differently. Collective investment trusts do not have prospectuses.

⁷⁴⁸⁵The fund began operation on 9/18/92 with Institutional Class shares. All returns prior to inception reflect Institutional Class performance adjusted for higher operating expenses and, where indicated, sales charges.

The fund may charge a 2% fee for redemptions within 15 days.

⁸¹⁵**There is a 2% redemption fee for shares held less than 7 days that may be modified in the future.**

REDEMPTION FEES

A redemption fee is a special charge that is subtracted from the proceeds when someone redeems mutual fund shares after holding them for only a short period of time (usually 60 days or less). Unlike a contingent deferred sales charge, which is used to pay distribution costs, a redemption fee goes back into the fund's portfolio. This means the redemption fee is spread out among the remaining shareholders. Redemption fees are implemented to help protect other shareholders against short-term trading. Short-term trading presents certain risks to long-term shareholders, such as those saving for retirement. The main risk is a potential decrease in the value of the fund's shares. Redemption fees assist in deterring investors from getting involved in short-term trading practices and compensate the mutual fund for the related expenses from such trading. To find out which fund(s) within your portfolio have redemption fees, log on to InterActive Account at <http://university.dws-scudder.com> or call the Employee Service Center number listed on the Investment Option Information page. Please read the fund's prospectus for more information about redemption fees and holding periods.

VIEW A PROSPECTUS

For more information or to obtain a prospectus, contact the Employee Service Center at 1-800-541-7705 or you may view prospectuses for the DWS funds online at www.dws-scudder.com. We advise you to carefully consider the product's objectives, risks, charges and expenses before investing. The prospectus contains this and other important information about the investment product. Please read the prospectus carefully before you invest.

The investment performance was prepared by DWS Scudder Distributors, Inc. to support the promotion and marketing of the listed funds. Please see each individual fund's prospectus for more detailed information.

**NOT FDIC/NCUA INSURED MAY LOSE VALUE
NO BANK GUARANTEE NOT A DEPOSIT
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

DWS Scudder is part of Deutsche Asset Management, which represents the US asset management activities of Deutsche Bank AG, Deutsche Bank Trust Company Americas, Deutsche Investment Management Americas Inc. and DWS Trust Company.

DWS Scudder Distributors, Inc.

222 South Riverside Plaza Chicago, IL 60606-5808



ONE GLOBAL FORCE. ONE FOCUS. YOU.

Deutsche Bank Group

Morningstar® Retirement ManagerSM Managed by You—Guidance

Log On

You can use the online service by logging onto www.university.dws-scudder.com

Call

For technical issues, you can contact the participant support line at 1-877-586-5367

Email

You can contact product support via email at: adponline@morningstar.com

What is Morningstar® Retirement ManagerSM

Morningstar Retirement Manager is a service made available through ADP Retirement Services (ADP), the record-keeper for DWS Scudder retirement plans¹. Designed to help you make more informed decisions, this easy-to-use investment tool provides you with a personalized retirement strategy to help you understand how much you may need to save towards retirement and recommend investment options that may be right for you based on the information provided.

Take advantage of the investment expertise of Morningstar Associates, a registered investment advisor, and gain confidence in your investment decisions.

What are the features of this product and the benefits to me?

When you use Morningstar Retirement Manager's Managed by You solution, you will receive a personalized retirement strategy created by Morningstar Associates that includes:

- ▶ Your proposed retirement savings goal and the amount you should be saving through your company's plan
- ▶ An asset class mix that may be appropriate for your retirement goals

You will also have access to:

- ▶ Research and reports about your plan's investment options
- ▶ Educational articles and interactive tools designed for both novice and sophisticated investors

What is the cost of Morningstar Retirement Manager?

Most plans provide the service to participants at no cost. However, you should confirm your company's policy with your Plan Administrator.

How does the Morningstar Retirement Strategy Rating System work?

Morningstar Retirement Manager helps you determine if you are on track toward reaching your retirement savings goals by assigning a Retirement Strategy Rating to your account. The rating is based upon a "five-star" scale, with a five-star rating being the most effective. An overall strategy rating is created by equally weighting, then averaging, the individual ratings that have been assigned to three key strategy components: Risk, Goals, and Savings. If you own Company Stock in your retirement plan account, that weighting, and ways to reduce the weighting through the use of Morningstar Retirement Manager, are also included in the overall rating.

Once I have made the decision to use Morningstar Retirement Manager, what do I do?

To use the online service, log onto www.university.dws-scudder.com and click on the link to Interactive Account².

Once you are logged onto the site, you can gain access to Morningstar Retirement Manager through the Morningstar Services link under "My Plan." Click the Accept button at the bottom of the opening screen to begin the four-step process to receive and implement your personalized retirement and investment strategy.

What are the four steps?

Step 1: Confirm Your Basic Data

Morningstar Associates receives selected data from ADP to develop your strategy. You can confirm the information is correct or make changes as appropriate.

Step 2: Review Your Strategy

Using its five-star rating system, Morningstar Associates provides an assessment of your overall strategy and the individual components that make up that strategy, such as your savings or risk level. You may explore the components of your retirement strategy and add additional information such as outside assets to further customize your retirement strategy.

Step 3: Select Investments

You will be presented with the proposed suggestions on how much to allocate to each asset class, such as large-cap, stock, bond, etc. For each asset class, you may then select the investment(s) that add up to the suggested percentage and click Apply.

All investments involve risk, including the loss of principal.

Step 4: Confirm and Finish

You will be presented with the changes you have elected to your savings rate and investment allocations. Click Finish to accept and implement your changes to your account.

Please consult with your Financial Advisor regarding your specific situation and choose investments that are best suited for you by taking into consideration factors such as your risk tolerance and time horizon.

How much time will it take to receive my personalized retirement strategy?

Generally, it takes just a few minutes to complete the four step process and receive your recommendations. Or, you can spend more time exploring different scenarios for your retirement strategy and personalizing the recommendations further by providing supplemental information about your spouse and your additional investments.

What if I have additional questions?

For technical issues, you can contact the participant support line at **1-877-586-5367** or you can contact product support via email at: adponline@morningstar.com.

What if I encounter problems accessing Morningstar Retirement Manager through the link that is provided on the www.university.dws-scudder.com Web site?

For technical issues or questions about the Morningstar recommendations for your account, you can call the participant support line at **1-877-586-5367** or you can contact product support via email at: adponline@morningstar.com.

Investment advice generated by Retirement Manager is based on information provided and limited to the investment options available in the defined contribution plan. Projections and other information regarding the likelihood of various retirement income and/or investment outcomes are hypothetical in nature, do not reflect actual results, are not guarantees of future results and may vary with each use and over time.

While this tool can help identify an investment strategy, for many investors there are some circumstances where it may not be appropriate. Please read the applicable prospectus(es) and consult with your financial advisor before investing.

¹ADP does not provide advice or otherwise serve as a fiduciary with respect to retirement plans. All investment advice is provided by Morningstar Associates LLC.

²InterActive Account is a service made available by ADP Retirement Services, the record-keeper for DWS Scudder retirement plans.

Neither DWS Scudder, Deutsche Investment Management Americas Inc., nor ADP Inc., ADP Broker Dealer, Inc. or any of their affiliates are affiliated with Morningstar Associates, LLC., nor do they endorse Morningstar Retirement Manager.

SELF-MANAGED ACCOUNT

Self-Managed Account allows you to select investments from approximately 5,000 mutual funds along with individual securities such as stocks and bonds, in addition to those funds that comprise the core investment options offered by your plan. With Self-Managed Account, you maintain a brokerage account through State Street Global Markets, LLC, which gives you flexibility in tailoring your retirement investment portfolio to help meet your goals and maintain your lifestyle in retirement.

QUESTIONS AND ANSWERS ABOUT SELF-MANAGED ACCOUNT

How much of my Plan account balance can I invest through Self-Managed Account?

You may invest as much as you choose through Self-Managed Account, up to a maximum of 50% of your total account balance.

Are there annual fees for Self-Managed Account?

Yes. There is an annual maintenance fee. You will also be responsible for all individual transaction fees. For specific details call the Voice Response System (VRS)¹ at 1-800-541-7705 and press "0" to speak with an Employee Service Center¹ Representative.

Is there a minimum account balance necessary to open an account?

Yes, the required minimum initial investment is \$2,500. The minimum required for subsequent transfers is \$500.

May I make my contributions directly into Self-Managed Account?

No. Contributions must first be invested in any of the Plan's core investment options.

To invest through Self-Managed Account, you must open an account through State Street Global Markets, LLC, which can be accomplished by calling the VRS at 1-800-541-7705 and pressing "0" to speak with an Employee Service Center Representative. Once your account is established and you have received your brokerage account number from State Street, you may transfer money from your core investment options into Self-Managed Account.

Once I have opened an account, who do I work through for transactions?

Once you have opened an account, you will process all transactions through State Street. However, you must move the amount of money you want to transfer into Self-Managed Account out of the core investment options. In order to do this, you must access the VRS and transfer to an Employee Service Center Representative.

¹The VRS, Employee Service Center and InterActive Account are offered by ADP Retirement Services, the recordkeeper for certain DWS Scudder retirement plans. You may transact business in English or Spanish via the VRS. **Employee Service Center representatives are registered representatives of ADP Broker-Dealer, Inc., One ADP Blvd., Roseland, NJ; an affiliate of ADP, Inc., member FINRA, SIPC.**

State Street Global Markets, LLC is a member of the FINRA, SIPC and Boston Stock Exchange, and a wholly owned subsidiary of State Street Corporation.

Securities, other than investment company or collective investment trusts, offered through the plan are not underwritten or distributed by DWS Scudder Distributors, Inc., nor was DWS Scudder Distributors, Inc., the manager or co-manager of any public offering of these securities. DWS Scudder Distributors, Inc., does not make a market in the aforementioned securities. DWS Scudder Distributors, Inc., and its affiliated companies disclaim any liability in connection with the offering of these securities.

You may want to consider Self-Managed Account if you are comfortable investing a portion of your retirement savings in mutual funds other than core investment options available through your Plan and want to invest a portion of your account in a brokerage environment.

All investments involve risk, including the loss of principal.

Mutual funds are sold by prospectuses. The prospectus contains the fund's investment objectives, risks, charges and expenses, all of which should be carefully considered prior to investing.

The Voice Response System provides me with account balances for the Plan's core investment options. How do I receive account balance information for my Self-Managed Account?

Once you have opened an account, you will be able to obtain the previous night's market value of your brokerage account through the VRS, InterActive Account,¹ or the Employee Service Center; you may also call State Street at 1-800-892-4514 or access your account online for up-to-date account information.

In addition, you will receive statements from State Street detailing your account. If your account is active (meaning that you frequently execute buy-or-sell transactions), you will receive statements monthly. If no account activity occurs, you will receive quarterly statements.

What if I am no longer employed by my company?

Upon termination of employment, you have the following options:

- If your total account balance, including your core funds, is greater than \$5,000, you may maintain your account, along with your core funds, until you choose to take a distribution. If your total account balance is less than \$5,000, your plan may provide that you are required to take a distribution.
- You may liquidate any investments in your account, and transfer the proceeds back into the Plan's core investment options, or
- If you would like to take a distribution, the investments in your account must be liquidated and the proceeds transferred back to the core funds before a final distribution can be processed from the Plan. Please consider the tax implications before taking a distribution.

FOR MORE INFORMATION

For more information about Self-Managed Account, contact the Employee Service Center at 1-800-541-7705 and press "0" to speak with a representative, Monday through Friday, 8:00 a.m. to 9:00 p.m., Eastern time.

Navy Exchange Service Command 401(k) Plan

Enrollment Form

Social Security #: - -

Employee Name:
Last, First, Middle

Address:
Street Apt. # / PO Box #
 -
City State Zip Code

Birth Date: Hire Date:
Month Day Year Month Day Year

I. Choose your Contribution Rate (Enter whole % only)

I elect to contribute % of my before-tax compensation. Deductions are subject to maximum deferral limits.

Yes, I want to elect Save SmartSM to automatically increase my before-tax contribution percentage annually as follows:

% Enter 1%, 2%, up to 3%

% Enter maximum contribution percentage you wish to attain (up to plan maximum)

Enter month for increase (i.e. 01=Jan, 02=Feb etc.) Increase effective on the first business day of the elected month.

NOTE: Catch-up Contributions - You may be eligible to make additional pre-tax contributions if you are age 50 or older and your Plan permits catch-up contributions. If you are interested in making these additional contributions, please request a CATCH-UP CONTRIBUTIONS ELECTION FORM.

II. Make Your Investment Election Below (Enter whole % only. Total must equal 100%)

Investment Options	Percent	Investment Options	Percent
02 - DWS Stable Value Trust - Institutional Shares	%	5A - DWS GNMA Fund - Class S	%
1Y - DWS Core Fixed Income Fund - Class S	%	53 - DWS LifeCompass Retirement Fund - Class S	%
2C - MFS Total Return Fund - Class A	%	YS - DWS Alternative Asset Allocation Plus Fund - Class S	%
BV - Allianz NFJ Small-Cap Value Fund - Administrative Class	%	CW - Davis New York Venture Fund - Class A	%
E1 - American Funds SM EuroPacific Growth Fund [®] - Class R3	%	88 - DWS Stock Index Trust	%
H1 - Baron Small Cap Fund	%	AO - Federated Mid-Cap Index Fund	%
7Q - DWS Large Cap Value Fund - Class S	%	3Z - American Funds SM The Growth Fund of America - Class R3	%
81 - DWS LifeCompass 2015 Fund - Class S	%	82 - DWS LifeCompass 2020 Fund - Class S	%
7O - DWS LifeCompass 2030 Fund - Class S	%	KS - DWS LifeCompass 2040 Fund - Class S	%
	%		%
	%		%
Total (must equal 100%)			100 %

Automatically rebalance my entire account balance to match my most current investment allocation (Check (√) one):

Quarterly (Mar, Jun, Sep, Dec)

Semi-Annually (Jun, Dec)

Annually (Dec)

Please see other side of this form for important information on market timing.

This form was created by ADP, Inc. Retirement Services Division. Neither DWS Scudder Distributors Inc. nor any of its affiliates is responsible for the content of this form.

FOR PLAN ADMINISTRATOR USE ONLY (MUST BE COMPLETED)

Plan Number
062811

Plan Administrator Approval: _____

Date Received: _____

III. Acknowledgement and Signature

I have read and understand the summary describing the Plan, have completed the Beneficiary Form and agree to be bound by the provisions of the Plan. I have also reviewed a current prospectus for each of the portfolios, and understand the objectives, risks, expenses and charges associated with each. I authorize the company to make the necessary payroll deductions from my compensation as indicated in Section I. of this form. This election will remain in effect until I elect to change or to discontinue the payroll deductions. Furthermore, I understand that if I fail to complete the investment election in Section II., I will be deemed to direct that future contributions will be invested in the plans default fund. I also understand that my deferral election will be effective as soon as reasonably possible after this form is received and processed.

Signature of Employee/Participant

Date:

IV. Return Form to Your Benefits Office

In an effort to prevent short-term trading and market timing, many investment companies have established excessive trading and/or redemption fee policies for certain investments. ADP Retirement Services, whenever possible, implements the investment company's market timing policy (please review the fund's prospectus for information on a specific fund company's policies). However, there are instances when ADP Retirement Services may need to implement its own market timing policy, which could differ from the investment company's policy, in order to ensure compliance with the fund's prospectus. Because investment options in your retirement savings plan may be subject to these policies, please refer to your Plan Participant Web site (or, if the Web site is not available to you, call a Client Services Representative) for additional information.

062811 Navy Exchange Service Command 401(k) Plan Beneficiary Designation Form

- -

Social Security Number _____ Last Name _____ First Name _____ M.I. _____

Division/Location Code _____ Date of Hire _____ Plan Entry Date _____

STEP 1 Name Your Primary Beneficiary(ies) (see the attached INSTRUCTIONS)

Name	Address	Social Security #	Date of Birth	Relationship	%

STEP 2 Name Your Secondary Beneficiary(ies) (see the attached INSTRUCTIONS)

Name	Address	Social Security #	Date of Birth	Relationship	%

STEP 3 Sign the Form (complete as appropriate and sign, see the attached INSTRUCTIONS)

I certify that I have read and understand the *Participant Certifications* contained in the attached INSTRUCTIONS, and they are all true. My marital status is ... (check one): Not Married or Married.

(If you are married and designate a primary beneficiary other than your spouse, your spouse must consent below; see the attached INSTRUCTIONS)

If your plan is subject to Qualified Preretirement Survivor Annuities (check with your benefits office to see if this is the case) and you choose to waive the preretirement survivor annuity, check below. Your spouse must consent; see the attached INSTRUCTIONS.

I hereby waive preretirement survivor annuity (check box to waive; see *Participant's Waiver of the Preretirement Survivor Annuity* in the attached INSTRUCTIONS)

Participant's Date of Birth: _____

Participant's Signature: _____ Date _____

Note: This form was created by ADP, Inc. Retirement Services Division. Neither DWS Scudder Distributors Inc. nor any of its affiliates is responsible for the content of this form.

062811 Navy Exchange Service Command 401(k) Plan Beneficiary Designation Form

STEP 4 Get Your Spouse's Consent (If required, see the attached INSTRUCTIONS)

I certify that I have read and understand the *Spousal Consent to Waiver* contained in the attached INSTRUCTIONS, and consent to my spouse's waiver of the preretirement survivor annuity (if such annuities apply to your plan) and designation of a primary beneficiary other than myself.

Spouse's Signature: _____ Date _____

Witness Signature: _____ Date _____

(check below as appropriate)

I am: an official plan representative, or a Notary Public. State _____

AFFIX NOTARY SEAL HERE My commission expires _____

STEP 5 Return Form to Your Plan Administrator

062811 Navy Exchange Service Command 401(k) Plan Beneficiary Designation Form Instructions

STEP 1 Name Your Primary Beneficiary(ies) (You may wish to consult an attorney or tax advisor before designating any beneficiaries)

- Please designate the beneficiaries who will receive your Plan assets if you die while a balance remains in your account.
- You may designate more than one Primary Beneficiary, indicating the percentage share for each Primary Beneficiary. If you do not specify percentage shares, payments will be made equally to all surviving Primary Beneficiaries. (You may attach additional sheets to add additional beneficiaries.)
- The total percentage shares of all Primary Beneficiaries must equal 100%. If the total does not equal 100%, any remaining portion (or shortfall) will be allocated (or taken) equally from all surviving Primary Beneficiaries.
- If a Primary Beneficiary does not survive you, his/her percentage share will be divided equally among the surviving Primary Beneficiaries (unless you specify otherwise).

Example: Mary Smith, 123 Main St., Anytown NH, 777-77-7777, 01/01/1937, Mother, 50%
John Smith, 456 High St., Somewhere MA, 666-66-6666, 11/11/1935, Father, 50%

STEP 2 Name Your Secondary Beneficiary(ies)

- Designate the beneficiaries who will receive your Plan assets if no Primary Beneficiaries are living at the time of your death.
- You may designate more than one Secondary (or “Contingent”) Beneficiary, indicating the percentage share for each Secondary Beneficiary. If you do not specify percentage shares, payments will be made equally to all surviving Secondary Beneficiaries. (You may attach additional sheets to add additional beneficiaries.)
- The total percentage shares of all Secondary Beneficiaries must equal 100%. If the total does not equal 100%, any remaining portion (or shortfall) will be allocated (or taken) equally from all surviving Secondary Beneficiaries.
- If a Secondary Beneficiary does not survive you, his/her percentage share will be divided equally among the surviving Secondary Beneficiaries (unless you specify otherwise).

Example: John Jones, 789 Elm St. Anytown NH, 888-88-8888, 08/08/1988, Son, 50%
Jennifer Jones, 789 Elm St. Anytown NH, 999-99-9999, 09/09/1989, Daughter, 50%

STEP 3 Sign the Form

Participant Certifications: By signing the attached BENEFICIARY DESIGNATION FORM, I am certifying under penalty of perjury that the following statements are true:

- I have correctly indicated my marital status on the BENEFICIARY DESIGNATION FORM.
- I understand that any balance remaining in my Plan account at the time of my death will be paid to the surviving Primary Beneficiaries I have named. If no Primary Beneficiaries survive me, the remaining balance will be paid to the surviving Secondary Beneficiaries I have named. If no Secondary Beneficiaries survive me, my account balance will be paid according to the terms of the Plan.
- I understand that my beneficiary designations will become effective as soon as I properly complete and file this form. This form will revoke any previous beneficiary designations I may have made.
- I understand that I may change my designated beneficiary(ies) by completing and filing a new BENEFICIARY DESIGNATION FORM before my death.
- I understand that if I am married and wish to designate a beneficiary other than my spouse for more than 50% of my account balance, I must waive the preretirement survivor annuity (if your plan has such annuities) and obtain my spouse’s consent in STEP 4.

062811 Navy Exchange Service Command 401(k) Plan Beneficiary Designation Form Instructions

STEP 3 Sign the Form (continued)

(Your plan may or may not have Preretirement Survivor Annuities. Check with your benefits office.)

Participant's Waiver of the Qualified Preretirement Survivor Annuity: By signing the attached BENEFICIARY DESIGNATION FORM, I am certifying that the following statements are true:

- I have received and read the PRERETIREMENT SURVIVOR ANNUITY NOTICE and understand that I may waive the preretirement survivor annuity only if my spouse (if any) consents to my waiver.
- I understand that if I am currently employed by the Plan Sponsor, married and under the age of 35, my waiver of the preretirement survivor annuity (and designation of a beneficiary other than my spouse) will be effective only until the first day of the Plan Year in which I attain age 35 (or until I terminate employment with the Plan Sponsor, if earlier). I must then file a new BENEFICIARY DESIGNATION FORM to again waive the preretirement survivor annuity, and must again obtain my spouse's consent.
- I understand that if I waive the preretirement survivor annuity with my spouse's consent, my beneficiary designation will apply to my entire Plan account. If I do not waive the preretirement survivor annuity (or if my spouse does not consent) my beneficiary designation will apply to only the 50% of my Plan account not distributable to my spouse as a preretirement survivor annuity.
- I understand that I may revoke this waiver at any time by filing a new BENEFICIARY DESIGNATION FORM.

STEP 4 Get Your Spouse's Consent (if married and required)

Spousal Consent to Waiver: By signing the attached BENEFICIARY DESIGNATION FORM, I am certifying that the following statements are true:

- I am the Participant's spouse.
- I understand that if I live in a community property state and I sign the attached BENEFICIARY DESIGNATION FORM, I am voluntarily relinquishing any community property rights I may have to the Participant's vested account balance under the Plan.
- I understand that under the terms of the Plan I am entitled to receive the Participant's entire vested account balance if the Participant dies before receiving full payment of his/her benefit under the Plan.
- I understand that by consenting to the Participant's beneficiary designation(s) on the attached BENEFICIARY DESIGNATION FORM, the Participant's vested account balance under the Plan will be paid to the designated beneficiary(ies) and not to me.
- I understand that my consent is voluntary and is limited to the beneficiary(ies) designated on the attached BENEFICIARY DESIGNATION FORM. My consent is irrevocable unless the participant revokes this beneficiary designation.

(The following language only applies to plans subject to the preretirement survivor annuity)

- I have received and read the PRERETIREMENT SURVIVOR ANNUITY NOTICE and understand that my spouse is waiving this automatic form of death benefit.
- I understand that if I consent to my spouse's waiver of the preretirement survivor annuity, all death benefits under the Plan may be paid to someone other than me.
- I understand that if my spouse is currently under age 35 and is making this beneficiary designation while employed by the Plan Sponsor, my consent will be valid only until the first day of the Plan Year in which he/she attains age 35 (or terminates employment, if earlier).

QUALIFIED PRERETIREMENT SURVIVOR ANNUITY NOTICE

Under federal law, the participant's spouse is entitled to receive a special death benefit that is paid from the participant's vested account if the participant dies before he/she begins receiving retirement benefits (or, if earlier, before the beginning of the period for which the retirement benefits are paid). The participant's spouse has the right to receive this annuity benefit for the rest of his/her life, beginning after the participant dies. This special death benefit is called a "Qualified Preretirement Survivor Annuity" benefit. The amount of the annuity is the amount of benefit which can be purchased with the Participant's vested account. The right to a Qualified Preretirement Survivor Annuity cannot be taken away unless the participant's spouse agrees to give up that benefit. If his/her spouse agrees, the participant may choose to have all or part of the death benefit paid to another beneficiary.

Rollover Instructions

The Rollover Form is used to invest prior plan money in your Plan account. The rollover must be completed within 60 days of receipt of the distribution, come from another employer's plan or an IRA and represent all or a portion of a lump sum distribution, or an installment distribution of less than ten years. In the context of a direct rollover, in which the funds are never actually made payable to you, the 60-day period for completing a rollover is inapplicable.

Section I.A Identify the total amount of the rollover. A certified or bank check must accompany this form for the stated dollar amount. Please include your Social Security Number and Plan Number on the check made payable to DWS TRUST COMPANY.

Section I.B Check (✓) the appropriate box to identify the source of this rollover.

Section I.C This rollover must not include after tax contributions.

Section II. Read acknowledgement and then sign and date the form.

Note: If you have not previously enrolled in the Plan, you must complete a Beneficiary Form and give it to your Plan Administrator. Do not send to ADP.

Navy Exchange Service
Command 401(K) Plan