

Beneficiary forms must be signed and dated or they will be considered invalid.

If You Leave Your Employment

If your employment ends before your normal or early retirement date, you may elect one of the following options:

1. **Retirement Deferred Annuity Option:** At the time of termination, if you have completed at least 5 years of Credited Contributory Service, you may leave your contributions and interest with the Plan and retain under this option 100% vested interest in the Retirement Annuity you have earned. Unused Sick Leave is NOT included in calculating this benefit. Sick leave balances are forfeited at the time of termination. If you are vested and elect a deferred annuity, you may elect a retirement benefit at any time after you attain age 52.
2. **Refund Option:** At the time of your termination, you may have your contributions returned to you with interest, if any. The refund will be returned to you within 90 days after receipt of the notice by the Plan Administrator that you have requested the refund option. Refunds will ordinarily be in one sum. The Plan Sponsor reserves the right to spread the payment over 12 months. If you elect the refund option, all benefits under the Plan will be cancelled.
3. If you return to work, you may request to buy back your previous retirement refund. This request must be made within 31 days of enrollment upon rehire.

Note: You may NOT withdraw your contributions or interest as long as you remain in the employment of an MCCS activity, in a benefits eligible category.

At the time of your termination, if you are eligible for an annuity and elect the refund option, you will be required to sign a release acknowledging the forfeiture of future benefits.

The only exception to retirement withdrawals while still employed occurs if you experience an employment status change from regular to flexible status. If you are converted to a flexible status, you may elect a refund of your retirement contributions and any applicable interest. This election will result in no future benefit opportunity.

About Interest Rates

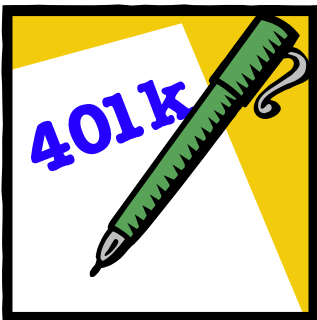
The rate of interest credited on your contributions after January 1, 1986 is 5% (2% prior to January 1, 1976, and 3% from January 1, 1976 to December 31, 1985).

Interest is compounded annually on your contributions from January 1 of each year to the earliest of the following:

1. the normal or early retirement date,
2. the first month in which death occurs,
3. the first of the month in which you elect to have your contributions returned under the refund option, provided you have completed at least three years of credited contributory service.

Employees who elect to leave their contributions with the plan, who have NOT completed at least 3 years credited contributory service at the time of termination, will not accrue any interest on their contribution regardless of how long the funds remain in the Plan.

Additional Benefits



It is never too early to start saving for retirement. In addition to the Defined Benefit Retirement Plan, the NAF Defined Contribution Plan (401(k)) provides an additional way for you to provide for you and your family's future.

The 401(k) Plan gives eligible civilian employees an opportunity to increase their security at time of retirement through their own savings during their periods of active employment. This plan was introduced July 1, 1993 and was designed to be part of your three-tiered retirement plan, Group Retirement, 401(k), and Social Security.

Your 401(k) plan also provides the opportunity to defer taxes by reducing your gross taxable income. Income tax is not paid on your payroll deferrals until a distribution is made.

Participation Information

Eligibility: You are eligible to join the 401(k) Plan provided you are:

- A permanent full-time or regular part-time employee, regularly scheduled to work at least 20 hours each week
- A U.S. citizen or permanent resident alien employed in the United States
- At least 18 years of age.

You may join the 401(k) plan any time while employed with MCCA. All benefits will be based on your participation date, not your employment date. Retroactive enrollments are prohibited.

401(k) Plan Information

You may defer from 1% to 50% of your salary into the 401(k) Plan on a pre-tax basis.



As of May 1, 2006 the 401k Plan for Civilian Marine Corps non-appropriated fund employees changed to Fidelity Retirement Services.

A well-rounded selection of investment choices is offered to ensure you are provided the opportunity to diversify your investments as determined by your specific financial needs. When the plan was transferred to Fidelity, the funds you were enrolled in with Ameriprise were “mapped” to comparable funds offered by Fidelity.

For additional plan information, please refer to the 401(k) Summary Plan Description available at your local personnel office, or on the MCCS website: www.usmc-mccs.org.

To learn more about investing, to find out how 401(k) can play an vital role in your retirement, and to learn what style of investor you are, you may visit the plan administrator website. There are a variety of interactive tools you can use to learn about your 401(k) Plan at www.401k.com.

Employee Assistance Program (EAP)

In March 2006, MCCS implemented an Employee Assistance Program (EAP) for all employees of MCCS and the Personal and Family Readiness Division to include flexible category employees.

An EAP is a service that provides confidential assistance to employees on a variety of personal issues, including emotional, substance abuse, financial, legal, marital/family, and dependent care etc., through Magellan Health Services. EAP services through Magellan are confidential and available 24 hours a day, 7 days a week. Services are provided by trained professionals and are confidential*.

There is no cost to participate in the EAP for employees. Your employer will pay the entire premium for the program. Costs may be incurred for visits to providers that exceed those offered directly through the EAP (Typically 3 visits) . Please visit www.magellanhealth.com for full program details.

* Referrals to the EAP by a Supervisor or other employer representative as a result of drug or alcohol related issues/problems that impact job performance or negatively impact the work environment might require the employee to sign a release of information.

Worker's Compensation

If you are disabled from work as a result of an on-the-job injury or illness, you may be eligible for compensation under the Longshore and Harbor Worker's Compensation Act.

ALL civilian NAFI employees are eligible.

If you incur a work related injury, you must notify your supervisor immediately.

- ***Your retirement benefit will be offset by 100% of any worker's compensation to which you may be entitled.***

Social Security

Eligibility: As a NAFI employee, you are automatically covered for Social Security.

You and your employer share equally in the cost of Social Security benefits, and Congress determines the contribution rates.

Social Security provides a variety of disability, survivor and retirement benefits. Your local Social Security office can send you a booklet describing these benefits. Eligibility criteria apply. Contact the Social Security Administration for any questions you may have at www.socialsecurity.gov