

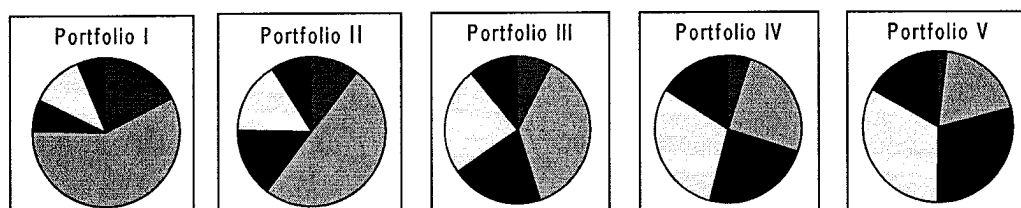
Market Sentiment Turns Decidedly Negative

Global financial markets are experiencing a significant downturn after a dazzling 75% advance. Market participant memory from the credit crisis is still relatively fresh, and investors are concerned over the sovereign debt issues in central Europe and news from China that their government is tightening monetary policy to reign in their over-heated economy. Investors are worried that the problems in Greece could spread to Spain, Italy, Ireland and Portugal if austerity measures are unable to curtail government spending. Germany has passed a one trillion dollar aid package of loan guarantees for Greece, which should go a long way toward containing the debt problem. Germany has a big incentive to keep Greece and other member countries under one common currency, as any defectors would suffer mightily with the likely outcome that their own currency would collapse creating a far worse problem.

Market sentiment during May turned decidedly negative with major U.S. averages turning in their worst May performance in over 50 years. Investors across the globe are now calling into question the global economic recovery and as a result are using any market strength to liquidate positions. The main question for investors remains 'is this a normal market correction during an otherwise bull market, or are the markets signaling a new bear market environment is ahead for stocks?'

The simple truth is that bear markets rarely begin overnight. In addition, markets eventually will trade on fundamentals (earnings, interest rates and inflation), and currently the fundamentals are in excellent shape. Company profit reports in the first quarter were spectacular, with almost every company in the S&P 500 reporting results which exceeded expectations, while raising their forward guidance. The outlook for higher interest rates looks questionable, especially if China begins to slow. Everyone is waiting for higher inflation, yet it has failed to materialize, which makes sense when you have high unemployment and historically low factory utilization. Companies are hard pressed to pass along price increases to their already shaken consumer base.

BAC Capital Advisors, LLC is making only slight allocation changes to the model portfolios as our outlook for the economy and global recovery remains positive despite the sovereign debt issues in Europe. BAC Capital Advisors, LLC is replacing two managers due to consistent underperformance relative to their respective peer groups over the long term. The two new funds will be available for self-directed investment beginning July 1st (see the back of this bulletin for more details). Participants in one of the five models will automatically be rebalanced into the new funds during the month of July.



■ Conservative ■ Fixed Income ■ Large Cap U.S. Equity □ Small & Mid Cap U.S. Equity ■ Foreign Equity

Fund Name	Asset Class	Portfolio I	Portfolio II	Portfolio III	Portfolio IV	Portfolio V
AllianceBernstein Global Bond A	WrldBond	3 %	4 %	5 %	6 %	6 %
AllianceBernstein Small-Mid Value A	MidCapVal	3 %	4 %	6 %	7 %	8 %
Columbia Contrarian Core Fund A	LrgBlend	0 %	0 %	5 %	7 %	6 %
Columbia Marsico 21st Century Fund A	LrgGrowth	3 %	4 %	8 %	11 %	13 %
Goldman Sachs Small Cap Value A	SmCapVal	2 %	3 %	4 %	5 %	6 %
Harbor International Fund Inv	WrldStock	3 %	6 %	6 %	10 %	12 %
Janus Orion Fund S	MidGrowth	3 %	4 %	7 %	11 %	13 %
Loomis Sayles Investment Grade Bond A	InterTermBond	16 %	14 %	5 %	0 %	0 %
Marshall Government Income Fund Inv	ShortTermBond	15 %	12 %	0 %	0 %	0 %
Morley Stable Value Fund	StableValue	20 %	13 %	7 %	0 %	0 %
Oppenheimer International Diversified Fund N	Foreign	4 %	5 %	9 %	8 %	8 %
PIMCO Total Return D	InterTermBond	14 %	9 %	6 %	2 %	0 %
Pioneer Global High Yield A	HighYldBond	3 %	4 %	7 %	7 %	4 %
Royce Value Plus Service	SmGrowth	4 %	5 %	9 %	10 %	9 %
Thornburg International Value Fund R3	WrldStock	3 %	6 %	8 %	9 %	12 %
Wasatch 1st Source Income Equity	LrgValue	4 %	7 %	8 %	7 %	3 %
Total Allocation		100 %	100 %	100 %	100 %	100 %

FUND CHANGES Third Quarter 2010

On July 1, 2010 two funds will be added to the program and two funds will be removed from the program. Both of the new funds will be incorporated into the five Model Portfolios and also be available for self directed accounts. The new funds provide participants with more consistent performance and superior risk and return characteristics relative to their peer groups.

SPECIFIC PORTFOLIO CHANGES

The Columbia Contrarian Core Fund A (LCCAX) will replace the Davis New York Venture Fund A (NYVTX) in all five Model Portfolios. The Wasatch 1st Source Income Equity (FMIEX) will replace the Pioneer Cullen Value Fund A (CVFCX) in all five Model Portfolios. In addition, asset allocation changes are being made to all five Model Portfolios as reflected on the front of this bulletin.

The New Funds

Columbia Contrarian Core Fund A (LCCAX)

The fund investment seeks total return, consisting of long-term capital appreciation and current income. The fund normally invests at least 80% of net assets in common stocks. It invests at least 80% of net assets in equity securities of U.S. companies that have large market capitalizations (generally over 2 billion) that have the potential for long-term growth and current income. The fund may invest in derivatives, including futures, forwards, options, swap contracts and other derivative instruments.

Wasatch 1st Source Income Equity (FMIEX)

The fund seeks capital appreciation and income. The fund invests primarily in equity securities. It invests at least 80% of net assets primarily in equity securities, including common stock and securities convertible into common stocks. It typically invests in the securities of companies with market capitalizations of at least \$5 billion at the time of purchase. The fund may invest in fixed income securities consisting of corporate notes, bonds and debentures that are rated investment grade at the time of purchase.

Funds Removed

Davis New York Venture Fund A (NYVTX)

This fund has been replaced primarily due to poor performance and diversification characteristics relative to its peer group.

Pioneer Cullen Value Fund A (CVFCX)

This fund has been replaced primarily due to a shortfall in performance relative to its peer group.

Self Directed Accounts

If you self-direct the investments in your retirement account, you will have a window of opportunity during the month of July to transfer from the funds that are being eliminated from the program. During the month of August 2010, any balances remaining in the eliminated funds will be mapped over to the replacement funds, as reflected in the following list. Unless you take further action, the replacement funds will remain in your investment selection.

Fund to be Removed

Davis New York Venture Fund A (NYVTX)
Pioneer Cullen Value Fund A (CVFCX)

Replacement Fund

Columbia Contrarian Core Fund A (LCCAX)
Wasatch 1st Source Income Equity (FMIEX)

Managed Portfolio Accounts

If your retirement account is invested in one of the five managed portfolios, you do not need to take any action at this time. Your portfolio will automatically be rebalanced to reflect any changes.

Your questions regarding the fund changes may be directed to Randy Williams-Gurian, BAC Capital Advisors LLC at (206) 625-1800, Extension 243.