

WDC PARTICIPANT WARNING
DRAFT

<date>

<first name><last name>

<address>

Dear <title> <last name>:

You may have read media accounts of investigations into mutual fund company trading practices, including market timing. Market timing is the practice of short-term or rapid trading that allows investors to profit from the inefficiencies in the way mutual funds are priced. Fund prospectuses often restrict excessive or frequent trading even though specific methods of enforcement may not always be provided.

Many investors are concerned about the ill-effects of market timing, which include the potential for higher costs for everyone in the Wisconsin Deferred Compensation (WDC) Program and the risk that access to valued mutual funds or asset classes might be limited due to fund closures. In order to protect WDC Program investors, the WDC adheres to the following excessive trading practice:

The WDC Program limits participants to four (4) exchanges per month in any fund in which excessive trading has been identified. WDC participants exceeding this limit will have their trading privileges restricted.

Your account has been identified as having exceeded the WDC excessive trading limit and your exchanges cannot be explained by routine rebalancing or reordering of assets.

This letter serves as written notice that if you continue to engage in excessive trading or market-timing activities in your account, you will no longer be able to execute trades in any fund in which excessive trading has been identified, except by completing and mailing a form authorized and provided by the WDC. If you continue to engage in excessive trading, you *will not* be permitted to execute trades through the WDC Web site or via the telephone to a WDC customer service representative or the automated telephone service.

It is important to note that it is certain that we will make further changes to this practice as industry, fund management, regulatory and legislative responses develop. As such, the WDC may be required to implement more restrictive or different procedures immediately and without notice to protect the interests of all WDC plan participants.

We recognize that you may have questions after you've read this material. Feel free to contact the WDC Program office toll-free at 1-800-257-4457 or 608-257-6200 local Madison.

Sincerely,

Sue Oelke
WDC Plan Services Manager

WDC PARTICIPANT FINAL
DRAFT

<date>

<first name><last name>
<address>

Dear <title> <last name> :

With broad-based investor concerns of the ill-effects of market timing now evident, the potential of higher costs to everyone in the Wisconsin Deferred Compensation (WDC) Program, and the risk that access to important fund asset classes might be limited due to fund closures, the WDC recently notified you of the current WDC excessive trading policy.

The WDC excessive trading policy currently limits participants to four (4) exchanges per month in any fund in which excessive trading has been identified. WDC participants exceeding this limit will have their trading privileges restricted.

Your account has been identified as having exceeded the WDC excessive trading limit and your exchanges cannot be explained by routine rebalancing or reordering of assets. The WDC sent you written notice on <sent date> that indicated if you continue to engage in excessive trading or market timing activities in your account, your trading privileges would be restricted.

Our records indicate that you have continued to engage in excessive trading among WDC funds identified as having excessive trading. Continued excessive trading or market timing activities by some participants may seriously and negatively impact all other participants, and the WDC itself.

Effective <date>, we will execute your requests for trades of < funds> in your WDC account when you:

- Complete and sign a copy of the enclosed form each time you wish to execute a trade of <fund>, and
- Mail the form to:
Wisconsin Deferred Compensation Program
902 Ann Street, Suite A
Madison, WI 53713

In conclusion, you may no longer execute trades of any <fund> through the WDC Web site, automated telephone service or our toll-free customer service line, or by any means other than by completing and signing the enclosed form and mailing it to the address listed above.

We recognize that you may have questions after you've read this material. Feel free to contact the WDC Program office toll-free at 1-800-257-4457 or 608-257-6200 local Madison.

Sincerely,

Sue Oelke
WDC Plan Services Manager