



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
US ARMY INSTALLATION MANAGEMENT COMMAND
2405 GUN SHED ROAD
JOINT BASE SAN ANTONIO FORT SAM HOUSTON, TEXAS 78234-1223

January 1, 2016

Subject: U.S. Army Nonappropriated Fund (NAF) 401(k) Savings Plan

Dear NAF Employee:

Congratulations and welcome to the Army's NAF 401(k) Savings Plan. The Plan is a convenient way to invest for retirement. You'll also get matching contributions, or "Free Money" from the NAF Instrumentality. Your contributions to the Plan come out of your pay pre-tax, and they stay un-taxed until you retire or withdraw your funds. In the meantime, they can grow steadily over time.

You are automatically enrolled in the Plan for 2016 and subsequent years. One percent (1%) of your salary will be contributed to the Plan each pay period. You can choose to contribute more than 1% or you can opt out of the Plan at anytime.

When you join the 401(k) Savings Plan, you can choose from among several mutual funds. If you make no selection, all of your contributions (100%) will be placed in the default fund, the Fidelity Balanced K Fund. To change your investment selections, call the Fidelity Investments toll free telephone line at 1-800-835-5093, or access your account on line at www.401k.com.

You always own your own contributions, and after three years of NAF service you will also own (be vested in) the employer's share of your Plan contributions. So, when you retire or terminate your employment, the employer's share goes with you. You can call Fidelity Investments to request a payout of your account, at the earliest, 30 days after you retire or separate from NAF employment. But pay attention to the rules to avoid taxes and penalties for early withdrawal.

To see further details, go to the Plan's Summary Plan Document (SPD) located on the U.S. Army NAF Benefits Website at www.nafbenefits.com.

Sincerely,

Ronald K. Heuer
Chief, NAF Personnel Services

Yes - I elect to auto enroll. No - I elect not to auto enroll. Please circle one

Employee Name (Printed)

Employee Signature and Date