

SUMMARY PLAN DESCRIPTION
FOR THE
RUSSELL RETIREMENT PLAN

Effective January 1, 2013

SUMMARY

This Booklet contains a **Summary** of the most important provisions of the Russell Retirement Plan (the "Plan") as in effect on January 1, 2013 and generally applies to eligible employees employed by Frank Russell Company and the Participating Companies (together referred to as the "Company") on or after that date. If your employment with the Company and Related Employers terminated prior to January 1, 2013, portions of this Summary may not apply to you. Generally, your rights to benefits are governed by the terms of the Plan as in effect at the time your employment terminated.

The Plan is a defined contribution plan known as a profit sharing plan with a 401(k) feature. "401(k)" refers to Section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). Because it is a defined contribution plan, you will not receive a fixed dollar amount of retirement benefits. Rather, your actual retirement benefits will depend on the value of your Vested Account balances at the time you retire. Your Vested Account balances will reflect the allocations to your Accounts, the length of time you are employed by the Company and the investment performance of your Accounts.

The following questions and answers are only brief explanations of the most important provisions of the Russell Retirement Plan. Nothing in this Summary is intended in any way to change the rules and regulations as expressed in the Plan. The actual text of the Plan, including amendments, shall be controlling in all instances, including any instance in which there may be a conflict between the contents of this Summary and the Plan, copies of which are available during normal working hours from the Plan Committee.

In general, the capitalized terms used in this Summary have special meanings and are defined in Section 13, entitled "Glossary of Terms."

IMPORTANT DOCUMENT

This Booklet summarizes important rights which you, and your spouse or other beneficiaries, are gaining through your employment with Frank Russell Company and Participating Companies (the "Company"). This Booklet constitutes the Summary Plan Description required by the federal law known as ERISA. The Company urges you to:

- Retain this Booklet with your other important records (i.e., will, insurance policies, etc.).
- Advise your spouse or other principal beneficiary and your legal counsel (whoever is appropriate for your situation) of this Booklet's existence and the place where you will keep it.

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SUMMARY PLAN DESCRIPTION

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SUMMARY PLAN DESCRIPTION FOR THE RUSSELL RETIREMENT PLAN

1. GENERAL INFORMATION

Name of Plan and Plan Number

Q-1.1 What is the full name and plan number of the "Plan?"

A-1.1 The full name of the Plan is the Russell Retirement Plan. The Plan number is "002."

Name, Address, and Employer Identification Number of the Company

Q-1.2 What is the name and address of the sponsoring "Company" whose employees are covered by the Plan, and what is the employer identification number assigned by the Internal Revenue Service ("IRS") to that Company?

A-1.2 The name and address of the sponsoring Company whose employees are covered by the Plan is Frank Russell Company, 1301 Second Avenue, 18th Floor, Seattle, WA 98101. The employer identification number assigned by the IRS to the Company is 91-1175091.

Other Participating Companies whose employees are covered by the Plan include the following:

Russell Capital Inc.
 Russell Financial Services, Inc.
 Russell Fund Services Company
 Russell Implementation Services Inc.
 Russell Implementation Services Limited (U.S. Citizen Employees only)
 Russell Institutional Funds Management, LLC
 Russell Insurance Agency, Inc.
 Russell International Services Company, Inc.
 Russell Investment Management Company
 Russell Investments Delaware Inc.
 Russell Investments Limited (U.S. Citizen Employees only)
 Russell Real Estate Advisors, Inc.
 Russell Systems Limited (U.S. Citizen Employees only)
 Russell Trust Company
 U.S. One, Inc. (effective February 23, 2011)

Q-1.3 Does it matter to me as an employee which "Russell" company I work for?

A-1.3 For purposes of determining eligibility, Years of Service, vesting, and other rights under the Plan, all service with the Company and any Related Employer is treated as service with the "Company." Except as specifically provided otherwise, the term

"Company" as used in this Booklet generally means Frank Russell Company and the Participating Companies.

Administration of the Plan and Funding Medium

Q-1.4 Who administers the Plan?

A-1.4 The Trustee and the "Plan Committee" appointed by the Board of Directors of Frank Russell Company administer the Plan, with the assistance of the Plan's record keeper. The Plan Committee may establish a sub-committee or designate particular individuals to carry out specific duties of the Plan Committee. The Plan Committee has sole discretionary authority to determine all questions and disputes under the Plan concerning Plan administration, interpretation of Plan terms, eligibility of and benefits payable to any Participant, Spouse or other beneficiary, and all issues of fact or law.

Effective January 1, 2012, the Trustee is Russell Trust Company, 1301 Second Avenue, 18th Floor, Seattle, WA 98101. All Plan assets are held in trust by the Trustee.

The Plan Committee is the "Plan Administrator," as that term is defined in ERISA. You may contact the Coordinator named below for a list of the current voting members. The address and telephone number of the Plan Committee members are 1301 Second Avenue, 18th Floor, Seattle, WA 98101, and (206) 505-7877.

Trevor Kruse has been designated as the "Coordinator" of the Plan. Questions concerning your status, Account, vesting, benefits, etc., should be directed to Mr. Kruse. The address and telephone number of the Plan Coordinator is 1301 Second Avenue, 18th Floor, Seattle, WA 98101, and (206) 505-3627.

The Chief Legal Officer of Frank Russell Company has been designated as agent for service of legal process on the Plan. The address at which legal process may be served on him is 1301 Second Avenue, 18th Floor, Seattle, WA 98101. However, legal service may also be made on the Trustee or any member of the Plan Committee.

The Plan's record keeper is Milliman.com. Its address and telephone number are 111 SW Fifth Avenue, Suite 3700, Portland, OR 97204-3654, and (503) 227-0634. You may access your Accounts on line at www.millimanbenefits.com.

Plan's Fiscal Year End

Q-1.5 What is the year end date used for purposes of maintaining the Plan's fiscal records?

A-1.5 December 31. Therefore, a "Plan Year" is simply a calendar year.

2. ELIGIBILITY TO PARTICIPATE

Q-2.1 Who is eligible to participate--to become a "Participant"--in the Plan?

A-2.1 In general, if you are an employee of the Company or a Participating Company, you are eligible to participate in the Plan at the time described in **Question 2.2** unless you are (a) subject to a collective bargaining agreement that does not provide for participating in the Plan; (b) a nonresident alien earning no U.S.-source income; (c) a leased employee (as defined by the Code), or (d) an employee classified by the Company as an intern.

Q-2.2 If I am eligible to participate, when can I become a Participant in the Plan?

A-2.2 All employees of the Company who were Participants in the Plan on January 1, 2013, continue to be Participants. If you had not become a Participant by that date, to become a Participant:

First of all -- you must be 18 years of age.

If you are at least age 18, you begin to participate on the first day of the month following your satisfaction of one of the eligibility tests described below. Once you begin to participate, all service **prior** to your reaching age 18 **is** counted for purposes of determining your Years of Service and vesting rights under the Plan.

Second – You become a Participant if and when you satisfy the following applicable tests:

1. **Full-Time Employee.** If you are a full-time employee (i.e., 30 hours per week or more) you become a Participant for purposes of making 401(k) Contributions and Voluntary After-Tax Contributions as of the first day you begin full-time employment, and you become a Participant for purposes of Matching and Non-Contributory Contributions as of the first day of the month following the date on which you complete six consecutive months of full-time employment.

Example: You are employed full time on January 15, 2013, and complete six consecutive months of full-time employment on July 15, 2013. You are eligible to participate in the Plan for purposes of making 401(k) Contributions and Voluntary After-Tax Contributions on January 15, 2013, and you are eligible to participate for purposes of Matching and Non-Contributory Contributions on August 1, 2013.

2. **Part-Time Employee** – If you are not a full-time employee, you become a Participant for purposes of making 401(k) Contributions and Voluntary After-Tax Contributions and receiving Matching and Non-Contributory Contributions effective as of the first day of the month next following the month in which you complete 1,000 Hours of Service in your first 12 months of employment, or in any subsequent Plan Year (beginning with the Plan Year that includes the first

anniversary of your first Hour of Service) in which you complete 1,000 Hours of Service.

Example: You are employed part-time on January 15, 2013. By November 15, 2013, you accumulate 1,000 Hours of Service. You are then eligible to participate in the Plan on December 1, 2013.

Another Example: You are employed part-time on January 15, 2013. By January 15, 2014, you have **not** accumulated 1,000 Hours of Service; therefore, you are **not** eligible to participate at that time. However, during the 2014 Plan Year (i.e., calendar year), you accumulate 1,000 Hours of Service by November 30, 2014. You are eligible to participate in the Plan on December 1, 2014.

3. **Rehires.** If you were employed by the Company at any time after January 1, 1975, your employment was thereafter terminated, and you are then rehired:
 - A. If you were a Participant for purposes of Company contributions at the time your previous employment terminated, you are eligible to participate immediately upon your reemployment.
 - B. If you were not a Participant for purposes of Company contributions at the time your previous employment terminated and you are rehired after incurring a Break in Service, then you are treated as a new employee and must satisfy one of the eligibility tests described above starting with your rehire date.

However, if you are rehired before incurring a Break in Service, then you must satisfy one of the eligibility tests described above starting with your initial hire date.

You will incur a Break in Service for eligibility purposes if you do not complete at least 500 Hours of Service in your eligibility computation period. Your initial eligibility computation period is the 12-consecutive-month period beginning on the date you first complete an Hour of Service on or after your employment date (or reemployment date following a Break in Service). If you fail to complete at least 1,000 Hours of Service in your initial eligibility computation period, the next and subsequent eligibility computation periods are the 12-consecutive-month periods corresponding with the Plan Year, beginning with the Plan Year in which your initial eligibility computation period ends.

Q-2.3 What is an Hour of Service?

- A-2.3 An Hour of Service will be credited for each hour that you are paid or entitled to payment.

You will receive Hours of Service credit for hours that you are entitled to payment but do not actually perform services, such as vacations, holidays, illnesses, disabilities, layoffs, jury duty, military duty, or other approved leaves of absence. Furthermore, **solely** to avoid incurring a Break in Service, you will receive credit for absences due to maternity or paternity reasons. You will also receive Hours of Service credit for any hours for which the Company awards you back pay. There are, however, limits to these non-service hours. You cannot get credit for more than 501 such hours for any one absence. Also, payments solely to reimburse you for medical expenses or solely to comply with workmen's compensation, unemployment compensation, or disability insurance laws do not count.

Q-2.4 Will my service with Russell/Mellon Analytical Services, Inc. ("Russell/Mellon") count towards meeting the eligibility requirements?

A-2.4 Yes, but only if you transferred your employment from Russell/Mellon to the Company as part of the transaction involving the sale of the Company's ownership interest in Russell/Mellon to Mellon Bank on September 8, 2005.

Q-2.5 What if I take a leave for military service?

A-2.5 The Plan provides for make-up contributions and service credits to persons returning to employment after military service, to the extent required by federal law. If you are rehired following a period of uniformed service that entitles you to rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA), you will be credited with such service for purposes of determining Years of Service for eligibility, vesting and benefit accrual.

You will also be able to make up missed 401(k) Contributions and Voluntary After-Tax Contributions and receive missed Matching Contributions and Non-Contributory Contributions (but not to receive an allocation of Forfeitures or earnings) for the period while you were in qualified military service. For purposes of determining your make-up contributions, you will be treated as having earned Covered Pay during your military leave at the rate you would have earned it had you been actively at work with the Company during your period of uniformed service, or if the determination of such rate is not reasonably certain, on the basis of your average rate of Covered Pay during the 12-month period immediately preceding such period (or, if shorter, your actual period of employment with the Company immediately preceding such period). You have a limited time (three times your period of military service, but not more than five years) to make up your missed 401(k) Contributions and Voluntary After-Tax Contributions and qualify for Matching Contributions.

To qualify for these special provisions, you must notify the Company before taking leave (unless precluded by military necessity or other reasonable cause), and say how long you expect to be gone. You must also apply for reemployment following the leave within the time periods required by law. These rules apply to military service in the United States Armed Forces and National Guard. They also apply to uniformed service in the Commissioned Corps of the United States Public Health Service.

3. EMPLOYEE CONTRIBUTIONS

Q-3.1 May I contribute to the Plan?

A-3.1 You may make three different types of contributions to the Plan: (a) 401(k) Contributions (either Pre-Tax or Roth); (b) Voluntary After-Tax Contributions; and (c) Rollover Contributions.

Q-3.2 What happens to my contributions?

A-3.2 Your 401(k) Contributions and Voluntary After-Tax Contributions are deposited into the trust, as soon as administratively practicable after they are withheld from your pay, or with respect to Rollover Contributions, received from you for deposit into the trust. The Trustee invests the contributions in the manner you have elected among the investment funds made available to you under the Plan for your self-directed investments. Currently, all contributions are invested in Russell Trust Company's investment funds. **See Question 5.5** for more information on how the monies are invested and your ability to choose how your Account will be invested.

401(k) Contributions

Q-3.3 What are 401(k) Contributions?

A-3.3 401(k) Contributions are Pre-Tax or Roth 401(k) Contributions that you authorize the Company to make to the Plan on your behalf in lieu of receiving these amounts as current pay. This enables you to save some of your own money for retirement. If you do not make an election to make (or not to make) Pre-Tax or Roth 401(k) Contributions, you may be automatically enrolled in the Plan (see **Question 3.6**).

Q-3.4 What is the maximum amount of 401(k) Contributions that I can contribute to the Plan?

A-3.4 You may elect to contribute any amount from your Covered Pay, provided that it does not exceed the annual dollar limit on 401(k) contributions as announced by the IRS. The annual dollar limit on 401(k) contributions for 2013 is \$17,500. (That limit was \$17,000 for 2012.) If you will be age 50 or older by the end of the Plan Year, you may make additional *catch-up* 401(k) Contributions of up to \$5,500. The \$17,500 and \$5,500 annual dollar limits on 401(k) and catch-up 401(k) Contributions will be adjusted for inflation from time to time in \$500 increments. You must contribute the maximum 401(k) dollar limit or, if you are a Highly Compensated Employee (or HCE), the maximum Plan limit before you can make catch-up 401(k) Contributions to the Plan. If you are an HCE, the Plan Committee may limit the amount of your 401(k) Contributions so that the Plan satisfies an annual IRS nondiscrimination test (or some of your 401(k) Contributions, adjusted for earnings, may be returned to you if necessary to satisfy such test).

Q-3.5 How do I make 401(k) Contributions to the Plan?

A-3.5 In order to make 401(k) Contributions, you must authorize the Company to withhold 401(k) Contributions from your pay in such manner as is announced by the Plan Committee. You must irrevocably designate whether such contributions will be made as Pre-Tax or Roth (after-tax) 401(k) Contributions (or a combination thereof) when you make your 401(k) Contribution election. If you fail to make this designation, your 401(k) Contributions will be made pre-tax. Also, you cannot reclassify Pre-Tax and Roth 401(k) Contributions after they are deducted from your pay. Your designation (or lack of designation) is irrevocable with respect to 401(k) Contributions made to the Plan and can only be changed for future contributions, as described below.

Q-3.6 Will automatic enrollment apply to me?

A-3.6 You will be automatically enrolled in the Plan as of your automatic enrollment date if:

- (a) You became eligible to make 401(k) Contributions before January 1, 2012, you did not have an affirmative election to make 401(k) Contributions to the Plan as of January 1, 2012 and you do not elect to make 401(k) Contributions to the Plan by your automatic enrollment date; or
- (b) You become eligible to make 401(k) Contributions on or after January 1, 2012, and you do not affirmatively elect to make (or not to make) 401(k) Contributions to the Plan by your automatic enrollment date.

Your automatic enrollment date is the first day of the payroll period commencing on or after the later of April 1, 2012 or the 60-day period beginning on the date you become eligible to make 401(k) Contributions to the Plan. You will be notified of your automatic enrollment between 30 and 60 days before it is scheduled to take place. This will give you an opportunity to elect out of automatic enrollment or to elect to contribute a different percentage of your Covered Pay before the first automatic contribution takes place by contacting Milliman (see the Milliman contact information in Section 1). If you do not make an affirmative election to make or not make 401(k) Contributions by your automatic enrollment date, then 3% of your Covered Pay will be taken from your paycheck each pay period and contributed to the Plan as Pre-Tax 401(k) Contributions.

Q-3.7 Will my automatic enrollment percentage be automatically increased each year?

A-3.7 If you are automatically enrolled in the Plan, then as of April 1 of each year after your first year of automatic enrollment, your contribution level will automatically increase by 1% (unless you choose a different level), until it reaches 5% of your Covered Pay. But if you are first automatically enrolled within the six-month period prior to April 1, the automatic increase will not occur until the April 1 following your one-year anniversary of automatic enrollment. You will be notified of the increase between 30 and 60 days before it is scheduled to take place to permit you to choose a different percentage level.

Q-3.8 May I change the amount of my 401(k) Contributions to the Plan?

A-3.8 You may increase, decrease or stop your 401(k) Contributions each pay period by accessing your Account online at www.millimanbenefits.com. Your election will be effective as soon as practicable thereafter. Your 401(k) withholding authorization will remain in effect until such time as you change your authorization.

Q-3.9 How are my Pre-Tax 401(k) Contributions treated for tax purposes?

A-3.9 The amounts you authorize to be withheld from your pay as Pre-Tax 401(k) Contributions will not count as taxable income for federal income tax purposes. This means that you will not pay federal income taxes on these amounts (or on any investment earnings thereon) until they are distributed to you from the Plan. Your Pre-Tax 401(k) Contributions, however, will count as wages for Social Security tax purposes.

Q-3.10 How are my Roth 401(k) Contributions treated for tax purposes?

A-3.10 Roth 401(k) Contributions are subject to federal income tax (and Social Security tax) at the time of contribution. However, earnings on Roth 401(k) Contributions grow tax-free and are not taxed at the time of distribution, provided that the distribution is made to you after the end of the five-year tax period beginning with the first tax year for which you made a Roth 401(k) Contribution to the Plan and you have either attained age 59½, become disabled or died. It is not necessary to make Roth 401(k) Contributions in each of the five years. For example, if you make a Roth 401(k) Contribution to the Plan on December 15, 2008, the five-taxable-year period will end on December 31, 2013.

If a distribution from your Roth 401(k) Account is not a qualified distribution, the earnings distributed from the Roth 401(k) Account will be taxable to you at the time of distribution (unless you roll over the distribution to a Roth individual retirement account ("IRA") or to a 401(k) plan or a Code Section 403(b) plan that will accept the rollover). In addition, in some cases, there may be a 10% excise tax on the earnings that are distributed.

Your Roth 401(k) Contributions and related earnings are accounted for separately under the Plan. Except for separate accounting, Roth 401(k) Contributions are generally treated in the same manner as Pre-Tax 401(k) Contributions. This means that these amounts are always fully vested and are subject to the Matching Contribution, distribution restrictions and IRS limits set forth in this Booklet that apply to 401(k) Contributions, except as specifically provided otherwise.

Q-3.11 What if I have made Pre-Tax or Roth 401(k) Contributions or other pre-tax contributions to my previous employer's plan in the year in which I begin to participate in the Plan?

A-3.11 The annual dollar limit (i.e., \$17,500 or \$23,000, if catch-up eligible, for 2013) on your 401(k) Contributions is an aggregate limit that applies to all the 401(k) contributions

you make to the Plan or any other employer's 401(k) plan or other tax sheltered plan, such as a Code Section 403(b) annuity, simplified employee pension, SIMPLE IRA, or other similar plan in which you participate during the year. In general, if your total contributions under all such plans for a calendar year exceed the annual dollar limit, the excess must be included in your income for the year. If you have participated in another employer's plan in which you have made 401(k) contributions and your total contributions to that plan and the Plan exceed the annual limit, you may request in writing to the Plan Committee that the excess contributions be returned to you.

You must decide which plan must return the excess. If you decide that the excess should be distributed from the Plan, you should provide your instructions in writing to the Plan Committee no later than March 1 following the close of the year in which you exceeded the annual limit. The Plan Committee will return the excess contributions and any earnings to you by the following April 15. If you do not request a return of excess contributions or you do not properly provide written instructions by the March 1 deadline above, you may be taxed a second time when the excess contributions are ultimately distributed to you from the Plan.

Voluntary After-Tax Contributions

Q-3.12 May I make Voluntary After-Tax Contributions to the Plan?

A-3.12 Yes, you may elect to make Voluntary After-Tax Contributions to the Plan regardless of whether you make Pre-Tax or Roth 401(k) Contributions to the Plan. You may increase, decrease or stop your Voluntary After-Tax Contributions (within the limits described below) each pay period by accessing your Account online at www.millimanbenefits.com. Your election will be effective as soon as practicable thereafter. Your Voluntary After-Tax withholding authorization will remain in effect until such time as you change your authorization.

You may make Voluntary After-Tax Contributions by payroll deduction in an amount that does not to exceed 10% of your Covered Pay. In no event, however, in any Plan Year can the sum of your Voluntary After-Tax Contributions, 401(k) Contributions and Matching and Non-Contributory Contributions made on your behalf exceed the lesser of 100% of your total compensation or the "annual contribution limit." The annual contribution limit for 2013 is \$51,000. (This limit was \$50,000 for 2012.) Any catch-up 401(k) Contributions that you make to the Plan do not count toward the annual contribution limit. The annual contribution limit will be adjusted for inflation from time to time in \$1,000 increments.

If you do make Voluntary After-Tax Contributions, a separate Account (called your Post-86 After-Tax Account) is maintained for these contributions. This separate Account is in addition to your Employee Pre-Tax and Roth 401(k) Accounts. The Trustee will invest and reinvest your contributions according to your instructions for your exclusive benefit. **You are always 100% vested** in your Voluntary After-Tax Contributions and your Pre-Tax and Roth 401(k) Contributions as well as in any increases or decreases in value attributable to such contributions.

If you are an HCE, you may be required to receive a distribution of a portion of your Voluntary After-Tax Contributions or 401(k) Contributions for the Plan Year, plus earnings, if the Plan does not satisfy an annual nondiscrimination test required by law. The Plan Committee has the right to limit the amount of your Voluntary After-Tax Contributions and Pre-Tax and Roth 401(k) Contributions to the extent necessary to satisfy the nondiscrimination tests.

Q-3.13 How are Voluntary After-Tax Contributions different from Roth 401(k) Contributions?

A-3.13 While both Voluntary After-Tax Contributions and Roth 401(k) Contributions are made with after-tax dollars, Roth 401(k) Contributions are otherwise treated the same as Pre-Tax 401(k) Contributions in that they are subject to the same Matching Contributions and the same distribution restrictions and dollar limits as apply to Pre-Tax 401(k) Contributions. In addition, earnings on your Roth 401(k) Contributions are not taxed when they are distributed to you if the distribution meets the requirements for a qualified distribution described in **Question 3.10**. However, earnings on your Voluntary After-Tax Contributions are subject to federal income tax when distributed.

Q-3.14 Can I withdraw all or any portion of my Voluntary After-Tax Contributions prior to my retirement, Disability, death, or termination of employment?

A-3.14 Yes. While you are in the employ of the Company, you may withdraw all or any portion of your Voluntary After-Tax Contributions, as adjusted for gains and losses, at any time. The Plan Committee may prescribe rules and procedures from time to time regarding the timing, frequency and amount of withdrawals that you may make from the Plan. In general, a portion of withdrawn Voluntary After-Tax Contributions will be considered nontaxable and a portion will be considered a distribution of earnings on those contributions and, therefore, will be considered taxable (and may be subject to a 10% penalty tax if you are under age 59½). Please consult your tax advisor on the tax consequences of any withdrawals you make from the Plan.

Rollover Contributions

Q-3.15 May I make a Rollover Contribution to the Plan?

A-3.15 Yes. You may roll over to the Plan all or any portion of an Eligible Rollover Distribution from an Eligible Retirement Plan maintained by a former employer. You may also roll over to the Plan your Roth 401(k) accounts from a previous employer's Eligible Retirement Plan, but only if the rollover is made to the Plan as a direct rollover from your previous employer's plan.

You may also roll over to the Plan amounts maintained by you in a rollover IRA (but not amounts in a Roth IRA).

These amounts shall be held in a separate Account on your behalf. **You are always 100% vested** in all Rollover Contributions made by you or on your behalf and in any gain or loss attributable to such Rollover Contributions.

The Plan Committee may, as a condition of accepting a Rollover Contribution, require you to furnish whatever information and statements as it deems necessary in order to ensure that your Rollover Contribution satisfies all applicable legal requirements.

Subject to any rules and procedures announced by the Plan Committee, you may withdraw amounts from your Rollover Account while you are in the employ of the Company, but not more frequently than quarterly.

4. COMPANY CONTRIBUTIONS

General Information

Q-4.1 Are Company contributions required?

A-4.1 In general, the answer to this question is "no." (But see **Question 4.9** for the discussion of "minimum contribution.") Company contributions are made in the discretion of the Board of Directors of Frank Russell Company, as further described below.

Q-4.2 What types of contributions will the Company make on my behalf?

A-4.2 The Company currently provides eligible Participants with two types of discretionary contributions, a discretionary match of your 401(k) Contributions and a discretionary Non-Contributory Contribution equal to a percentage of Covered Pay.

Q-4.3 To whom does the Company make its contributions?

A-4.3 The Trustee receives all of the Company contributions to the Plan and invests the contributions in the manner you have elected among the investment funds made available to you under the Plan for your self-directed investments. Currently, all Company contributions are invested in Russell Trust Company's investment funds. See **Question 5.5** for more information on how the monies are invested and your ability to choose how your Account will be invested.

Matching Contributions

Q-4.4 How much is the Matching Contribution?

A-4.4 Once you have met the eligibility requirements described in **Question 2.2**, the Company may make a discretionary Matching Contribution with respect to your 401(k) Contributions (both Pre-Tax and Roth) in such amount and on such basis as the Company determines. Any such Matching Contributions shall be calculated and made each payroll period on behalf of each Participant who makes 401(k) Contributions up to a specified level during such payroll period. You can access your Account on line to find out the amount of the discretionary Matching Contribution.

Non-Contributory Contributions

Q-4.5 How much is the Non-Contributory Contribution?

A-4.5 Each Plan Year, the Company may make a Non-Contributory Contribution in an amount determined by the Board of Directors of Frank Russell Company.

Q-4.6 If the Company makes a Non-Contributory Contribution, what do I need to do to share in that contribution?

A-4.6 **First of all** -- to be eligible for the Non-Contributory Contribution, you **must** (a) have met the eligibility requirements described in **Question 2.2** and (b) be an employee of the Company on the last day of the Plan Year. For this purpose, you will be deemed to be an employee on the last day of the Plan Year if you are on a Company-approved leave of absence on such date or if you die during the Plan Year while employed by the Company. Also, if you transfer to a foreign office of the Company during an allocation period, you will be deemed to be an employee of the Company for the Plan Year in which you transfer, provided you are still employed by the foreign office on the last day of that Plan Year.

Next -- you **must** have accumulated at least 1,000 Hours of Service during the Plan Year. If you are on a Company-approved leave of absence, you also must have accumulated at least 1,000 Hours of Service during the Plan Year to be eligible for a Company contribution. (Again, however, **see Question 4.9** for the discussion of "minimum contribution.") The 1,000 Hour-of-Service requirement does not apply if you die during the Plan Year.

Q-4.7 How much of the total Non-Contributory Contribution will be allocated to my Account?

A-4.7 As of the last day of each Plan Year, the Company shall determine and allocate its Non-Contributory Contribution, if any, to the Employer Contribution Account of each Participant who has met the requirements described in **Question 4.6** in the same proportion as each such Participant's Covered Pay for the Plan Year bears to the total Covered Pay for such Plan Year of all Participants who have met the requirements described in **Question 4.6**. But the amount of any such Non-Contributory Contribution may be further limited by the IRS annual contribution limit. See **Question 4.10**. The Non-Contributory Contributions are deposited into the trust following the end of the Plan Year to which they relate.

Q-4.8 What is my Covered Pay?

A-4.8 See Section 13 for a definition of Covered Pay. Your Covered Pay for a Plan Year is your Covered Pay paid to you for such Plan Year not exceeding the IRS annual compensation limit. (The IRS annual compensation limit is periodically adjusted for inflation by the IRS in \$5,000 increments. The limit is \$255,000 for 2013 and was \$250,000 for 2012.). Note that Covered Pay does not include any compensation received prior to your becoming a Participant in the Plan or, in general, any

compensation received in a Plan Year in which you have less than 1,000 Hours of Service. However, your Covered Pay will include amounts that would be treated as Covered Pay except that such amounts were received during the Plan Year from a foreign affiliate prior to your entry into the Plan as a Participant.

Minimum Contribution

Q-4.9 Will the Company ever make a minimum contribution?

A-4.9 For a Participant who is a "non-key employee" and who is employed by the Company on the last day of the Plan Year, the Company will make a minimum contribution which, when added to any other Company contributions made on behalf of such Participant for such Plan Year will equal the lesser of (a) 3% of such Participant's total compensation for the Plan Year or (b) a percentage of total compensation equal to the highest percentage of compensation for which contributions are made on behalf of a "key employee" for the Plan Year. Total compensation for this purpose is limited to the IRS annual compensation limit, which is \$255,000 for 2014 and \$250,000 for 2012. A key employee as defined by the federal tax laws generally means any of certain officers and owners of the Company and the Related Employers.

Example: You were a full-time employee for all of 2013, became a Participant in the Plan, and received Company contributions for 2013. In 2014, you became a part-time employee and did not accumulate 1,000 Hours of Service during that Plan Year; therefore, you are not entitled to receive a Non-Contributory Contribution under the general provisions of the Plan. You also did not receive any Matching Contributions because you did not make 401(k) Contributions to the Plan. In this situation, you will ordinarily receive a minimum contribution of 3% of your total compensation for the Plan Year.

Annual Contribution Limit

Q-4.10 Is there a limit on annual contributions made to my Accounts under the Plan?

A-4.10 Under tax laws, in no event for any one Plan Year may the Company's contributions on your behalf plus your 401(k) Contributions (other than catch-up 401(k) Contributions) and your Voluntary After-Tax Contributions to the Plan exceed the lesser of 100% of your compensation for the Plan Year or the annual contribution limit. The annual contribution limit for 2013 is \$51,000 and that limit for 2012 was \$50,000. (Any catch-up 401(k) Contributions that you make to the Plan do not count toward the annual contribution limit.) The annual contribution limit is subject to future adjustment by the IRS in \$1,000 increments. This limit will be applied within 2-½ months after the end of each Plan Year in the manner required by the IRS, which may include returning a portion of your Voluntary After-Tax Contributions and 401(k) Contributions, or limiting or forfeiting some or all of the Company's contributions. Thus you should make your contributions after fully evaluating this limit, including with your tax advisor.

Share of Company Contributions

Q-4.11 What is my share of the Company contributions to the Plan?

A-4.11 Your share of the Matching Contributions and Non-Contributory Contributions to the Plan consists of all such Company contributions made on your behalf, plus your share of all earnings and losses on investments made with these contributions. **However, if your employment with the Company terminates before you have accumulated five Years of Service, the unvested portion of your Accounts will be forfeited as described in Question 6.24 unless your termination of employment is due to your death, total Disability, or retirement at/or after your Normal Retirement Date.** See **Question 6.20** for the discussion of vesting. The current market and vested value of your Employer Match Account and Employer Contribution Account is determined by the Trustee and will be reported to you at least quarterly by the Plan Committee.

5. PARTICIPANT ACCOUNTS AND INVESTMENT OF CONTRIBUTIONS

Q-5.1 How are contributions to the Plan accounted for?

A-5.1 The following separate Accounts are established, as necessary, for each Participant to hold the various types of Plan contributions:

Type of Contribution	Name of Account
Pre-Tax 401(k) Contributions	Employee Pre-Tax Account
Roth 401(k) Contributions	Roth 401(k) Account
Voluntary After-Tax Contributions	Post-86 After-tax Account
In-Plan Roth Rollover Contribution	In-Plan Roth Rollover Account
Rollover Contributions	Rollover Account; Roth Rollover Account
Matching Contributions	Employer Match Account
Non-Contributory Contributions	Employer Contribution Account
Prior Transferred Money Purchase Account	Money Purchase Pension Account

The contributions are paid into the trust fund, allocated to the appropriate Account named above and accounted for separately.

Q-5.2 When are my Accounts valued?

A-5.2 Your Accounts are valued on each day that the New York Stock Exchange is open for trading and are adjusted at that time to reflect any distributions made, contributions received and each such Account's share of the earnings (or losses) of the investment funds and other assets in which such Account is invested.

Q-5.3 Will I receive statements reflecting the value of my Accounts?

A-5.3 You will receive a statement reflecting the value of your Accounts after the end of each calendar quarter.

Q-5.4 Who manages the Plan's assets?

A-5.4 All contributions to the Plan are held in a trust and administered by the Trustee for the benefit of the Participants. The Trustee invests the Plan's assets in accordance with your investment directions (as described in **Question 5.5**). Earnings on the investments are reinvested.

Q-5.5 Who will designate how my Accounts in the Plan are invested?

A-5.5 You have the responsibility to direct the investment of your Accounts in any of the Russell Trust Company's investment funds made available from time to time by the Plan Committee. You may make changes in your investments in accordance with rules and procedures announced by the Plan Committee. The number and identity of the funds available for your self-directed investments will be subject to change by the Plan Committee from time to time. The Plan Committee will notify you of any changes in the available funds. Please consult your personal investment advisor regarding your selection of and changes to your investments.

Because you have the right to exercise control over the investments in your Accounts, the Plan Committee, the Trustee and other fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of investment instructions that you give. The Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Title 29 of the Code of Federal Regulations Section 2550.404c-1.

The Importance of Diversifying Your Retirement Savings

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

If you would like additional information about the funds available for your self-directed investments, please contact the Plan Committee. Upon your request, the Plan Committee will provide you with the following information:

- (a) A description of the annual operating expenses of each of the investment alternatives (such as investment management fees and transaction costs), which reduce the total rate of return on investments, and the total amount of such expenses expressed as a percentage of the average net assets of each fund.
- (b) A copy of any prospectuses, financial statements and reports, and other materials relating to the funds available for your investment under the Plan.
- (c) Information concerning the current value of the units of the funds available for your investment under the Plan, as well as the past and current investment performance of such funds, net of expenses.
- (d) Information concerning the value of the funds held in your Accounts.

Q-5.6 Can I elect to invest my Account in life insurance?

A-5.6 Prior to January 1, 1999, you could direct the investment of a portion of your Account in life insurance on your life. However, effective January 1, 1999, the Company amended the Plan to prohibit the Trustee from purchasing any additional life insurance on your life. If the Trustee held any insurance contracts on your life that were purchased prior to January 1, 1999, you were given the opportunity to elect to continue such contracts in effect by having the Trustee pay the premiums on the contracts. If you did not elect to continue the contracts in effect, the Trustee surrendered the contracts and allocated the proceeds to your Account under the Plan. Alternatively, you were given the opportunity to elect to purchase any insurance contract on your life for its cash surrender value. The Plan Committee has announced rules and procedures from time to time regarding your investments in life insurance.

The total premiums that may be paid for life insurance protection cannot exceed the maximum limits prescribed by law and by the Plan. Life insurance protection that is purchased with Company contributions will be currently taxable to you in accordance with tables issued by the IRS. In the event of your death prior to termination of employment or retirement, the proceeds of any insurance contracts on your life will be paid to your designated beneficiary in accordance with the Plan rules governing payment of death benefits (see **Questions 6.10-6.16**). In the event you terminate employment or retire and life insurance has been purchased for you, you may elect to receive a distribution of the insurance contract(s) on your life or have the Trustee

convert the entire value, if any, of the insurance contract(s) into cash in order to provide benefits to you in accordance with the method of payment you select.

6. BENEFITS

Q-6.1 Under what circumstances may I receive my Plan benefits?

A-6.1 The primary reason for maintaining the Plan, and for its favored tax status, is to provide a means for you to accumulate monies for your retirement. Thus, the principal circumstance and time for you to receive your vested Plan benefits is at your retirement. However, benefits are also payable upon:

- your death;
- your becoming totally and permanently disabled;
- your termination of employment with the Company and all Related Employers;
- your attainment of age 59½ (Pre-Tax 401(k) Accounts, and effective on and after January 1, 2012, Roth 401(k) Accounts and In-Plan Roth Rollover Accounts, only); or
- your financial hardship (Pre-Tax 401(k) Contributions, and effective on and after January 1, 2012, Roth 401(k) Contributions, only).

You may also request in-service withdrawals from your Rollover Account, Roth Rollover Account and Post-86 After-Tax Account at any time, and if you are in active duty in the military, a distribution may be available from your Pre-Tax 401(k) Account and/or Roth 401(k) Account.

Q-6.2 Do I have to obtain the consent of my Spouse to receive my Plan benefits?

A-6.2 Yes, you must obtain the consent of your Spouse if your Vested Account balance exceeds \$5,000 and if you elect to receive the portion of your Vested Account balance that is subject to the qualified joint and survivor annuity in a form other than the qualified joint and survivor annuity. The portion of your Vested Account balance that is subject to the qualified joint and survivor annuity is your Vested Accounts other than your Rollover Account, Roth Rollover Account, In-Plan Roth Rollover Account, Post-86 After-Tax Account, Employee Pre-Tax Account, and Roth 401(k) Account. The Accounts that are not subject to the qualified joint and survivor annuity are referred to as your Non-QJSA Accounts. You do not need to obtain the consent of your Spouse to receive benefits from your Non-QJSA Accounts.

Q-6.3 What is a "qualified joint and survivor annuity?"

A-6.3 A qualified joint and survivor annuity ("QJSA") is an annuity for your life with a survivor annuity for the life of your Spouse that is 50% of the amount of the annuity that is payable during the joint lives of you and your Spouse. (You may instead elect a survivor annuity percentage of 75% without spousal consent. If you do not make an election, the survivor annuity percentage will be 50%.) The QJSA benefit is equal to

the amount of benefits that would be paid under an insurance company annuity purchased with your Vested Account balance, excluding your Non-QJSA Accounts. Your Vested Account balance excluding your Non-QJSA Accounts must be paid in the QJSA form of benefit unless you and your Spouse waive payment of that benefit. If you wish to waive the QJSA form of payment, you must do so within 90 days before your benefit commencement date and you must obtain the consent of your Spouse. Your Spouse's consent must specifically agree with your election and must be witnessed by a Plan Committee member or by a notary public. The Plan Committee will provide you with forms that you must sign to waive the QJSA benefit and a form for your Spouse to consent to your election.

If you waive the QJSA benefit and obtain the consent of your Spouse to the waiver, you may elect to receive your Vested Account balance in a lump sum or as a direct rollover, or if you have attained your Normal Retirement Date, in any other form permitted by the Plan as described in **Question 7.1**.

Q-6.4 How are my benefits paid from the Plan if I am single?

A-6.4 If you are single, your Vested Account balance, excluding your Non-QJSA Accounts, must be paid to you as a single life annuity, unless (i) your Vested Account balance does not exceed \$5,000 or (ii) you waive the annuity and elect to receive your benefits in a lump sum or as a direct rollover or, if you have reached your Normal Retirement Date, in any other form permitted by the Plan as described in **Question 7.1**. A single life annuity is an annuity for your life purchased with the proceeds of your Vested Account balance, excluding your Non-QJSA Accounts.

Q-6.5 How can I elect to receive benefits from my Non-QJSA Accounts?

A-6.5 You may elect to receive benefits from your Non-QJSA Accounts (i.e., your Rollover Account, Roth Rollover Account, In-Plan Roth Rollover Account, Post-86 After-Tax Account, Roth 401(k) Account and Employee Pre-Tax Account) in a lump sum or as a direct rollover or, if you have attained your Normal Retirement Date, in any other form permitted by the Plan as described in **Question 7.1**.

Retirement Benefits

Q-6.6 What is my Normal Retirement Date?

A-6.6 Your Normal Retirement Date is the date of your 55th birthday.

Q-6.7 Will I continue to participate in the Plan if I continue to work after my Normal Retirement Date?

A-6.7 Yes. You will participate in the Plan as long as you work for the Company.

Q-6.8 What are my retirement benefits?

A-6.8 Upon attaining your Normal Retirement Date while employed by the Company or any Related Employer, you will be fully vested in your Employer Match Account and Employer Contribution Account. If you retire at any time thereafter, you can begin to receive your benefits in any of the ways described in **Section 7**, "Benefit Payments."

Q-6.9 Must I receive my benefits by any particular date?

A-6.9 Yes. You must **begin** to receive your benefits not later than your Required Beginning Date (generally the April 1 following the year in which you attain age 70½ or retire, whichever is later).

Death Benefits**Q-6.10 What are my death benefits?**

A-6.10 Should you die while you are employed by the Company or a Related Employer prior to retirement, your Accounts will become fully vested and payable to your designated beneficiary. Upon your death after retirement, the remainder of your Vested Accounts will be payable to your surviving designated beneficiary. See **Section 7**, "Benefit Payments."

Q-6.11 Whom may I designate as my beneficiary?

A-6.11 If you are unmarried, you may designate a beneficiary of your own choosing and may name a contingent beneficiary if your primary beneficiary predeceases you.

If you are married, you may only designate your Spouse as your primary beneficiary, unless your Spouse consents in writing to your designation of another beneficiary. Your Spouse's consent must be witnessed by a member of the Plan Committee or by a notary public. If you are married, you may also designate a contingent beneficiary of your own choosing.

If you are married and have previously designated a beneficiary other than your Spouse, the Plan Committee cannot pay any death benefits to this designated beneficiary unless you obtain your Spouse's written consent, which must be witnessed by a member of the Plan Committee or by a notary public. Please contact the Plan Coordinator if you wish any death benefits under the Plan to be paid to anyone other than your Spouse.

Q-6.12 What happens if I fail to designate a beneficiary or the beneficiary I name predeceases me?

A-6.12 If you do not designate a beneficiary or if the beneficiary you name dies before you do, your benefit will be paid to your Spouse or, if none, to your estate.

Q-6.13 If I am married, how are my death benefits paid?

A-6.13 If you are married when you die and if your Vested Account balance, excluding your Non-QJSA Accounts (i.e., your Rollover Account, Roth Rollover Account, In-Plan Roth Rollover Account, Post-86 After-Tax Account, Employee Pre-Tax Account, and Roth 401(k) Account), exceeds \$5,000, such Vested Account balance must be paid to your surviving Spouse in the form of a qualified pre-retirement survivor annuity ("QPSA"), unless you waive the QPSA during your lifetime and you obtain the written consent of your Spouse to your waiver. A QPSA is an annuity that is purchased from an insurance company with your Vested Account balance, excluding your Non-QJSA Accounts, that is payable for the life of your surviving Spouse. The Plan Committee will provide you with a written explanation that will describe the QPSA and your right to waive the QPSA with the written consent of your Spouse. Your Spouse's consent to your waiver of the QPSA must be witnessed by a member of the Plan Committee or by a notary public. To have a valid consent, your Spouse must consent to a specific beneficiary named by you (although your Spouse may permit you to designate another beneficiary without any further spousal consent) and your Spouse's consent must acknowledge the effect of your waiver of the QPSA.

If you have attained age 35, the Plan Committee will provide you with an explanation of the QPSA within a reasonable period after you become a Participant in the Plan. If you are under age 35, the Plan Committee will provide you with an explanation of the QPSA during the period that begins in the Plan Year in which you attain age 32 and that ends not later than the Plan Year in which you attain age 34. If you do not waive the QPSA during your lifetime, your surviving Spouse may elect after your death to waive the QPSA and choose to receive benefits in any other form permitted by the Plan. If you do waive the QPSA and obtain your Spouse's valid consent to your waiver, you may choose to have your benefits paid to your designated beneficiary in another form permitted by the Plan for unmarried Participants.

Q-6.14 If I am single (or if I am married and waive the QPSA with the consent of my Spouse), in what other forms can my death benefits be paid to my beneficiary?

A-6.14 Your designated beneficiary may receive your benefits in a lump sum, direct rollover as described in **Question 7.14** or installments over a period certain not exceeding your beneficiary's life expectancy. If you die after beginning to receive your benefits, your beneficiary must receive the remainder of your benefits at least as rapidly as you were receiving them prior to your death.

Q-6.15 When must my death benefits be paid to my beneficiary?

A-6.15 Your death benefits generally must be paid to your designated beneficiary not later than the December 31 of the year containing the fifth anniversary of your death. However, if your beneficiary is not your surviving Spouse (or your surviving Spouse is your beneficiary and he or she elects not to receive a QPSA), your beneficiary may elect to receive installment payments over a period certain not exceeding your beneficiary's life expectancy beginning not later than the December 31 of the year following the year of

your death. If your surviving Spouse is your sole beneficiary, he or she may elect to defer the payment of your benefits to a date not later than December 31 of the year in which you would have attained age 70½ had you lived.

Q-6.16 How is the life expectancy of my designated beneficiary determined?

A-6.16 Life expectancy is determined by using a table set forth in IRS regulations.

Disability Benefits

Q-6.17 What are my Disability benefits?

A-6.17 In the event of your Disability while employed with the Company or any Related Employers, your Accounts will become fully vested and payable to you. See **Section 7**, "Benefit Payments," for the methods of payment.

Q-6.18 What is "Disability?"

A-6.18 You are considered to have a Disability if you are unable to engage in any substantial activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration.

Q-6.19 Who will determine whether I have a Disability?

A-6.19 This will be determined by the Plan Committee, based on such evidence (e.g., a written opinion of a qualified physician) as the Plan Committee deems necessary or desirable.

Termination of Employment — Vesting

Q-6.20 Will I be eligible to receive anything from the Plan if my employment is terminated by me or by the Company?

A-6.20 Yes, to the extent you are vested.

If your employment is terminated for reasons other than retirement on or after your Normal Retirement Date, death, or Disability, the vested percentage of your Employer Match Account and Employer Contribution Account (including amounts transferred to the Plan on your behalf from the Money Purchase Pension Plan and Trust Agreement for Employees of Frank Russell Company) and the earnings or losses thereon, will be determined according to the following schedule:

<u>Completed Years of Service</u>	<u>Percent Vested</u>
Less than one	0%
One	20%
Two	40%
Three	60%

Four	80%
Five or more	100%

Of course, you are at all times 100% vested in your Rollover Account, Roth Rollover Account, In-Plan Roth Rollover Account, Post-86 After-Tax Account, Employee Pre-Tax Account, and Roth 401(k) Account. If you transferred your employment, at the request of the Company, to Russell/Mellon, you will be treated as 100% vested regardless of your number of completed Years of Service. Please note that the above vesting schedule only applies to you if you complete an Hour of Service on or after January 1, 2006. If you do not complete an Hour of Service after December 31, 2005, your vested percentage in your Employer Match Account and Employer Contribution Account will be determined by the vesting schedule in effect before January 1, 2006.

Q-6.21 What is meant by "Year of Service?"

A-6.21 A Year of Service means a Plan Year during which you have at least 1,000 Hours of Service with the Company. If you do not complete at least 1,000 Hours of Service during a Plan Year, you will not earn a Year of Service credit for vesting purposes.

Q-6.22 Will my service with Russell/Mellon, if I transferred back to Russell, count towards vesting?

A-6.22 Yes, but only if you transferred your employment from Russell/Mellon to the Company as part of the transaction involving the sale of the Company's ownership interest in Russell/Mellon to Mellon Bank on September 8, 2005.

Q-6.23 If my employment terminates, may I request to receive payment of my Vested Account balance?

A-6.23 Yes, subject to the QJSA and single life annuity requirements described in **Questions 6.3 and 6.4**, you may request to receive payment in a lump sum or as a direct rollover. If the value of your Vested Account balance exceeds \$1,000, you may also defer payment to a later date. See **Section 7, "Benefit Payments,"** for more information. However, if the value of your Vested Accounts does not exceed \$1,000 as of your termination of employment (or any later distribution date), it will be paid to you in a lump sum (less 20% federal income tax withholding) as soon as administratively practicable after your employment terminates (or such later distribution date). To the extent it qualifies as an Eligible Rollover Distribution, you may elect to have all or a portion of the lump-sum payment made to you or as a direct rollover to a traditional or Roth IRA or Eligible Retirement Plan. At the time you make this request, the Plan Coordinator will provide information to you concerning the tax consequences of receiving a distribution, and your ability to roll over the distribution.

Q-6.24 What happens to my unvested Account balance?

A-6.24 If you request and receive a lump-sum distribution of your Vested Account balance by the end of the second Plan Year following your termination of employment, the

unvested portion of your Account is forfeited and used to reduce future Company contributions to the Plan.

If you do not request to receive a distribution of your Vested Account balance, the unvested portion and earnings thereon will be forfeited and used to reduce future Company contributions to the Plan when you have incurred five consecutive one-year Breaks in Service.

If your Vested Account balance does not exceed \$1,000, you will receive a lump-sum distribution of the vested portion of your Account. The unvested portion will be forfeited and used to reduce future Company contributions to the Plan. If your vested percentage is zero (and you do not have a 401(k) Account), your entire unvested Account balance will be forfeited as of the date of your termination of employment and used to reduce Company contributions to the Plan. If your Vested Account balance is more than \$1,000, a lump-sum distribution cannot be made to you prior to age 62 without your written consent.

Breaks in Service or Reemployment by the Company

Q-6.25 What is a "Break in Service for vesting purposes?"

A-6.25 A Break in Service for vesting purposes is a Plan Year in which you fail to complete more than 500 Hours of Service.

Q-6.26 Will my pre-break and post-break Years of Service be combined for vesting?

A-6.26 If you incur a Break in Service, your pre-break and post-break Years of Service shall be combined for vesting purposes if you complete an Hour of Service with the Company on or after January 1, 2011. If you both terminated employment and were rehired before January 1, 2011 but did not complete an Hour of Service with the Company on or after January 1, 2011, other rules may apply to limit or disregard your pre-break Years of Service.

Q-6.27 If I leave the employment of the Company and receive a lump-sum distribution of my Vested Accounts, may I have the unvested portion restored to my Account if I return to employment with the Company?

A-6.27 Yes. If you resume employment with the Company before incurring five consecutive one-year Breaks in Service, the **dollar value** of the unvested portion of your Account, determined as of the date you received the lump-sum distribution from the Plan (or as of your date of termination if you had no vested interest under the Plan), will be restored to your Account if you repay to the Plan the **full** amount of the distribution you received (if any) within five years after your date of reemployment (and before incurring five consecutive one-year Breaks in Service).

Domestic Relations Orders

Q-6.28 May I assign or transfer my interest in the Plan to someone else?

A-6.28 As a general rule, your interest in your Account balance may **not** be sold, used as collateral for a loan (other than a Plan loan), given away, transferred in any other way or attached by your creditors, garnished by your creditors or otherwise interfered with. However, the Plan Committee must honor qualified domestic relations orders, IRS levies against your Account, certain judicially ordered attachments concerning child support, alimony and marital property rights, and orders or requirements to pay arising from judgments of conviction for crimes involving the Plan.

Q-6.29 What is a qualified domestic relations order?

A-6.29 A **qualified domestic relations order** is a decree or order, issued by a court, that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your Spouse, former Spouse, child or other dependent. If the Plan Committee receives a qualified domestic relations order, all or a portion of your benefits may be used to satisfy the obligation. The Plan Committee will determine whether any domestic relations order the Plan receives is a "qualified" one that the Plan must honor. A copy of the procedures used by the Plan Committee to make this determination is available without cost from the Plan Committee.

7. BENEFIT PAYMENTS

Retirement or Total Disability

Q-7.1 How are my Vested Accounts paid if I retire on or after my Normal Retirement Date or due to total Disability?

A-7.1 Subject to the QJSA and single life annuity requirements described in **Questions 6.3** and **6.4**, and if your Vested Accounts exceed \$1,000, your Vested Accounts may be paid in one or a combination of the following methods as you elect:

- (a) One lump sum.
- (b) Monthly, quarterly, semiannual or annual installments payable over a set period which cannot be longer than your life expectancy or the joint and last survivor life expectancy of you and your Spouse. Your life expectancy and that of your Spouse will be recalculated annually unless you elect otherwise. If you elect to receive installments, you may also elect not more than four times during a Plan Year to receive a single-sum payment of a portion or all of your remaining Vested Account balance.
- (c) Monthly, quarterly, semiannual or annual installments payable over a set period which cannot be longer than the joint life expectancy of you and your designated beneficiary. Your life expectancy (but not the life expectancy of

a non-Spouse beneficiary) will be recalculated annually unless you elect otherwise. If your designated beneficiary is not your Spouse and such beneficiary is more than 10 years younger than you, the life expectancy of your beneficiary must be adjusted in accordance with IRS regulations after you attain age 70½. If you elect to receive installments, you may also elect not more than four times during a Plan Year to receive a single-sum payment of a portion or all of your remaining Vested Account balance.

- (d) A partial lump-sum payment of a portion of your Vested Account balance and the remainder in a form described in paragraph (b) or (c) above. If you elect this option, you may also elect, in writing, to defer the payment of the remaining portion of your Vested Account balance to a date not later than your Required Beginning Date. Any such election is subject to the QJSA waiver and spousal consent requirements described above unless the original consent by your Spouse to your waiver of the QJSA permitted you to change your form of distribution without further spousal consent.
- (e) The purchase of a nontransferable annuity contract providing payments to you for your life, or the purchase of a nontransferable joint and survivor annuity contract providing payments to you for your life, with payments continuing to your surviving Spouse for his or her life equal to at least 50% of the amount of the annuity payable during your joint lives.

Q-7.2 When will payment of my benefits commence upon retirement or total Disability?

A-7.2 Ordinarily, your benefits will commence as soon thereafter as is practicable, but in any event not later than March 1 following the Plan Year in which you are entitled to them. However, if you do not file a claim for benefits by the date that benefits are distributable to you, you will be deemed to have elected to defer the payment of your benefits. In such event, payment of your benefits will not commence until you file a claim for benefits or the date that required minimum distributions must begin to be paid, whichever is earlier.

In-Service Withdrawals

Q-7.3 May I request a withdrawal from my Account prior to my termination of employment?

A-7.3 You may request a withdrawal from your Employee Pre-Tax Account, and effective on and after January 1, 2012, your Roth 401(k) Account, (but not from your Employer Match Account or your Employer Contribution Account), if you incur a financial hardship or after you attain age 59½. You may request a direct rollover from your Employee Pre-Tax Account to an In-Plan Roth Rollover Account after you attain age 59½ as described in **Question 7.10** and you may request a withdrawal from that Account after you attain age 59½. If you are ordered or called to active duty after September 11, 2001 you may be able to take a "qualified reservist distribution" as described in **Question 7.11** or a distribution as described in **Question 7.12**. You may

also request withdrawals from your Post-86 After-Tax Account at any time (see **Question 3.14**) and from your Rollover and Roth Rollover Accounts not more frequently than quarterly (see **Question 3.15**.)

Q-7.4 What is a financial hardship?

A-7.4 In order to qualify for a financial hardship distribution, you must incur one of the following immediate and heavy financial needs:

- expenses incurred that are necessary for medical care, as defined in Code Section 213(d), for you, your Spouse, or dependents, or your primary beneficiary under the Plan;
- purchase of your principal residence;
- payment of tuition, related educational fees and room and board expenses for the next 12 months of post-secondary education for you, your Spouse, children, or dependents or your primary beneficiary under the Plan;
- payment to prevent eviction from, or foreclosure of the mortgage on, your principal residence;
- payment of funeral or burial expenses for your parent, Spouse, child, or dependent, or your primary beneficiary under the Plan ; or
- expenses to repair damages to your principal residence that would qualify for a casualty loss deduction (determined without regard to whether the loss exceeds 10% of your adjusted gross income).

For purposes of hardship withdrawals, your "primary beneficiary under the Plan" is an individual who is named as your primary beneficiary under the Plan to receive your benefit in the event of your death.

Q-7.5 How much can I withdraw from my Account in the event I have a financial hardship?

A-7.5 You may only withdraw an amount that will not exceed the amount required to meet your immediate and heavy financial need. In addition, your withdrawal may not exceed the amount of your Pre-Tax and Roth 401(k) Contributions to the Plan, not including any earnings thereon.

Q-7.6 Are there any other conditions that I must satisfy in order to make a financial hardship withdrawal?

A-7.6 In order to qualify for a financial hardship withdrawal, the following conditions will apply:

- You must obtain all distributions available to you under the Plan before you may take a financial hardship withdrawal from the Plan;

- You may not make Pre-Tax or Roth 401(k) Contributions or Voluntary After-Tax Contributions to the Plan for six months after your receipt of the financial hardship withdrawal;
- Your withdrawal may not be in excess of the amount of your financial need, plus any amount necessary for you to pay any federal, state or local income taxes or penalties that you reasonably anticipate to result from the withdrawal.

Q-7.7 What are the tax consequences if I receive a financial hardship withdrawal?

A-7.7 The entire pre-tax amount of your withdrawal will be taxable, for federal income tax purposes, in the year in which you receive the withdrawal and may be subject to a 10% penalty tax if you are under age 59½. See **Question 7.16** for more information. Please consult your tax advisor on the tax consequences of a financial hardship withdrawal.

Q-7.8 What can I withdraw from the Plan when I attain age 59½?

A-7.8 If you are an active employee of the Company, you may make a withdrawal of all or any portion of your Employee Pre-Tax Account at any time on or after you attain age 59½. Effective on and after January 1, 2012, your Roth 401(k) Account and In-Plan Roth Rollover Account are also available for withdrawal after you attain age 59½.

Q-7.9 Are there any requirements that I must satisfy to make a withdrawal at age 59½, and are there any penalties that will result from my withdrawal?

A-7.9 You may make a withdrawal from your Employee Pre-Tax, Roth 401(k) and In-Plan Roth Rollover Accounts at age 59½ for any reason, and you will not suffer any penalties as a result of your withdrawal, but your withdrawal may be subject to income tax. See **Question 7.16** for more information.

Q-7.10 May I elect a direct rollover of all or a portion of my Employee Pre-Tax Account to an In-Plan Roth Rollover Account?

A-7.10 Effective on and after January 1, 2012, if you are at least age 59½, you may elect a direct rollover of all or a portion (but not less than \$1,000) of your Employee Pre-Tax Account to an In-Plan Roth Rollover Account. The In-Plan Roth Rollover Account is subject to the rules that apply to other Roth Accounts in the Plan provided that it is subject to the withdrawal rules that apply to your Employee Pre-Tax Account.

Q-7.11 May I take a qualified reservist distribution while on active duty?

A-7.11 Effective on and after September 1, 2010, if (a) you are a reservist or national guardsman; (b) you were/are called to active duty after September 11, 2001; and (c) you were or are called to duty for at least 180 days or for an indefinite period, you may take a distribution of your 401(k) Contributions while you are on active duty, regardless of your age. The 10% premature distribution penalty tax, normally applicable to Plan distributions made before you reach age 59½, will not apply to the distribution. You also may repay the distribution to a traditional or Roth IRA, without

limiting amounts you otherwise could contribute to the IRA, provided you make the repayment within two years following your completion of active duty. If you think you may be eligible for and want to take a qualified reservist distribution, please contact the Plan Committee for further information.

Q-7.12 May I take a distribution from my Pre-Tax and/or Roth 401(k) Accounts while I am performing service in the uniformed services?

A-7.12 If you are performing service in the uniformed services on active duty for a period of more than 30 days, you are eligible to request a distribution from your Pre-tax and/or Roth 401(k) Accounts. If you elect such a distribution, then you may not make 401(k) Contributions or Voluntary After-tax Contributions to the Plan during the six-month period beginning on the date of the distribution. If you would be entitled to a distribution under this **Question 7.12** as well as a distribution under **Question 7.11** or a distribution due to attainment of age 59½, then the six-month suspension will not apply.

Termination of Employment

Q-7.13 How are my benefits paid if my employment with the Company is terminated for reasons other than retirement on or after my Normal Retirement Date, total and permanent Disability, or death?

A-7.13 If the value of your Vested Account balance in the Plan is not in excess of \$1,000, the amount will be distributed to you in one lump sum (or as a direct rollover if you elect) as soon as practicable following your termination of employment, but not later than the end of the second Plan Year following your termination of employment.

Subject to the QJSA and single life annuity requirements described in **Questions 6.3** and **6.4**, if the value of your Vested Account balance in the Plan is in excess of \$1,000 and you so elect, your Vested Account balance will be distributed in one lump sum (or as a direct rollover) as soon as practicable following your termination of employment. You must give your written consent to receive a lump-sum distribution that exceeds \$1,000. If you do not elect to receive a lump-sum distribution (or rollover) of your Vested Account balance prior to your Normal Retirement Date, you may elect (subject to the QJSA and single life annuity requirements) at any time on or after your Normal Retirement Date (but not later than your Required Beginning Date) to receive your benefits in any form that is available to Participants who retire on or after their Normal Retirement Date. (See **Question 7.1** for additional information.)

Direct Rollovers

Q-7.14 Can I roll over my Vested Accounts to an IRA or another employer's Eligible Retirement Plan?

A-7.14 If your benefits are paid in the form of an Eligible Rollover Distribution, you may make a direct rollover of your benefits to a traditional or Roth IRA (subject to certain adjusted gross income limits for rollover of pre-tax amounts to a Roth IRA prior to

January 1, 2010) or to your new employer's Eligible Retirement Plan. However, you may only make a direct rollover of your Voluntary After-Tax Contributions to a traditional or Roth IRA or to an Eligible Retirement Plan that agrees to separately account for such contributions. If you do not make a direct rollover of an Eligible Rollover Distribution, the Trustee will withhold federal income taxes equal to 20% of the taxable portion of your distribution. You may make a direct rollover of your Roth 401(k) Account, Roth Rollover Account and In-Plan Roth Rollover Account only to another Roth 401(k) account under another employer's Eligible Retirement Plan or to your own Roth IRA. The Plan Coordinator will provide you with the appropriate information and forms to enable you to make a direct rollover.

Q-7.15 Can my beneficiary roll over his or her benefits to an IRA or another employer's retirement plan?

A-7.15 If your beneficiary is your Spouse, your Spouse has the same rollover rights as you have as described in **Question 7.14**. If your beneficiary is not your Spouse, your beneficiary may elect a direct rollover of all or a portion of the distribution that qualifies as an Eligible Rollover Distribution to an inherited IRA that is established in accordance with rules prescribed by the IRS. The inherited IRA will be subject to required minimum distribution rules.

Income Tax

Q-7.16 Will amounts distributed to me from the Plan be subject to tax?

A-7.16 All amounts distributed from the Plan (other than your Voluntary After-Tax Contributions and qualified distributions as described in Question 3.10 from your Roth 401(k) Account, Roth Rollover Account and In-Plan Roth Rollover Account) are subject to ordinary federal income tax (and state tax, if applicable) in the calendar year in which you receive the distribution, unless the distribution is an Eligible Rollover Distribution and you timely roll over the distribution to an IRA (other than a Roth IRA) or Eligible Retirement Plan. (Rollovers of pre-tax amounts to Roth IRAs are subject to immediate taxation as described below.) The taxable portion of your distribution that qualifies as an Eligible Rollover Distribution and that is not rolled directly into an IRA or Eligible Retirement Plan must have 20% of the taxable portion of the distribution withheld for federal income tax. However, if the amount of your Eligible Rollover Distribution payable to you in one tax year is less than \$200, federal income tax withholding is not required.

If you directly roll over a pre-tax distribution to a Roth IRA, the taxable portion of the distribution is subject to taxation for the taxable year in which the distribution occurs.

In addition to income tax, you must pay an excise tax equal to 10% of the pre-tax amount distributed to you if the distribution is made before you attain age 59½, die, or are found to have a "disability" (as defined in the Code), and the amount distributed to you is not

- timely rolled over into an IRA or Eligible Retirement Plan;
- an excess 401(k) Contribution distributed by April 15 of the following calendar year;
- an excess 401(k) Contribution distributed within 12 months after the end of the Plan Year in which the 401(k) Contribution was made;
- part of a series of substantially equal periodic payments over your life expectancy or the joint life expectancy of you and your designated beneficiary;
- a qualified reservist distribution;
- used to pay deductible medical expenses;
- made to you after your separation from service after you attain age 55;
- made directly to the government to satisfy a federal tax levy; or
- made to an alternate payee pursuant to a qualified domestic relations order.

8. AMENDMENT OR TERMINATION OF THE PLAN

Q-8.1 Can the Plan be amended?

A-8.1 Yes, the Board of Directors of Frank Russell Company may do so.

Q-8.2 Can the Plan be amended to reduce my share of the monies previously contributed and accumulated?

A-8.2 No.

Q-8.3 Can the Plan be amended to allow any part of the monies to become the property of the Company?

A-8.3 No. The Plan is for the exclusive benefit of the Participants, their beneficiaries, or estates.

Q-8.4 Can the Plan be terminated?

A-8.4 Yes, the Board of Directors of Frank Russell Company may terminate the Plan. If it does so, however, all Participants will become fully vested in their Employer Match Account and Employer Contribution Account held in the Plan. The Company may direct that benefits be distributed to you in any manner the Plan permits as soon as practicable after the Plan has terminated or that the trust created by the Plan be continued and benefits be distributed to you and your beneficiaries as if the Plan had not terminated.

9. LOSS OR DENIAL OF BENEFITS

Q-9.1 Under what circumstances may I lose my benefits?

A-9.1 Under the following circumstances, some or all of your benefits under the Plan might not be payable to you:

- If you terminate employment prior to your death, Disability or attainment of Normal Retirement Date and prior to completing five Years of Service, all or a portion of your Employer Match Account, Employer Contribution Account and Money Purchase Pension Account may be forfeited.
- If a qualified domestic relations order applies to your interest under the Plan, all or a portion of your Account balances may be payable to the alternate payee named in the order.
- Contributions may be reduced or frozen to comply with maximum limitations prescribed by federal law.
- Depending on the investment performance of the investment funds in which you elect to invest your Accounts, the amount you ultimately receive could be more or less than your current Vested Account balances.

In addition, if your Plan benefits become payable after termination of employment and the Plan Committee is unable to locate you at your last address of record, you may forfeit your benefits under the Plan. Therefore, it is very important that you keep the Company apprised of your mailing address even after you have terminated employment. (The amount forfeited, unadjusted for net income, gain or loss, will be restored if you later make a claim for your benefits before the Plan is terminated.)

The fact that the Company has established the Plan does not confer any right to future employment with the Company.

10. CLAIMS PROCEDURE

Q-10.1 Is there a procedure to be followed in presenting claims for benefits under the Plan?

A-10.1 Yes, the following procedure has been established for the presentation of claims for benefits under the Plan:

Filing of a Claim for Benefits. If you or your beneficiary (the "Claimant") have a claim (a request for a Plan benefit), written notice of such claim should be filed with the Plan Committee by such Claimant or such Claimant's authorized representative.

How to File a Claim. If you believe that you are entitled to a benefit under the Plan or to a greater benefit under the Plan than the amount you received, then you, your

beneficiary if you are deceased or the authorized representative of either you or your beneficiary (the "Claimant") may file a written claim for such benefits with the person or entity designated by the Plan Committee (the "Initial Claim Reviewer"). (If the Plan Committee fails to designate an Initial Claim Reviewer, then the Plan Committee will be the Initial Claim Reviewer.) The Plan Committee may prescribe a form for filing such claims, and if it does so, a claim will not be deemed properly filed unless such form is used, but the Initial Claim Reviewer will provide a copy of such form to any person whose claim for benefits is improper solely for this reason.

Claims that are properly filed will be reviewed by the Initial Claim Reviewer, which will make its decision with respect to such claim, and notify the Claimant in writing or electronically of such decision, within 90 days (45 days in the case of a claim related to the Participant's Disability) after the Initial Claim Reviewer's receipt of the written claim, provided that the 90-day period (45-day period in the case of a claim related to the Participant's Disability) can be extended for up to an additional 90 days (30 days, or such longer period permitted under 29 C.F.R. Section 2560.503-1(f)(3), in the case of a claim related to the Participant's Disability) if the Initial Claim Reviewer determines that special circumstances require an extension of time to process the claim and the Claimant is notified in writing of the extension prior to the termination of the initial 90-day period (45-day period in the case of a claim related to the Participant's Disability). The extension notice shall indicate the special circumstances requiring the extension and the date by which the Initial Claim Reviewer expects to render its decision on the claim.

Claim Denial. If the Initial Claim Reviewer denies the claim, in whole or in part, he or she will give the Claimant a written notice that sets forth:

- the specific reason or reasons for the denial;
- references to the specific Plan provisions on which the denial is based;
- a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary;
- a description of the Plan's claim appeal procedure (and the time limits applicable to such procedure), including a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) upon an adverse decision on appeal; and
- in the case of an adverse benefit determination related to the Participant's Disability:
 - (i) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or

other criterion will be provided free of charge to the Claimant upon request;

- (ii) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and
- (iii) the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office or your State insurance regulatory agency. "

If the Claimant submits the claim according to these procedures and does not hear from the Initial Claim Reviewer within the appropriate time, the Claimant should consider the claim denied.

Q-10.2 Are remedies available under the Plan for the redress of claims that are denied in whole or in part?

A-10.2 Yes, the following review procedure has been established:

Appeal. If the claim is denied, in whole or in part, the Claimant may appeal the denial. To appeal a claim denial, the Claimant must file a written request for appeal with the Plan Committee within 60 days (180 days in the case of a claim related to the Participant's Disability) after receiving the claim denial.

The written request for appeal should contain:

- a statement of the grounds on which the appeal is based;
- reference to the specific Plan provisions that support the claim;
- the reason or argument why the Claimant believes the claim should be granted and evidence supporting each reason or argument; and
- any other relevant comments, documents, records or information relating to the claim that the Claimant wishes to include.

Appeals will be considered by the Plan Committee, which will take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial determination. The Plan Committee will not afford any deference to the Initial Claim Reviewer's initial denial of the claim.

The Plan Committee will make its decision with respect to any appeal, and notify the Claimant in writing of such decision, within 60 days (45 days in the case of a claim related to the Participant's Disability) after the Plan Committee's receipt of the written

appeal, provided that the 60-day period (45-day period in the case of a claim related to the Participant's Disability) can be extended for up to an additional 60 days (45 days in the case of a claim related to the Participant's Disability) if the Plan Committee determines that special circumstances require an extension of time to process the appeal and the Claimant is notified in writing of the extension prior to the termination of the initial 60-day period (45-day period in the case of a claim related to the Participant's Disability). The extension notice shall indicate the special circumstances requiring the extension and the date by which the Plan Committee expects to render its decision on the appeal.

In the event the claim is denied on appeal, the written denial will include:

- the specific reason or reasons for the denial;
- reference to specific Plan provisions on which the denial is based;
- a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant (within the meaning of 29 C.F.R. Section 2560.503-1(m)(8)) to his or her claim;
- a statement of the Claimant's right to bring a civil action under ERISA Section 502(a); and
- in the case of an adverse benefit determination related to the Participant's Disability:
 - (i) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or other criterion will be provided free of charge to the Claimant upon request;
 - (ii) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and
 - (iii) the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office or your State insurance regulatory agency."

Relevance of Documents, Records and Other Information. In connection with a claim denial (either an initial denial by the Initial Claim Reviewer or a denial on appeal by the Plan Committee), the Claimant will be provided, upon request and free of

charge, reasonable access to, and copies of, all documents, records and other information relevant (within the meaning of 29 C.F.R. Section 2560.503-1(m)(8)) to his or her claim.

Disability Claims. Claims related to the Participant's Disability shall be subject to such additional procedures as are specified in 29 C.F.R. Section 2560.503-1 for disability claims.

Court Action. A Claimant may not bring an action under Section 502(a) of ERISA or otherwise with respect to his or her claim until he or she has exhausted the foregoing procedure. Any such action must be filed in a court of competent jurisdiction within 180 days after the date on which the Claimant receives the Plan Committee's written denial of the Claimant's claim on appeal or it shall be forever barred. Any further review, judicial or otherwise, of the Plan Committee's decision on the Claimant's claim will be limited to whether, in the particular instance, the Plan Committee abused its discretion. In no event will such further review, judicial or otherwise, be on a de novo basis, as the Plan Committee has discretionary authority to determine eligibility for (and the amount of) benefits and to construe and interpret the terms of the Plan.

11. PLAN NOT COVERED BY GOVERNMENT INSURANCE

Q-11.1 I understand that some pension benefits are covered by government insurance. Are my Plan benefits insured?

A-11.1 No. Under the Plan, contributions are credited directly to your own Account(s). Moreover, if the Plan terminates or the Company goes out of business, all of the benefits in your Accounts become vested. Recognizing this, the government exempts the Plan from buying termination insurance.

12. RIGHTS UNDER FEDERAL LAW

Q-12.1 What protections am I entitled to under ERISA?

A-12.1 As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- (a) Examine, without charge, at the Plan Committee's office and at other specified locations, such as worksites and union halls, all Plan documents governing the Plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain, upon written request to the Plan Committee, copies of all documents governing the operation of the Plan, including insurance contracts and collective

bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Committee may make a reasonable charge for the copies.

- (c) Receive a summary of the Plan's annual financial report. The Plan Committee is required by law to furnish each Participant with a copy of this summary annual report.
- (d) Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and, if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interests of you and other Participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request copies of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Committee to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about the Plan, you should contact the Plan Committee. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Committee, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the Publications hotline of the Employee Benefits Security Administration.

13. GLOSSARY OF TERMS

Q-13.1 Definitions

- **"Account"** means the account or accounts maintained for you as described in **Question 5.1**.
- **"Break in Service"** for purposes of eligibility to participate means an eligibility computation period in which you have not completed more than 500 Hours of Service. Your initial eligibility computation period is the 12 month period beginning on your hire date. Subsequent eligibility computation periods are each Plan Year beginning with the Plan Year that begins during your first 12 months of employment.

"Break in Service" for purposes of vesting means a Plan Year in which you have not completed more than 500 Hours of Service.

Solely for the purpose of computing Breaks in Service, the Plan Committee will credit Hours of Service during an employee's unpaid absence period due to maternity or paternity leave, or as required under the Family and Medical Leave Act.

- **"Company"** means Frank Russell Company and, depending on the context, Company may also include the Participating Companies.
- **"Covered Pay"** for purposes of calculating Non-Contributory Contributions and Matching Contributions means your base salary or wages from the Company prior to reduction for any 401(k) Contributions and salary reductions to a cafeteria plan and transportation fringe benefit plan for the Plan Year, but excluding bonuses, overtime pay, severance pay, international assignment items, contributions by the Company to this or any other employee benefit plan of the Company, military pay and differential wage payments while in qualified military service, and all other forms of remuneration. Covered Pay for a Plan Year in excess of the annual compensation limit (\$255,000 for 2013 and \$250,000 for 2012) is not recognized by the Plan.

Covered Pay also does not include any compensation received prior to your becoming a Participant in the Plan, except that Covered Pay for purposes of calculating Non-Contributory Contributions only includes amounts that would be treated as Covered Pay except that such amounts were received during the Plan Year from a foreign affiliate prior to your entry into the Plan as a Participant.

"Covered Pay" for purposes of calculating your 401(k) Contributions and Voluntary After-tax Contributions means Covered Pay as described above except that overtime, bonuses and commissions are included in Covered Pay, and amounts received from a foreign affiliate prior to entry into the Plan as a Participant are excluded from Covered Pay.

- **"Disability"** means that you are unable to engage in any substantial activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration. The existence of a Disability will be determined by the Plan Committee, based on such evidence (e.g., a written opinion of a qualified physician) as the Plan Committee deems necessary or desirable.
- **"Eligible Retirement Plan"** means a tax-qualified plan under Code Section 401(a), a Code Section 403(a) annuity plan, a Code Section 403(b) tax-sheltered annuity and an eligible Code Section 457(b) plan maintained by a governmental employer that agrees to separately account for amounts transferred into such plan from the Plan.
- **"Eligible Rollover Distribution"** means a distribution made from an Eligible Retirement Plan other than (1) payments that are made over your life expectancy or the joint life expectancies of you and your beneficiary, (2) payments that are made over 10 years or more, (3) payments that are required to be made to you after you attain age 70½, (4) hardship withdrawals made after December 31, 2001, and (5) corrective distributions of contributions that exceed tax law limitations.
- **"ERISA"** means the Employee Retirement Income Security Act of 1974.
- **"Forfeiture"** means that portion of your Account balances that is not vested upon your termination of employment pursuant to the vesting schedule set forth in **Question 6.20** and that is forfeited at the time described in **Question 6.24**.
- **"401(k) Contribution"** means your Pre-Tax or Roth 401(k) Contributions deducted from your Covered Pay on a pre-tax or Roth (after-tax) basis and deposited into the Plan by the Company pursuant to your election as described in **Question 3.5** or pursuant to your automatic enrollment in the Plan as described in **Question 3.6**.

- **"Highly Compensated Employee" or "HCE"** means an employee who (1) was a more than 5% owner (as defined by the Code) at any time during the Plan Year or the preceding Plan Year or (2) for the preceding Plan Year had compensation from the Company or a Related Employer in excess of the IRS HCE compensation limit. The IRS HCE compensation limit for 2012 and 2013 is \$115,000.
- **"Hour of Service"** means (1) each hour for which you are directly or indirectly compensated by the Company or a Related Employer for the performance of duties during the Plan Year; (2) each hour for which you are directly or indirectly compensated by the Company or a Related Employer for reasons other than performance of duties (such as vacation, holidays, sickness, Disability, layoff, military duty, jury duty, or leave of absence during the Plan Year), but not more than 501 hours for a single continuous period; (3) each hour for back pay awarded or agreed to by the Company or a Related Employer; and (4) hours required to be credited for qualified military service.
- **"Matching Contribution"** means the discretionary matching contribution made by the Company (which may be zero) as described in **Question 4.4** and that is based on the Participant's 401(k) Contributions not exceeding a specified percentage of Covered Pay.
- **"Non-Contributory Contribution"** means the Company discretionary contribution that is in such amount (which may be zero) as is determined by the Company's Board of Directors and that is allocated among the eligible Participants as of the end of each Plan Year pro rata based on Covered Pay for such Plan Year.
- **"Non-QJSA Account"** means the portion of your Vested Account balance that is not subject to the qualified joint and survivor annuity, namely, your Rollover Account, Roth Rollover Account, In-Plan Roth Rollover Account, Post-86 After-Tax Account, Employee Pre-Tax Account, and Roth 401(k) Account.
- **"Normal Retirement Age" and "Normal Retirement Date"** mean age 55.
- **"Participating Company"** means a Related Employer who has elected to participate in the Plan, as indicated in **Question 1.2**.
- **"Plan"** means the Russell Retirement Plan.
- **"Plan Committee"** means the Committee appointed by the Company to administer the Plan and is the Plan Administrator as that term is defined in ERISA.
- **"Plan Year"** means the calendar year.

- **"Related Employer"** means an employer who is a member of the controlled group or affiliated service group that includes the Company.
- **"Required Beginning Date"** means April 1 of the calendar year following the later of the calendar year in which you (a) attain age 70½ and (b) terminate your employment with the Company or its Related Employers unless you are a 5% owner (i.e., you own more than 5% of the Company or any member of its controlled group) at any time during the calendar year in which you attain age 70½, in which case your Required Beginning Date is April 1 following the calendar year in which you attain age 70½, whether or not you are still employed by the Company or its Related Employers).
- **"Rollover Contribution"** is described in **Question 3.15**.
- **"Spouse"** means the person to whom the Participant is legally married at the applicable time; provided, however, that a person shall be considered to be the Participant's Spouse only if he or she is also considered to be the Participant's spouse for Federal income tax purposes.
- **"Trustee"** means the person or entity designated by the Employer to act as Trustee as named in **Question 1.4**. The Company may change the Trustee at any time.
- **"Vested Account"** means the portion of your Accounts that is nonforfeitable as described in **Question 6.20**.
- **"Voluntary After-Tax Contribution"** means your Voluntary After-Tax Contributions that are deducted from your Covered Pay on an after-tax basis and deposited into the Plan by the Company pursuant to your election as described in **Question 3.12**.
- **"Year of Service"** for *vesting* means each Plan Year in which you complete at least 1,000 Hours of Service for the Company or a Related Employer. If you complete an Hour of Service with the Company on or after January 1, 2011, all of your Years of Service with the Company or a Related Employer will count for vesting.