



June 2008

Important Information

As you probably are aware, the IRS issued sweeping 403(b) guidance last year, the goal of which was to bring 403(b) plans more in-line with other employer-sponsored plans – most notably the 401(k) plan.

Much has been written about the 403(b) regulations, which generally become effective January 1, 2009. In addition to requiring a written plan document, the regulations call for enhanced recordkeeping and compliance for 403(b) employers and providers alike.

With the effective date of the new regulations on the horizon, we reviewed the impact to our 403(b) shareowners and employers and are announcing significant changes due to the complexities of the regulations:

- Effective September 30, 2008, Pioneer will no longer accept 403(b) applications for new 403(b) employees.
- December 31, 2008 is the last day Pioneer will accept salary deferrals for all participants. **Please note that any contributions received after this date will be returned to the employer.**

These decisions are largely based upon the data sharing requirements associated with the monitoring of contributions, loans, and hardship withdrawals across all of a 403(b) plan's vendors.

It is important to note that participants' 403(b) accounts invested at Pioneer will continue to be supported and serviced. Existing 403(b) accounts will not be closed.

We have enclosed Pioneer's Information Sharing for 403(b) Arrangements notice, which outlines our capabilities and provides you with contact information in the event that you require information. Please be aware that Pioneer will not sign an ISA drafted by a 403(b) employer (or authorized third-party). Most importantly, **Pioneer cannot be named as part of your organization's 403(b) plan.**

We are in the process of notifying participants of these upcoming changes, as well as informing investment professionals. We are directing participants to work with their investment professional and their employer's benefits office to evaluate their funding options for January 1, 2009.

Please refer to the enclosed Q&A for questions you may have regarding the steps Pioneer is taking.

Please feel free to contact our Employer Sponsored Plan Department at 866-622-7815 if you have any additional questions.

Sincerely,

Pioneer Investment Management USA Inc., Custodian