

APPLE

ACCUMULATION PROGRAM FOR PART-TIME AND LIMITED-SERVICE EMPLOYEES

Winter 2009

APPLE Plan offers a positive alternative to Social Security

Why pay Social Security taxes when you can use the money to build your own, personal retirement savings account instead?

Through the APPLE Retirement Program, a total of 7.5% of your pay is contributed to your plan account on a pre-tax basis. Both you and your employer contribute a portion to make up the total of the 7.5% contribution amount. Without the APPLE Plan, you would be contributing 6.2% to Social Security, and your employer would be contributing 6.2%. Contributions to Social Security are taken on an after-tax basis.


The money in your APPLE account earns interest that is guaranteed. The statements you receive once a year show you how your money grows. Best of all, when you stop working, the money in your plan account, both the amount you have contributed and the amount your employer has contributed for you, is yours to take with you.

Contributing on a pre-tax basis lets you come out ahead! Normally, the taxes you pay are based on your total income. But through the APPLE Plan and its pre-tax feature, your taxable income is based on your total income minus your 7.5% contribution.

Some of the tax dollars you would ordinarily pay to Uncle Sam, go instead, to your own personal APPLE Plan Account. Before you assume that the APPLE Plan will cost you more, take a closer look.

In general, that 7.5% of pre-tax dollars translates to an increase in your net pay, compared to the 6.2% of after-tax dollars. Why? Because you are reducing the amount of your taxable income through the APPLE Plan.

The example below shows you how this works.



	Social Security	APPLE Example A	APPLE Example B
Employee-Employer Contribution Percentages	6.2% - 6.2%	3.75% - 3.75%	6.2% - 1.3%
Sample Average Annual Salary per Employee	\$4,000	\$4,000	\$4,000
Less APPLE Plan Pretax Contribution	0	\$150	\$300
Taxable Income	\$4,000	\$3,850	\$3,700
Less Social Security (6.2%)	\$248	0	0
Less Federal and State Tax (20%)	\$800	\$770	\$740
Total Take-Home Pay	\$2,952	\$3,080	\$2,960
Deferred Compensation for Plan Contributions	\$496	\$300	\$300

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Plan Advantages

- You contribute with pre-tax dollars, which reduces the amount of federal income tax you pay.
- Your contributions earn interest at the current declared market rate with a guaranteed minimum rate of return of 3% through 2011.
- Your account earnings are compounded to build up your account until the money is paid out to you.
- You save more with the APPLE Plan than you do with Social Security, yet your take-home pay remains virtually the same.
- Unlike Social Security, the funds in your account (contributions + interest) are yours to withdraw upon meeting one of the following eligibility requirements:
 - Termination of Employment
 - Status change (full-time to PERS/STRS)
 - * 401(a) balance only
 - 2 years of no contributions
 - * 457(b) balance only

Important Plan Information

- Employees are eligible if not covered under PERS/STRS or bargaining agreement precluding coverage.
- Annual statements of account balance will be mailed to each participant approximately six weeks after the fiscal year ends.
- Your distribution will be subject to a mandatory 20% Federal tax withholding and, if applicable, State tax withholding for the tax year you receive your benefit. You will receive a 1099 from Mid America by January 31 of the following year for tax reporting purposes.
- Distributions are processed on a quarterly basis upon submitting a signed Request for Settlement of Account (RSA) form to MidAmerica.
- Money Purchase Plan funds (MPP) are not available for distribution until termination of employment or age 70½. For more information, please call Customer Service at 800.634.1178.
- The beneficiary will automatically be the participant's spouse, if married or their estate if not married. Participants may designate a beneficiary of their choice by completing a Beneficiary Designation or Participant Data Change Form. If you are married, you MUST have your spouse's written consent if you want to designate someone else as your beneficiary.

Investment Company



Your money is invested with American United Life, a OneAmerica Company. AUL is a highly respected, successful, and well managed company located in Indianapolis, Indiana.

Plan Administrator



Your Plan is administered by MidAmerica Administrative Solutions, Inc. located in Lakeland, Florida. Mail all inquiries and address changes to:

MidAmerica Administrative Solutions, Inc.
211 East Main Street, Suite 100
Lakeland, FL 33801
or via email to Info@midamerica.biz

For account updates call 800.634.1178, or visit our website at www.midamerica.biz.



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