Workplace Education Series

Preparing Your Savings for Retirement

August 2011
Presenter: Jon Hill

Chevron Phillips Chemical Company LP

My Total Advantage Wealth

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Fidelity Investments®

New and improved education for a broad range of needs

Workplace Education Series

2011 Workplace Education Series

Getting Started	Staying on Track	Securing Retirement	Managing Transitions
Providing the essentials of saving for retirement	*Planning for retirement and other financial goals*	*Turning retirement savings into income*	*Managing important transitions*
▶ Getting on the Right Path with Your Workplace Savings ▶ Building a Portfolio For Any Weather	▶ Designing Your Financial Roadmap* ▶ Confident Investing in Any Market Coming in July!	▶ Preparing your Savings for Retirement* NEW! ▶ Shifting from Saving to Spending* NEW! ▶ Preserving Your Savings for Future Generations* NEW!	▶ Making the Most of Your Workplace Transition ▶ Deciding What to Do with Your Workplace Savings*

- One-on-one guidance appointments can be pre-scheduled following workshops
- Complemented by on-demand, self-paced workshops as well as guidance tools

Although consultations are provided by Fidelity Representatives through the use of Fidelity's suite of guidance tools, these tools are educational tools and are not intended to serve as the primary or sole basis for your investment or tax-planning decisions.

Part 1: Preparing Your Savings for Retirement

- Identify sources of income, including Social Security
- Assess the impact of future health care costs in retirement
- Evaluate expenses and strategies to fill the gap

Part 2: Shifting From Saving to Spending

- The importance of asset allocation in retirement
- Elements for building your investment strategy
- Considerations for portfolio withdrawal rates

Part 3: Preserving Your Savings for Future Generations

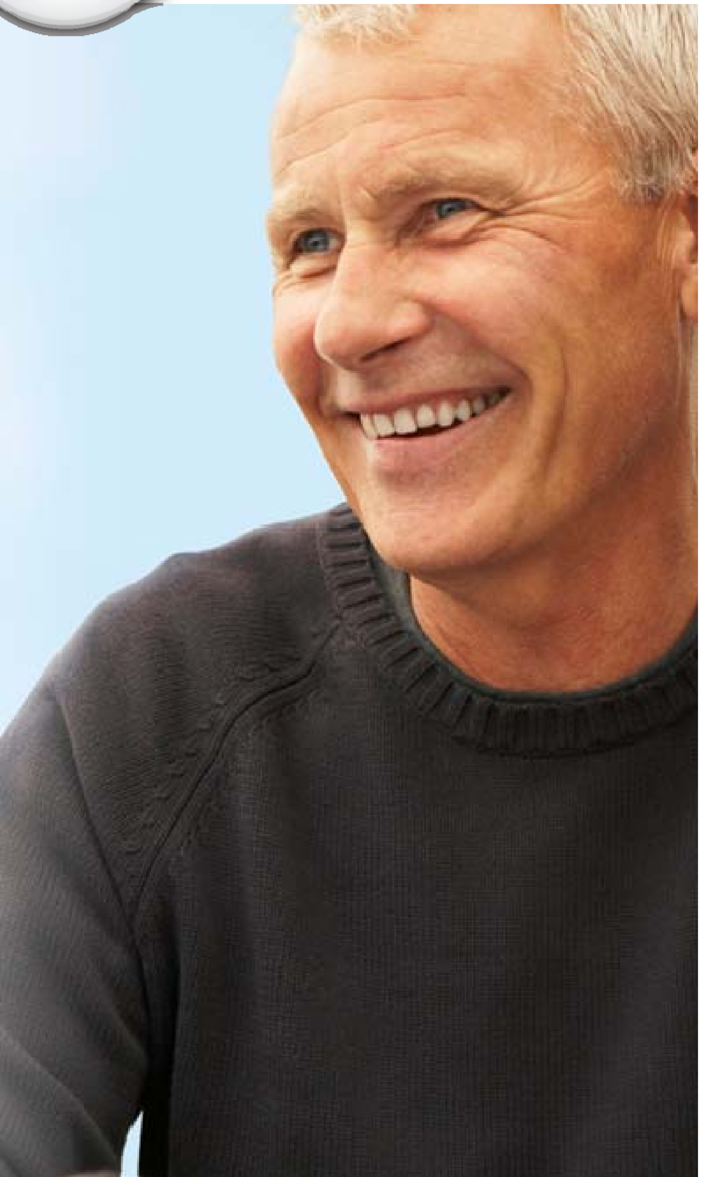
- Key estate planning tools
- The importance of beneficiary designations
- Gifting and insurance replacement strategies

A Tool to Help: Visit Fidelity's e-Learning catalog at **http://e-learning.fidelity.com**.

So, you're starting to think about retirement

Your questions at this time of your life. And, our agenda today:

- How much will I need to fund with my personal savings?
- Is it too late to save?
- How could Social Security and health care costs impact my retirement plan?
- How can I try to protect what I've built?
- Do I need to change the way I invest?
- Can I really put a plan together?



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Why is it important to think about this while you're still at work?

Because you need to…

- Know what a successful retirement looks like to you – so you can plan for your income and expenses
- Address some key questions:
  - Have I saved enough?
  - How can I save more?
  - What role do Social Security and health care play?
- Determine your income priorities

Why is it important to think about this while you're still at work?

So you can…

- Be realistic about your expenses, your income, and any gaps.
- Develop a strong retirement income plan.
- Stay on track—to the kind of retirement you want to live.

A Tool to Help: To see if you're on track to meet your goals, visit Retirement Quick Check.

Coming Soon: CPChem will roll out Financial Engines "Retirement Help for Life®" service within NetBenefits in late 2011

- Cofounded by Bill Sharpe, Nobel-Prize winning economist
- Independent investment advisor with fiduciary protections
- Provides savings, investing, and retirement income guidance
- Available on-line (company-paid) or by professional management (employee-paid asset-based fee)
- More details to come

Financial Engines – Coming to NetBenefits for CPChem in Late 2011
An independent, user-friendly one-stop-shop for financial advice

Retirement Help for Life®

Savings

Help participants save adequately for retirement.

Investing

Properly diversify and manage risk-appropriate portfolios.

Retirement Income

Help identify how much income they'll need to reach their goal.

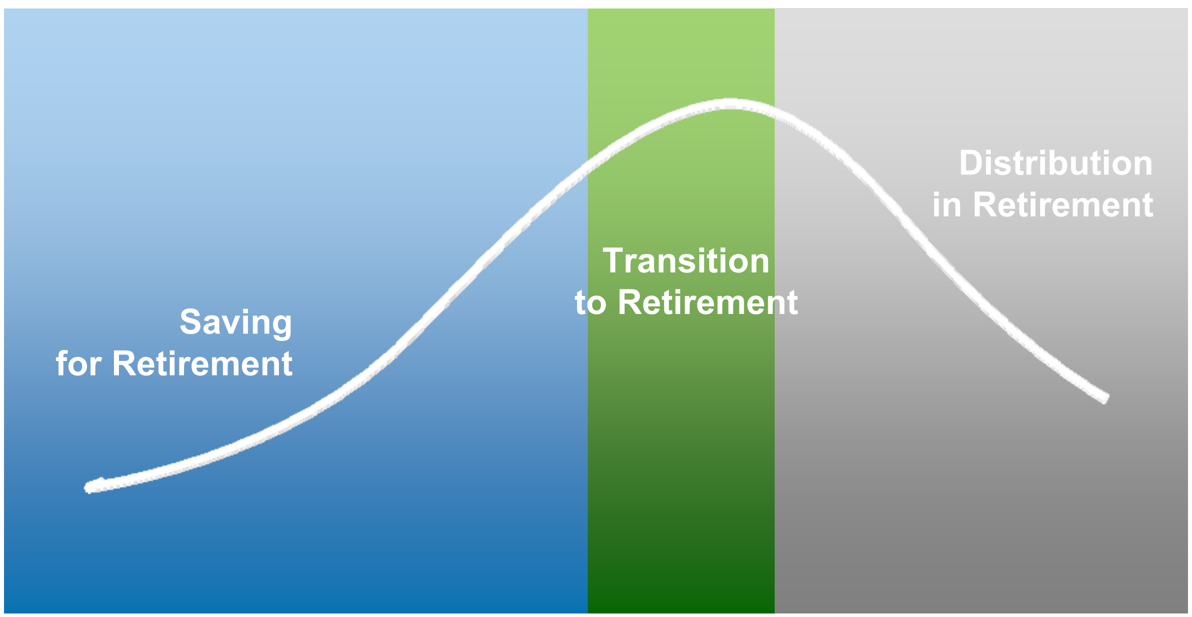
It's more than asset allocation. It's a personal Retirement Plan to keep participants on track.

Advisory services, including Professional Management and Online Advice, are provided only by Financial Engines Advisors L.L.C., a federally registered investment advisor and wholly owned subsidiary of Financial Engines, Inc. Financial Engines is not affiliated with Fidelity Investments or its affiliates. Financial Engines does not guarantee future results. ***Advisory services may include a fee. For specific fee information please refer to the applicable terms and conditions.***

Today's retirement landscape

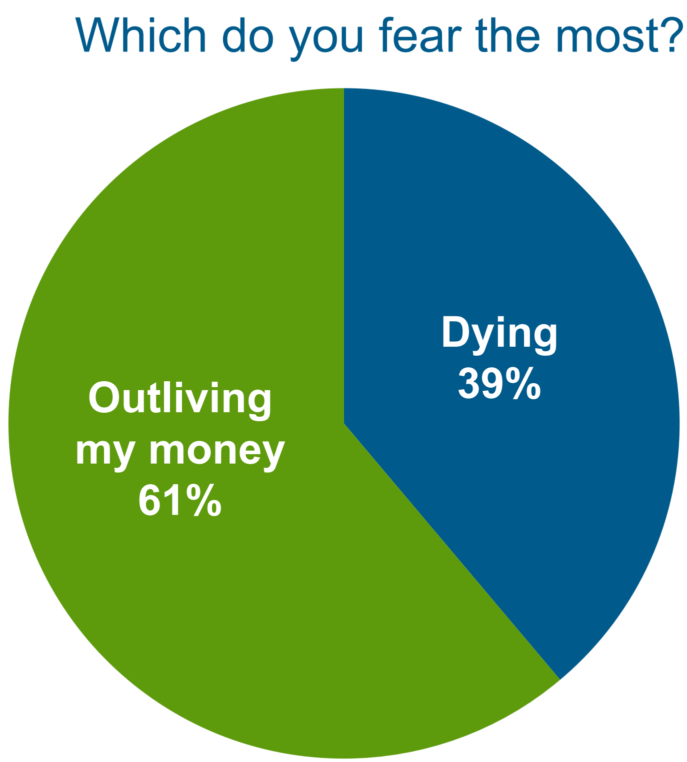
The shift from retirement saving to retirement spending

Hypothetical Lifetime Financial Asset Value Pattern



For illustrative purposes only.

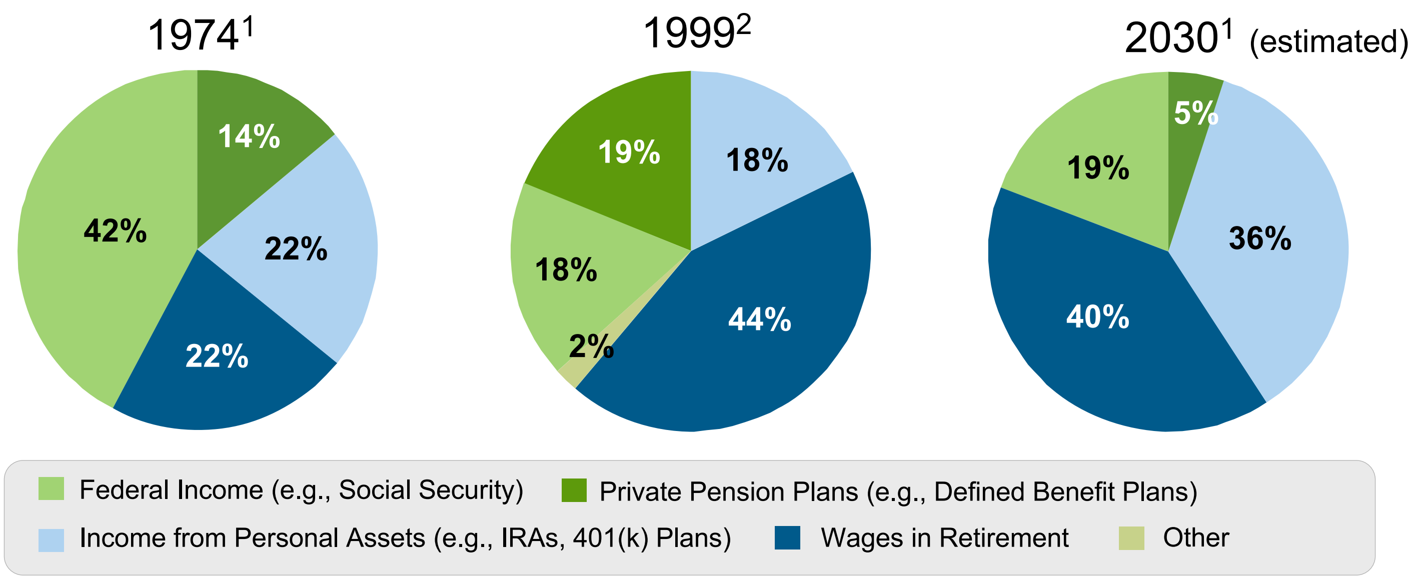
Fear of outliving money



Source: Allianz Life Insurance Company of North America (Allianz Life), **Reclaiming the Future: Challenging Retirement Income Perceptions**, May 2010. Larson Research and Strategy Consulting, Inc. and DSS Research fielded a nationwide online survey for Allianz Life among 3,257 U.S. adults, age 44 to 75. The margin of error for the total sample was approximately +/- 1.7%. The online survey was conducted in the United States between May 6th, 2010 and May 12th, 2010. In addition to a representative sample of 1,642 US households, subsamples of more affluent households and households who own annuities were also targeted. Results were weighted by age, gender, education, race/ethnicity and income to account for disproportionate sampling of certain populations.

Where the retirement money is really coming from

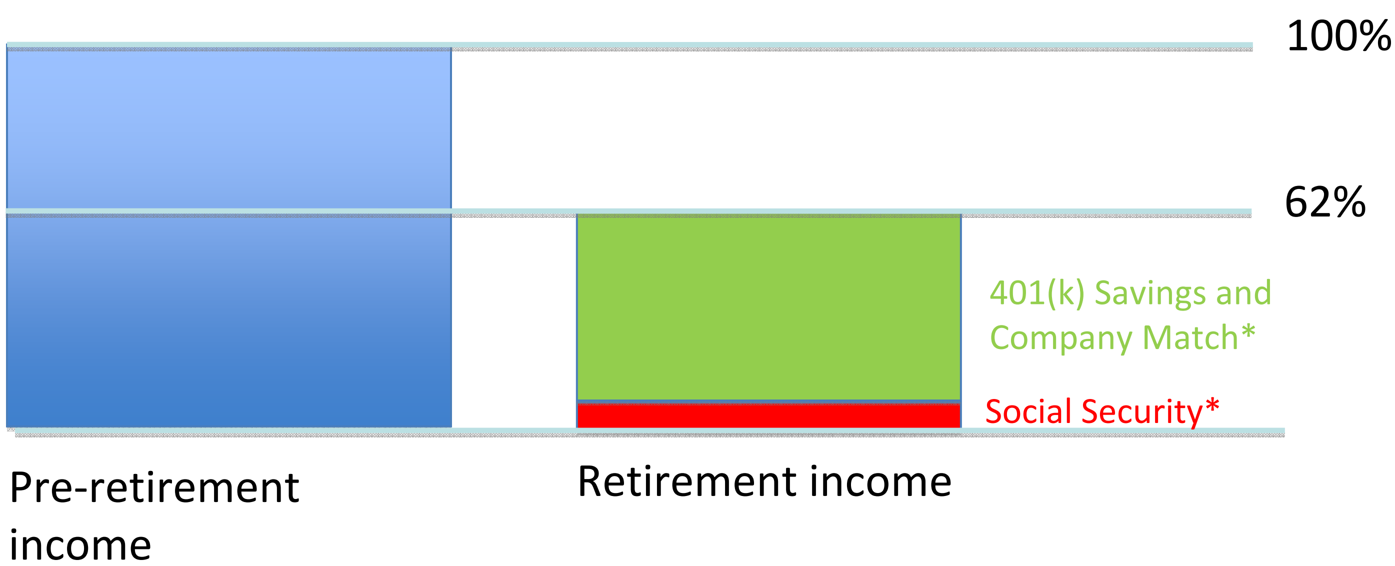
Sources of Retirement Income



[1]Source: Research on Potential New Products for Retirement Income, FCNBD, May 2006; National Association for Variable Annuities (NAVA), "2005 Retirement Fears," March 28, 2005. Survey of 1,001 nationally representative Americans age 18+, conducted by Kelton Research, January 2005.

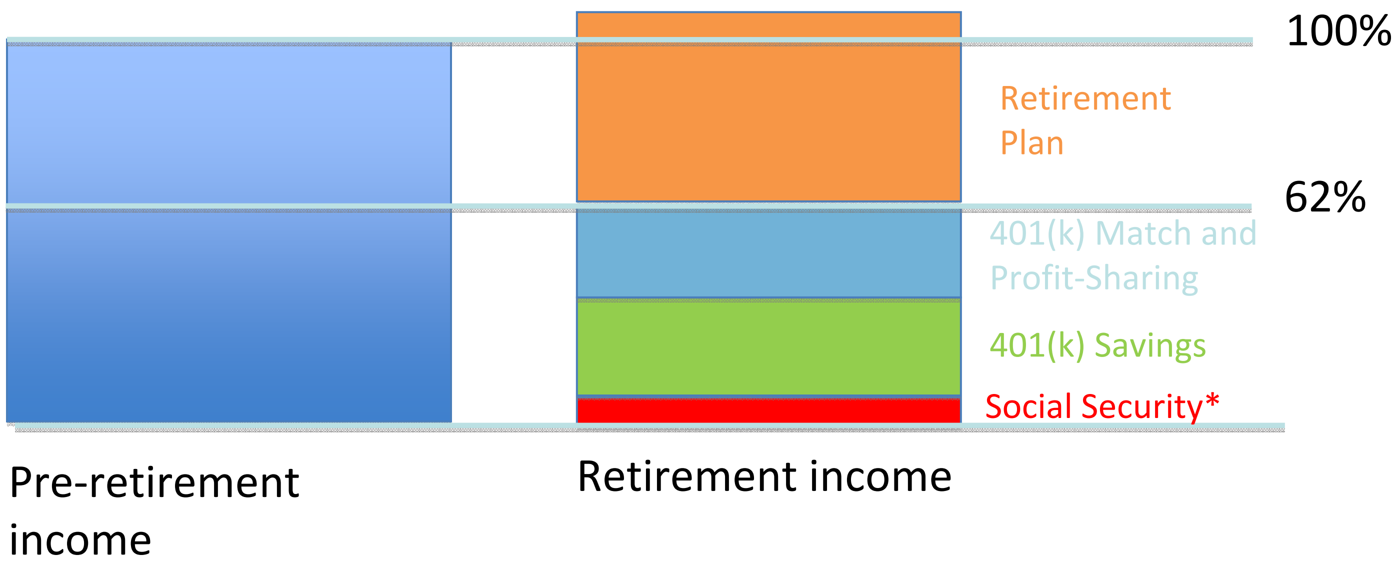
[2]Source: Social Security Administration, **Income of the Aged Chartbook, 2008.** SSA Publication No. 13-11727 Released: April 2010. Shares of aggregate income using the highest quintile, $55,889 per year and higher. Actual data was rounded to whole numbers. Total may not equal 100%.

Retirement Benefits—Most U.S.-Based Workers



*SOURCE: 2010 AARP and Social Security Administration websites

Your Potential CPChem Retirement:
97% to 112% income replacement



*SOURCE: 2010 AARP and Social Security Administration websites

Saving now can still pay off

Take steps to help boost your savings today

- Max out your workplace savings plan ($16,500 in 2011)
- Make catch-up contributions, if eligible ($5,500 in 2011)
- Fund a traditional or Roth IRA (up to $5,000 plus $1,000 catch-up in 2011)
- Take advantage of other tax-advantaged savings (like annuities)
- Start working on other key goals

For Traditional IRA contributions for both working and non-working couples, maximum contribution limits are reduced by any amount contributed to a Roth IRA for the same year. It is the same if the non-working spouse contributes to a Roth IRA; the maximum contribution limit would be reduced by any amount contributed to a Traditional IRA.

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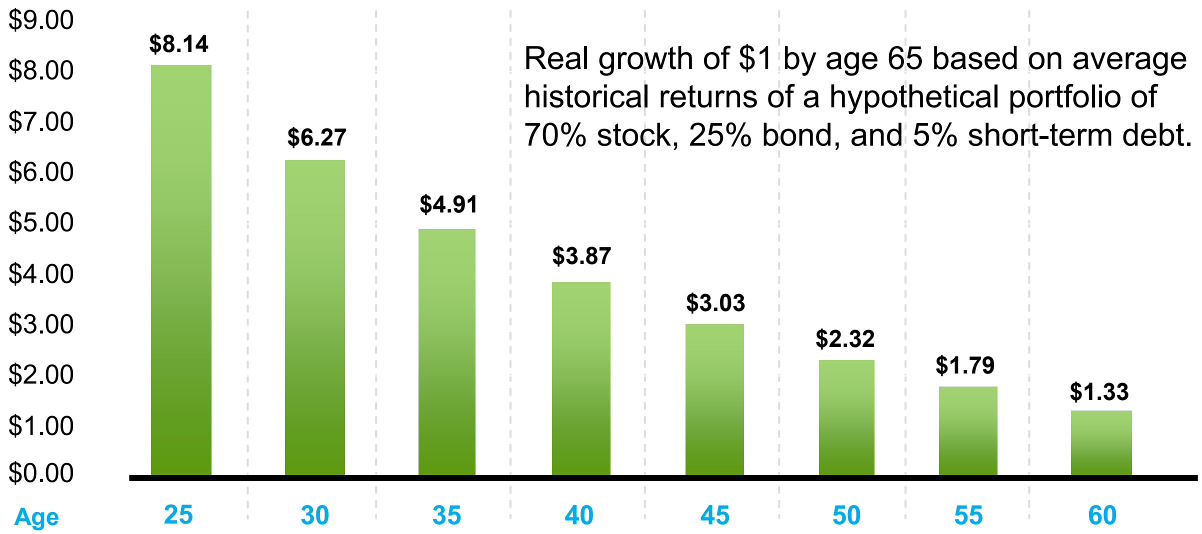
There's still plenty of time for your savings to grow

The potential value of a retirement dollar at various ages

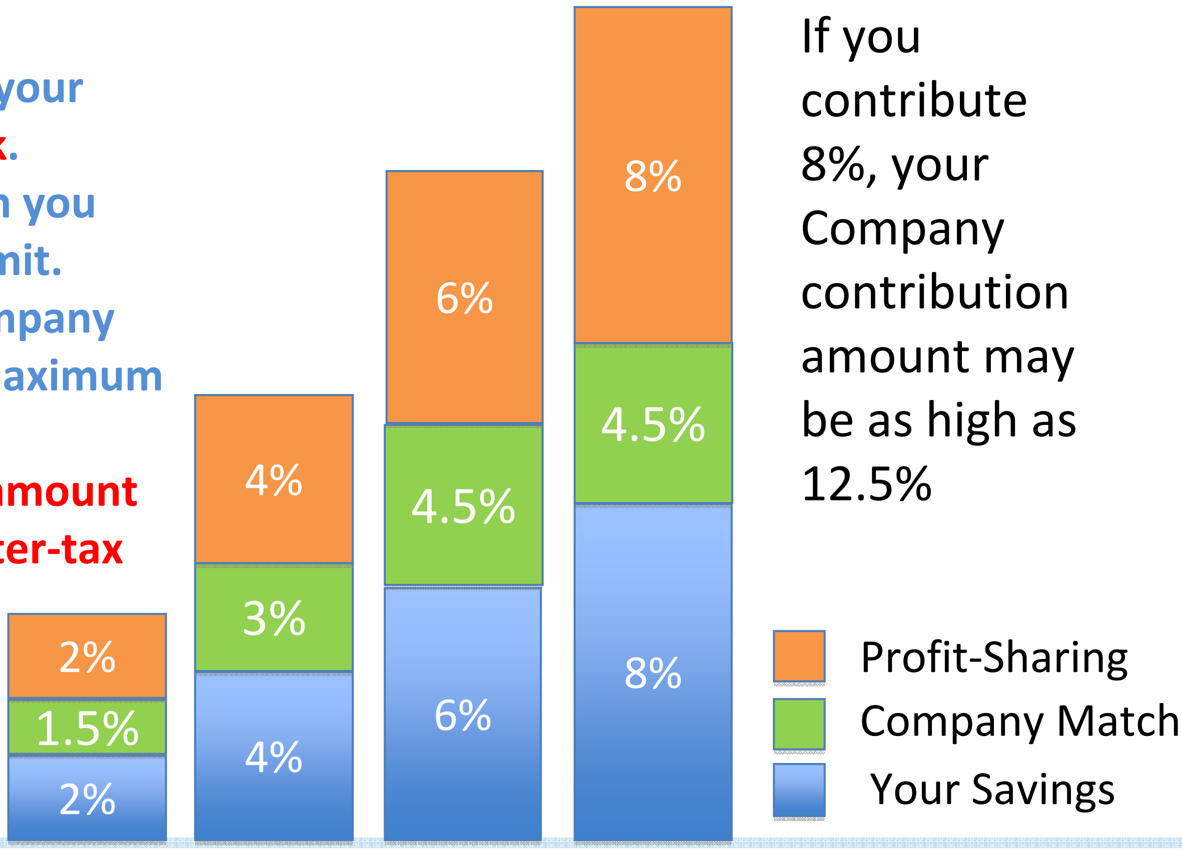


A Tool to Help: Try **Retirement Quick Check** to see if you're on track to save enough and **Retirement Income Planner** to look at your estimated expenses.

This illustration highlights the potential growth of $1 based on historical returns for a hypothetical portfolio of 70% stock, 25% bond, and 5% short-term debt. Rolling 5, 10, 15, 20, 25, 30, 35, and 40-year periods were utilized to show the growth of a $1 starting at the ages illustrated and each accumulating for the age stated through age 65. This illustration does not factor in the impact of taxes. Historical returns for stocks, bonds, and short-term debt were represented by the S&P 500, U.S. Intermediate-Term Government Bond, and 30-day T-Bill indices, respectively. Past performance is no guarantee of future results. Source for index data is Ibbotson Associates.

Refresher: Tips to Maximize your CPChem 401(k) Employer Contributions

- **Boost your Nest Egg with Company Match and Profit-Sharing**
- **Company match of 75% on your first 6% of pay per paycheck.**
- **Company match stops when you reach $16,500 annual IRS limit.**
- **Profit-Sharing based on Company performance, up to 8% in maximum payout year.**
- **Profit-Sharing is limited to amount of your pre-tax and Roth after-tax contributions.**



If you contribute 8%, your Company contribution amount may be as high as 12.5%

Note: Company Match and Profit-Sharing Contributions are different for certain employee groups

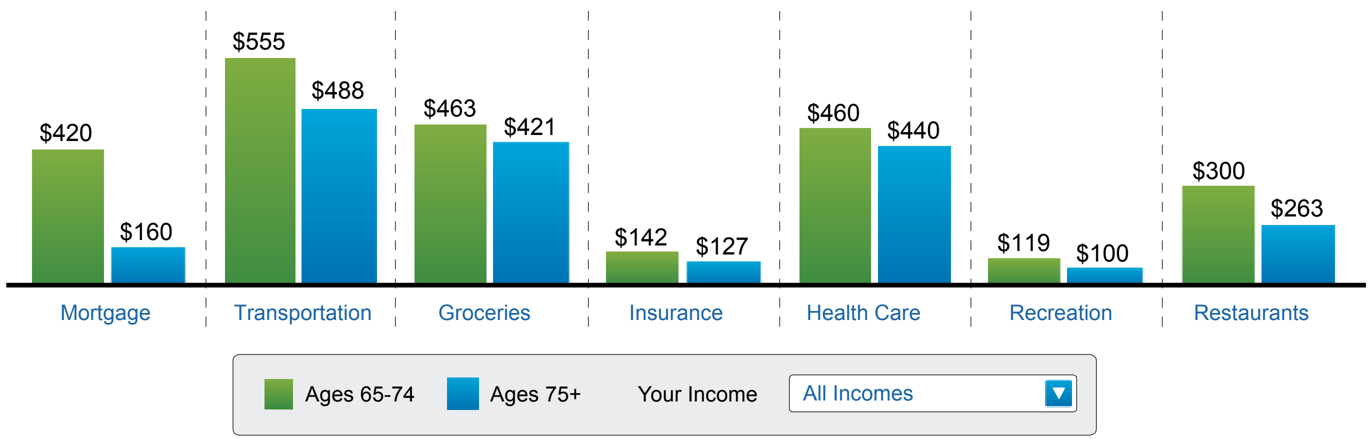
Consider easy lifestyle changes that could help you put more money away

- Refinance a high-interest mortgage
- Eat out a little less often
- Ponder every luxury purchase
- Plan your purchases ahead and ask for a discount
- Look for savings in the bills you pay each month
- Redeem rewards points wisely and consider converting them to savings

Planning for income and expenses in retirement

Monthly expenses: How much will you need?

What typical retirees spend on common expenses

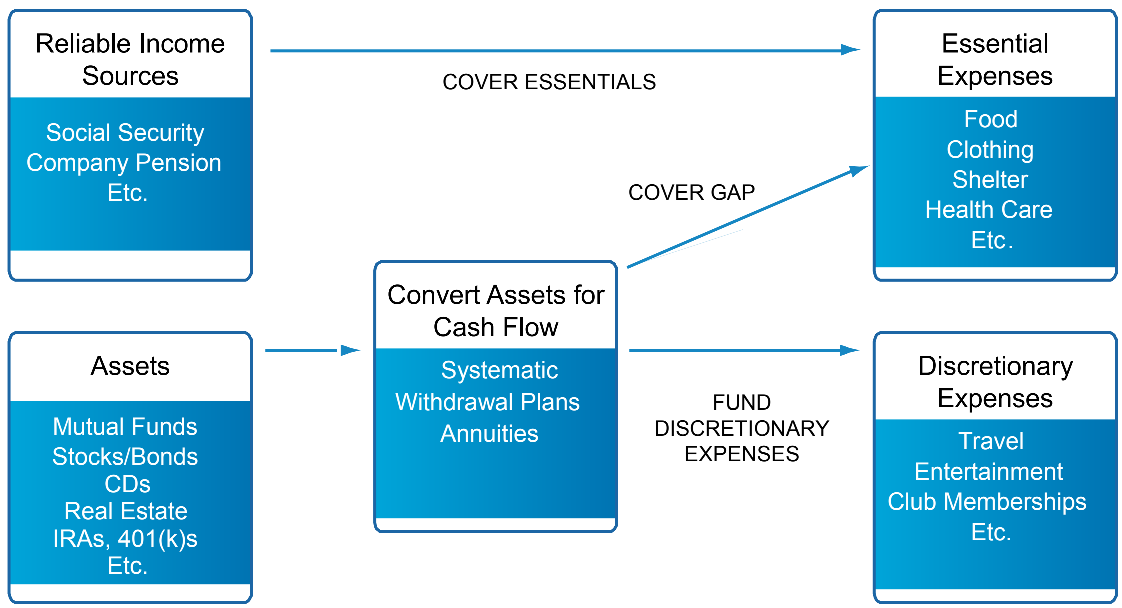


A Resource to Help: Fidelity's Guide to Retirement Income Investing

Source: Intellidyn, Inc. The data shown is based on a statistical model from a third-party vendor, Intellidyn, Inc. Fidelity hired Intellidyn to analyze and sort data into various household segments that span lifestage, and household income range. Intellidyn's model incorporates various other financial data from public and proprietary sources, including credit reporting agencies, customer marketing databases, the United States Census Bureau, the Federal Reserve Board, the United States Bureau of Labor and Statistics, a proprietary third-party database of consumer marketing demographics and public record databases such as real estate deed files and tax records.

No Fidelity customer data was used to prepare this model. All data presented are based on averages of at least fifty (50) households for which data is available.

Match the reliability of cash flow to the importance of the expense



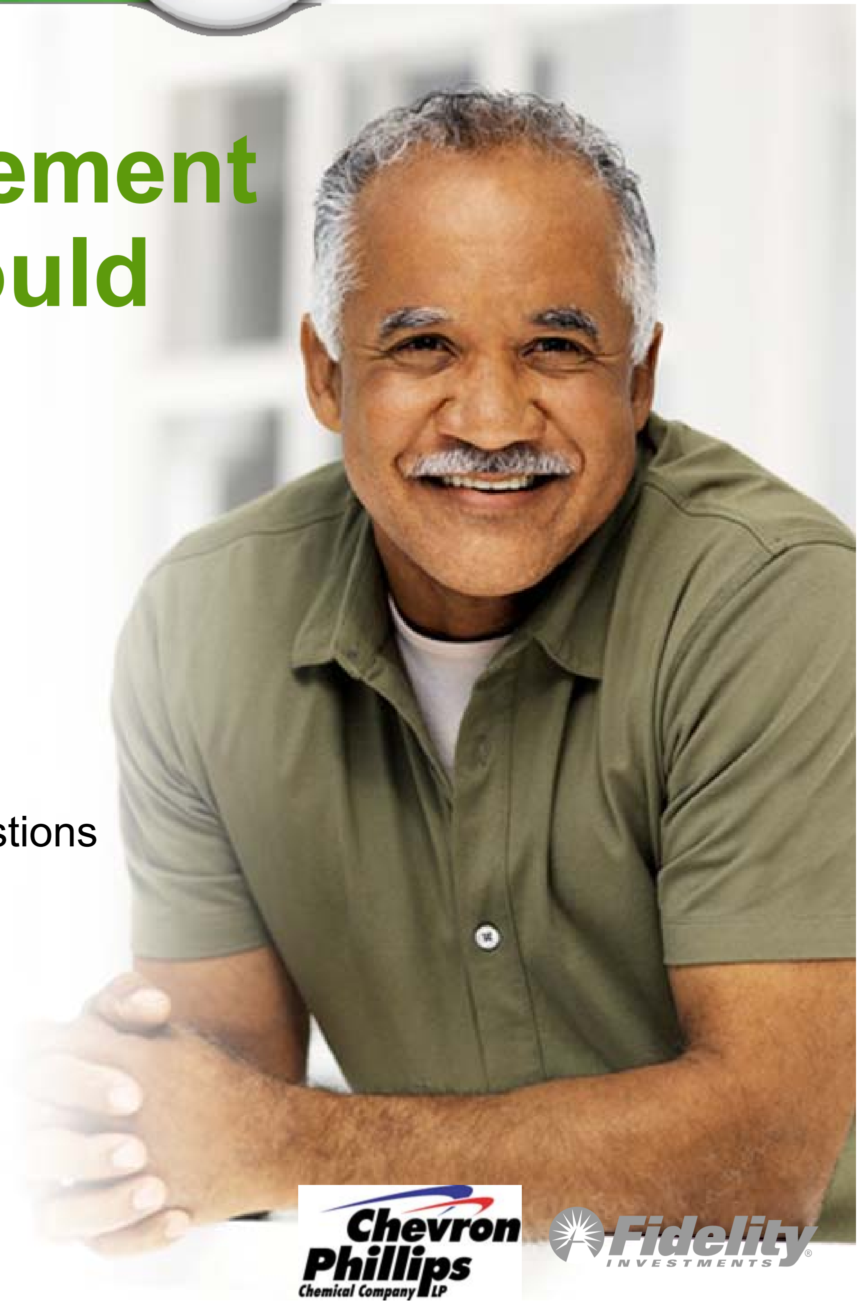
A Tool to Help: Use **Retirement Income Planner** to conduct an income and expense analysis.

For illustrative purposes only.

Consider how retirement lifestyle choices could help fill any gaps

- Working during retirement
- Retire here...or there?
- Simplify
- Other choices

What to Do: AARP has some great suggestions for cutting monthly expenses.



The impact of Social Security and Healthcare

When to start depends on many factors

- Age and family longevity
- Will you continue to work
- If you are planning with a spouse

When to start collecting?

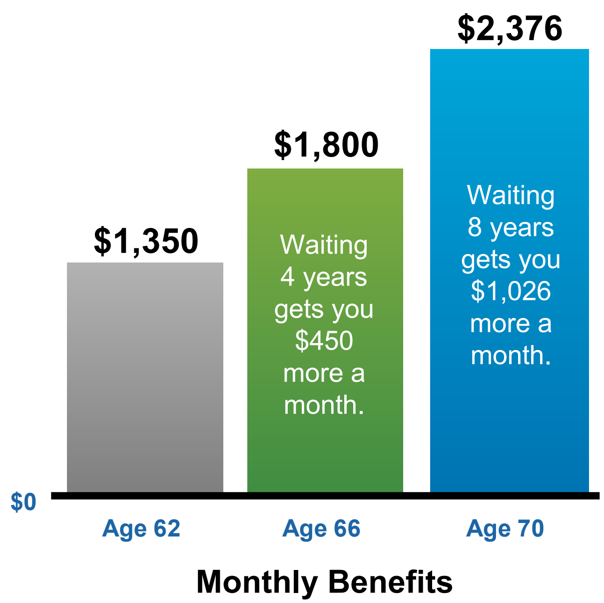
Three possible payment strategies

Wait until full retirement age	Bridge the gap until full retirement age	Start taking payments as soon as you're eligible
This will typically mean a higher monthly benefit	Helps preserve your higher benefit—but provides something to live on in the meantime	This typically will mean a lower monthly benefit

A Tool to Help: Use **Retirement Income Planner** to see how Social Security might impact your retirement plan. You can also access the Benefits Calculator at www.ssa.gov to find your break even age.

The benefits of waiting

Delaying can increase your benefits



This is a hypothetical example of someone whose full retirement age is 66, and primary insurance amount is $1,800.*

For illustrative purposes only.

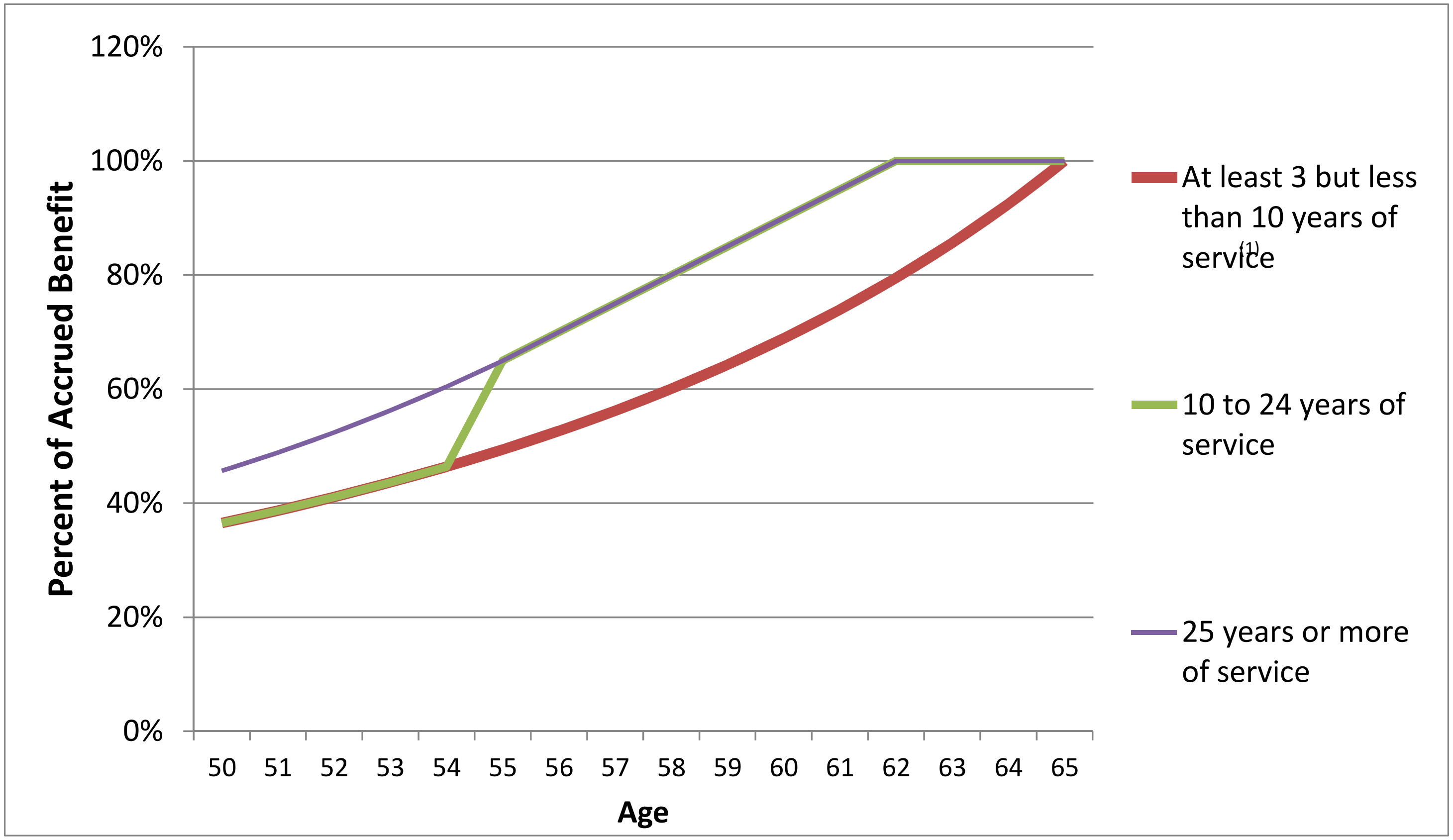
What to Do: For more on how Social Security works or your specific benefits, visit www.ssa.gov or call 800.772.1213 to request an **Earnings Benefit Estimate** statement.

Sources: Social Security Administration and Fidelity Investments, 2010.

* This hypothetical example assumes that the person is not working in retirement. Sample benefit amounts are not exact, due to rounding. They do not reflect annual cost-of-living adjustments or taxes. Had taxes been taken into account, the amounts would have been lower.

CPChem Pension - Early Retirement Reduction Factor

Delaying your CPChem pension benefit start date can increase your benefit amount, even after you leave or retire



(1) Based on 4.23% lump sum rate, which is rate in effect for the 4th quarter of 2011

My Retirement (Pension) Plan

- Automatically provided to eligible employees
- No cost to employees
- Company assumes investment risk
- Benefit grows based on service and compensation
- Eligible to receive a benefit after 3 years of vesting service
- Available as lump sum or annuity
- Lump sum value never lower than December 31, 2012 value from 2013 forward (example next)

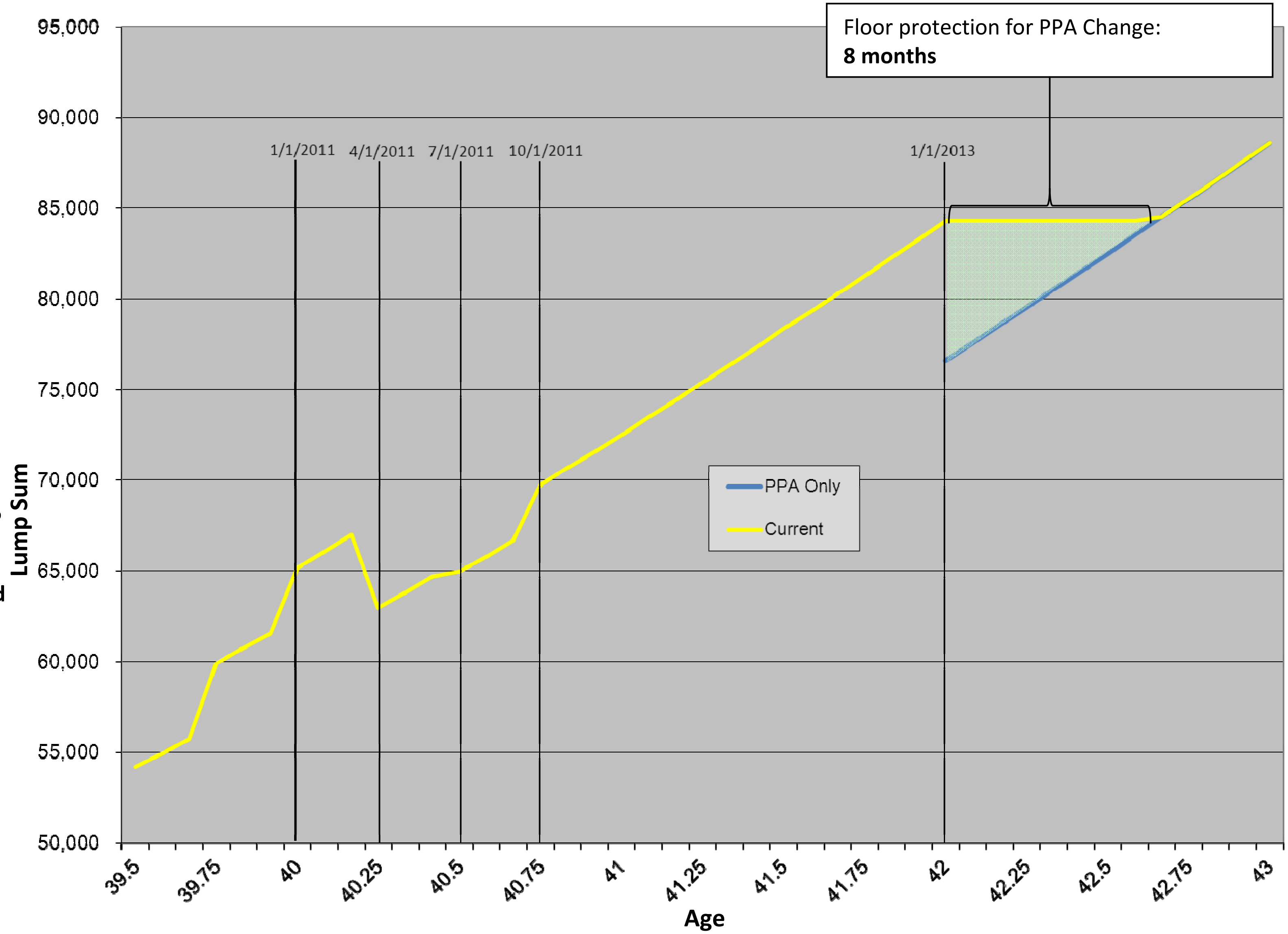
CPChem Pension Plan Lump Sum Interest Rate Conversion
Summary

- **Background**
  - Based on IRS guidelines, lump sum calculations switching from 30-Year Treasury (GATT) Rates to PPA 3-Segment (20-Year AA Corporate) Rates effective 1/1/2013
  - Historically, PPA Rates approximately 1% higher than GATT Rates
  - Post-conversion lump sum amounts for all participants **protected** at floor value of 12/31/2012 accrued benefit and 12/1/2012 GATT Rate
- **Key Considerations**
  - Annuity calculation remains unchanged, so you are unaffected if planning to take an annuity
  - All other compensation and benefits remain unchanged, including:
    - ➢ Base Pay
    - ➢ Employee Incentive Plan
    - ➢ 401(k) Company Match and Profit-Sharing
    - ➢ Medical and Dental Company Contributions (Approx. $10,500/year)
    - ➢ Company-paid Income & Survivor Protection (Life, AD&PL, etc.)
  - NetBenefits Pension Estimator is being modified to incorporate lump sum interest rate conversion and allow participants to run interest sensitivities

This information was provided by Chevron Phillips Chemical Company.

CPChem Pension Lump Sum Interest Rate Conversion
Participant Impact Example

- **Lump sums calculated Q1 2011 use 3.77% interest rate**
- **Lump sums calculated Q2 2011 use 4.42% interest rate**
- **Lump sums calculated Q3 2011 use 4.51% interest rate**
- **Lump sums calculated Q4 2011 through 12/31/2012 use 4.23% interest rate**
- **Lumps sums calculated after 12/31/2012 use 5.23% interest rate**



Note: Example for illustrative purposes only. Actual results will vary based on participant-specific and economic conditions.
This information was provided by Chevron Phillips Chemical Company.

Plan today for your future health care costs

Considerations for health care planning

- Cost and effect on cash flow
- Health care–related activities
- Possible life events
- Medicare
  - Medicare Part A - Hospital Insurance
  - Medicare Part B - Medical Insurance
  - Medicare Part C - Medicare Advantage Plans (like an HMO or PPO)
  - Medicare Part D - Prescription Drug Coverage
- Medigap (supplemental insurance)

Tools to Help: If you need help budgeting for health care, try Fidelity's **Retirement Income Planner**. To research Medicare health plan options and review Medicare benefits, go to www.medicare.gov.

CPChem COBRA and Retiree Medical Rates

- Company pays at least 80% of coverage cost for active employees
- For retirees, Benefits Team recommends enrolling in COBRA for 18 months after retirement prior to enrolling in Retiree Medical
- More details on COBRA / Retiree Medical can be found in 2011 Retirement Guide at www.Benefitium.com under "Benefit Guides & Online Tools"

All amounts are 2011 CPChem monthly premium rates

Select EPO Plan	Active Employee	COBRA Rate	Retiree Rate
Employee Only	$100.88	$514.49	$868.88
Employee +1	$219.92	$1,121.51	$1,894.12
Family	$263.28	$1,342.73	$2,267.60
Choice PPO Plan	**Active Employee**	**COBRA Rate**	**Retiree Rate**
Employee Only	$59.48	$472.26	$787.24
Employee +1	$129.64	$1,029.42	$1,716.08
Family	$155.16	$1,232.45	$2,054.52
Value CDH Plan	**Active Employee**	**COBRA Rate**	**Retiree Rate**
Employee Only	$18.44	$430.40	$726.88
Employee +1	$40.24	$938.24	$1,584.60
Family	$48.16	$1,123.31	$1,897.04

Health Savings Accounts (HSAs)

- Available to Value CDH Plan participants
- In 2011, deposit up to:
  - $3,050 if enrolled in employee-only coverage
  - $6,150 if enrolled in family coverage
- Tax-free contributions and earnings for current and future qualified health expenses – including retiree medical
- Investment options when HSA balance reaches $2,500 – mutual funds, ETFs, stock, bonds, CDs, etc.
- No “use it or lose it” – rolls over year to year
- HSA balance is yours – always
- Offered through Fidelity Investments

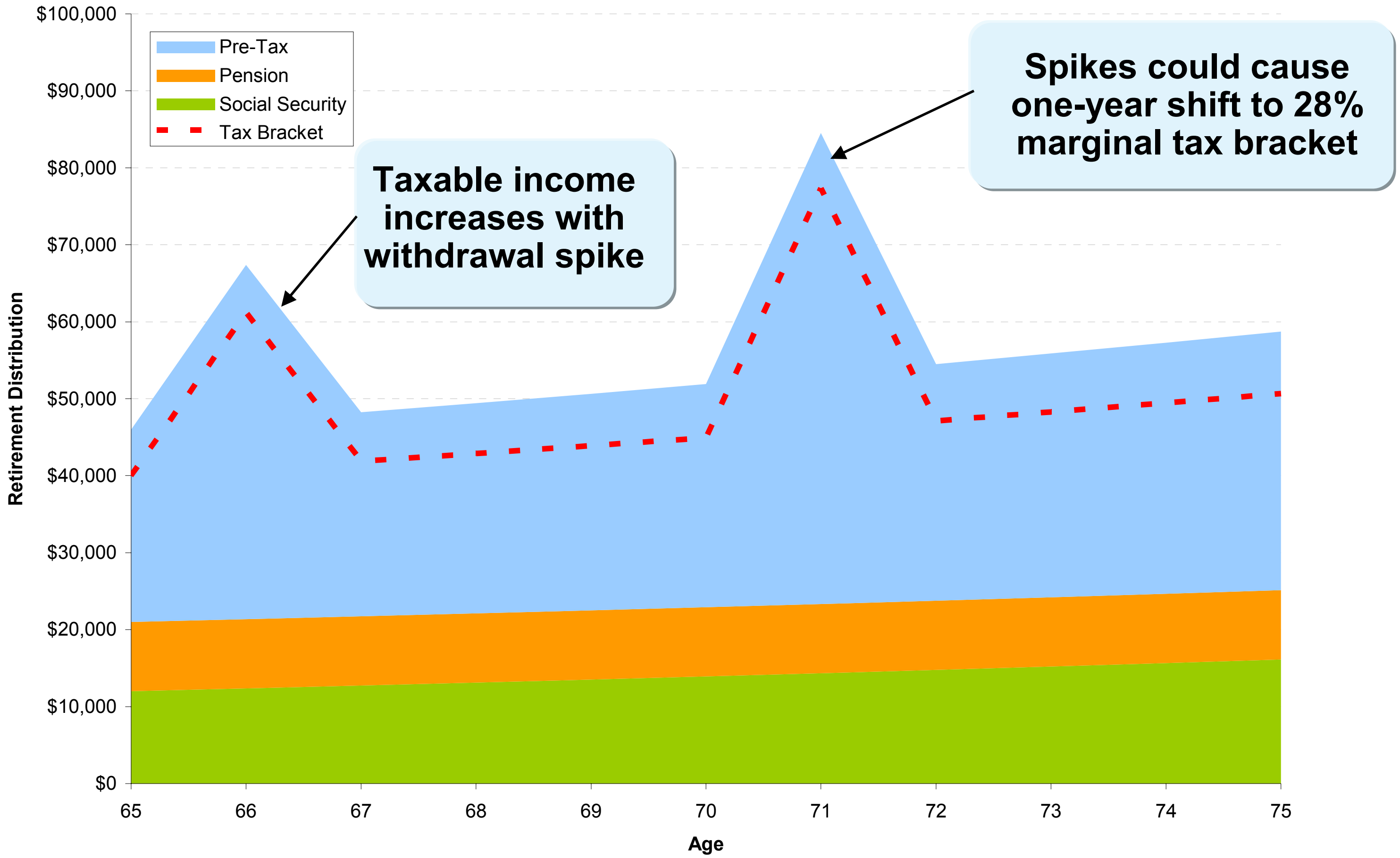
MY TOTAL ADVANTAGE HEALTH

Retiree Reimbursement Account (RRA)

- The Company sets aside money to supplement retirement income for eligible retirees
- Company-funded based on years of continuous service; no cost to you
- Amount is:
  - $1,300 times your years of continuous service if you are unmarried at retirement
  - $2,500 times your years of continuous service if you are married at retirement
- Can be used tax-free to:
  - Pay for Company's COBRA or retiree medical and/or dental plans
  - Reimburse yourself for the cost of coverage from private health care plans and/or qualified long-term care insurance premiums
  - Pay eligible out-of-pocket health care expenses such as deductibles, copayments, co-insurance and other expenses that your medical and dental plans don't cover

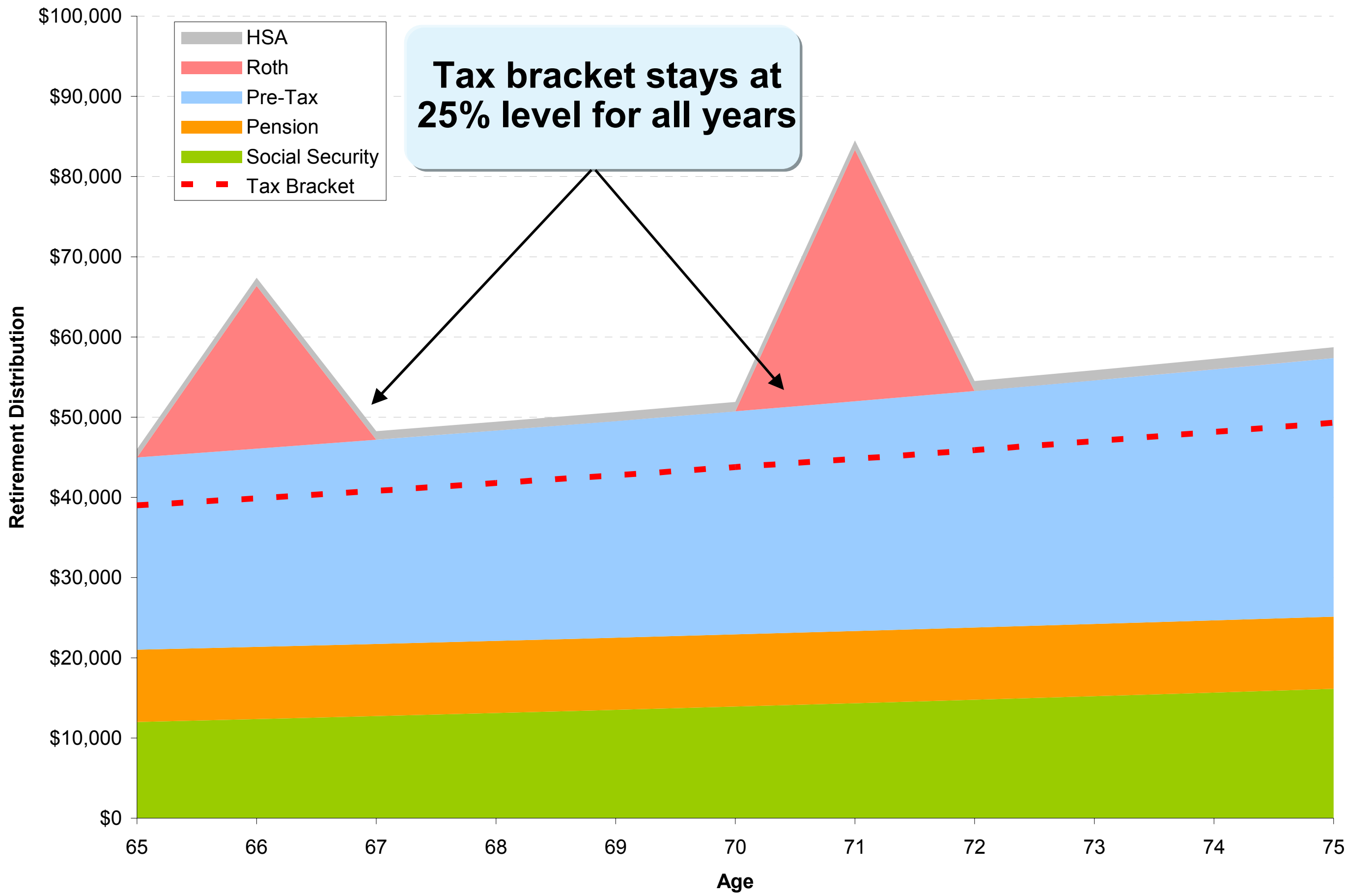
MY TOTAL ADVANTAGE HEALTH

Tax Diversification – All Pre-Tax Varied Withdrawal Pattern



- **Often times a retiree may have some years where expenditures are greater than planned**
- **If all retirement savings are taxable, the tax bracket may be higher in those years**

Tax Diversification – Pre-Tax, Roth, And HSA Varied Withdrawal Pattern

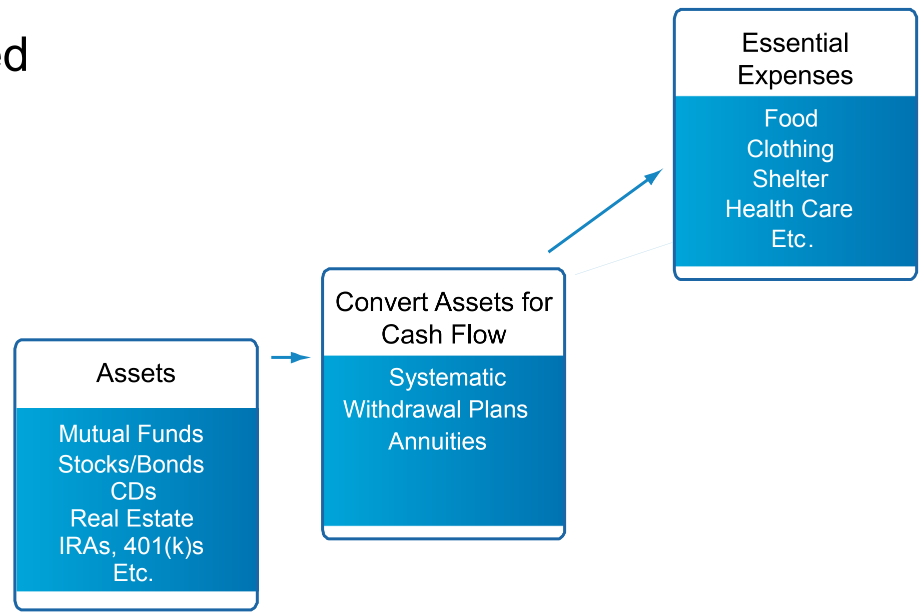


- **In years where expenditures are greater than expected, use of Roth and HSA money may help keep the tax bracket level**
- **Savings can be thousands of dollars**

Get your portfolio ready for retirement

Identify assets that can be converted to income

– Taxable/tax-deferred accounts
– Stocks, bonds, mutual funds
– CDs
– Annuities*

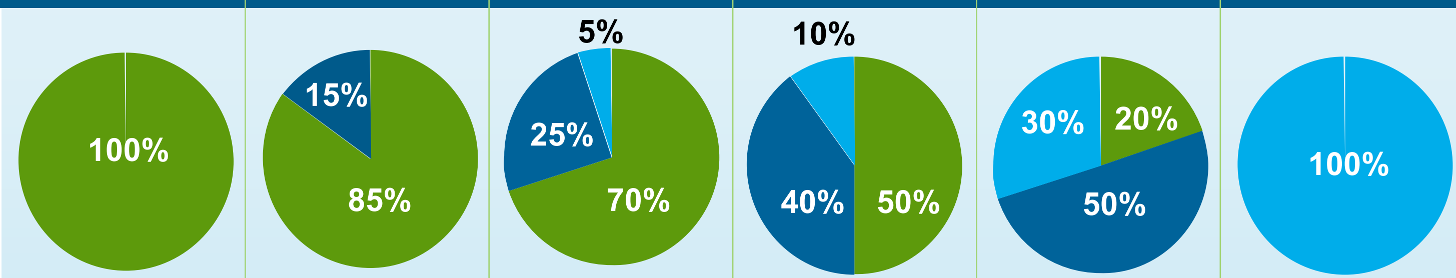


*The CPChem pension benefit can be distributed as an annuity if desired.

Make sure your investments support your strategy

Asset Mix and Portfolio Longevity—Which portfolio may have lasted longer

STRATEGY	Most Aggressive	Aggressive Growth	Growth	Balanced	Conservative	Short-Term



PORTFOLIO LIFE	with 6% withdrawal rate adjusted annually for inflation					
Average Market	49 years	46 years	39 years	32 years	24 years	17 years
Down Market	14 years	16 years	17 years	18 years	19 years	16 years

A Tool to Help: Use **Portfolio Review** to help you align your portfolio with your goals, needs, and risk tolerance.

Stocks Bonds Short-Term

Source: Fidelity Investments. Average rates of return for stocks, bonds, short-term investments, and inflation are based on the risk premium approach and several hundred historical market simulations. Average Market means the hypothetical portfolio lasted as long as indicated in 50% of the simulations run; Extended Down Markets in 90% of them. Actual rates of return may be more or less. The chart is for illustrative purposes only and is not indicative of any investment. Past performance is no guarantee of future results. See "Methodology and Information" in the back for further details about indexes and methodology used to produce the chart, including definitions of "Extended Down" and "Average" markets.

How long may your assets last?

Hypothetical Example: Sequence of Returns Affects a Portfolio's Longevity

	Portfolio A		Portfolio B	
Year	Return	Balance*	Return	Balance*
0		$100,000		$100,000
1	–18.39%	$75,897	26.57%	$117,710
2	–19.14%	$55,710	19.61%	$132,420
3	–4.59%	$46,475	5.26%	$132,017
4	18.47%	$46,766	16.57%	$145,733
5	6.79%	$42,466	33.60%	$185,347
6	**14.30%**	**$40,537**	**21.23%**	**$216,210**
7	**–15.39%**	**$28,376**	**13.92%**	**$238,332**
8	**14.59%**	**$24,495**	**–1.61%**	**$227,608**
9	**8.95%**	**$19,060**	**21.03%**	**$267,002**
10	**19.52%**	**$14,414**	**16.21%**	**$302,148**
11	**20.72%**	**$8,951**	**20.72%**	**$356,303**
12	16.21%	$2,267	19.52%	$417,486
13	21.03%	$0	8.95%	$447,225
14	**–1.61%**	**$0**	**14.59%**	**$504,454**
15	**13.92%**	**$0**	**–15.39%**	**$420,896**
16	**21.23%**	**$0**	**14.30%**	**$473,083**
17	**33.60%**	**$0**	**6.79%**	**$497,730**
18	**16.57%**	**$0**	**18.47%**	**$581,367**
19	**5.26%**	**$0**	**–4.59%**	**$548,004**
20	**19.61%**	**$0**	**–19.14%**	**$437,456**
21	**26.57%**	**$0**	**–18.39%**	**$351,295**
Arithmetic Mean	10.4%		10.4%	
Standard Deviation	14.6%		14.6%	
Compound Growth Rate	9.4%		9.4%	

Sequence of returns risk revolves around the timing or sequence of a series of adverse investment returns. In this example, two portfolios, A and B, each begin with $100,000. Each aims to withdraw $7,000 per year. Each experiences exactly the same returns over a 21-year period—only in inverse order, or "sequence." Portfolio A has the bad luck of having a sequence of negative returns in its early years and is completely depleted by year 13. Portfolio B, in contrast, scores a few positive returns in its early years and ends up two decades later with more than triple the assets with which it began. Source: Fidelity Research Institute and QWeMA Group, Inc., August 2007.

Fidelity INVESTMENTS

CPChem Pension Annuity or Lump Sum?

Consider an annuity option for your CPChem pension benefit if:

- You want a steady stream of income in retirement that you can't outlive
- You have a spouse or another person you want to continue to receive benefits after your death
- You do not feel comfortable investing money and/or are not confident in your ability to generate long-term returns that are higher than the rate the plan uses to calculate lump sums
- You (and your spouse) are relatively healthy and expect to live longer than the average assumed by the mortality table used by the plan — about age 85

MY TOTAL ADVANTAGE WEALTH

Balancing your investing priorities

Align your portfolio to reflect what's important to you

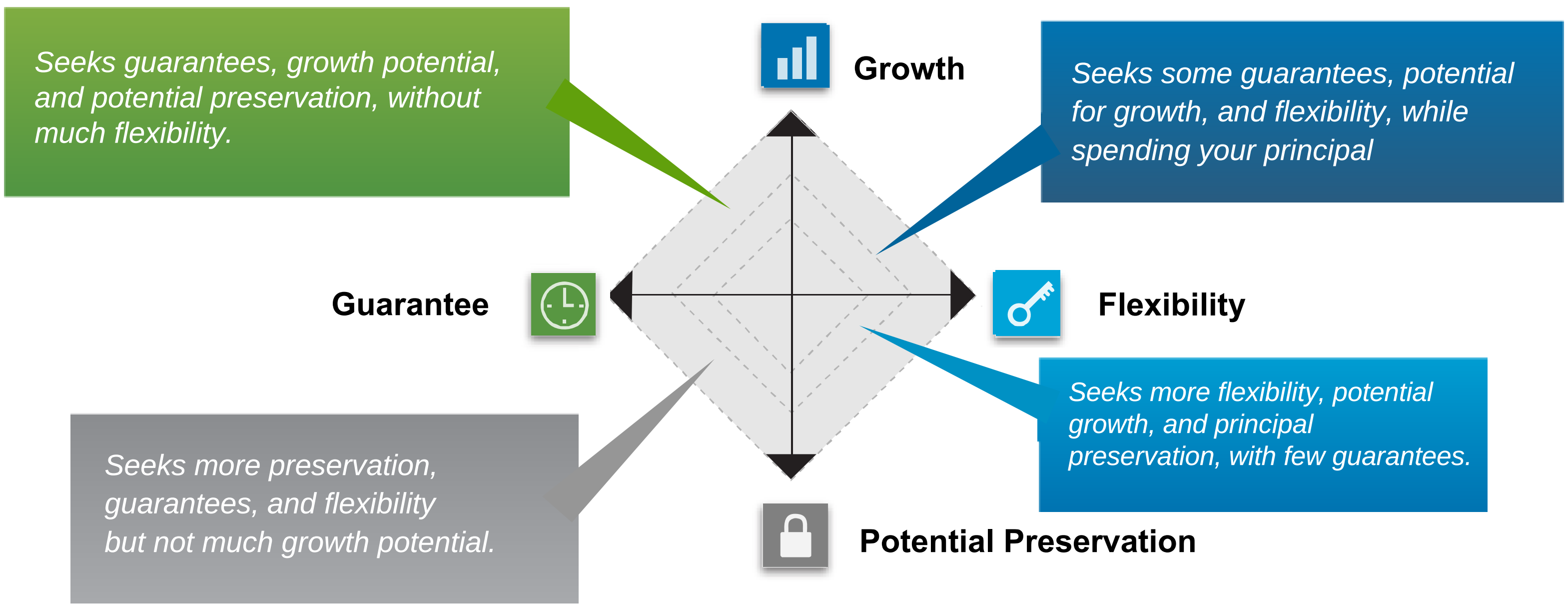
The big four investing priorities

Growth	Guarantee*	Flexibility	Potential Preservation
Balancing potential vs. risk	Income for life	Access to your money	Balancing savings vs. expenses

***Guarantees apply to certain insurance and annuity products (not securities, variable or investment advisory products) ar are subject to product terms, exclusions and limitations and the insurer's claims-paying ability and financial strength.**

Linking income strategies to investing priorities

Competing Priorities: Find an appropriate balance



A Resource to Help: Fidelity's **Guide to Retirement Income Investing** can help get you started with an investment and withdrawal strategy.

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Common retirement income strategies

- Interest and Dividends Only
- Investment Portfolio
- Investment Portfolio plus Guarantees*

A Tool to Help: For more on this subject, attend our **Shifting from Saving to Spending** workshop.

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The risks of not having a retirement income plan in place

Outliving your savings

Living Longer: You may need income for decades

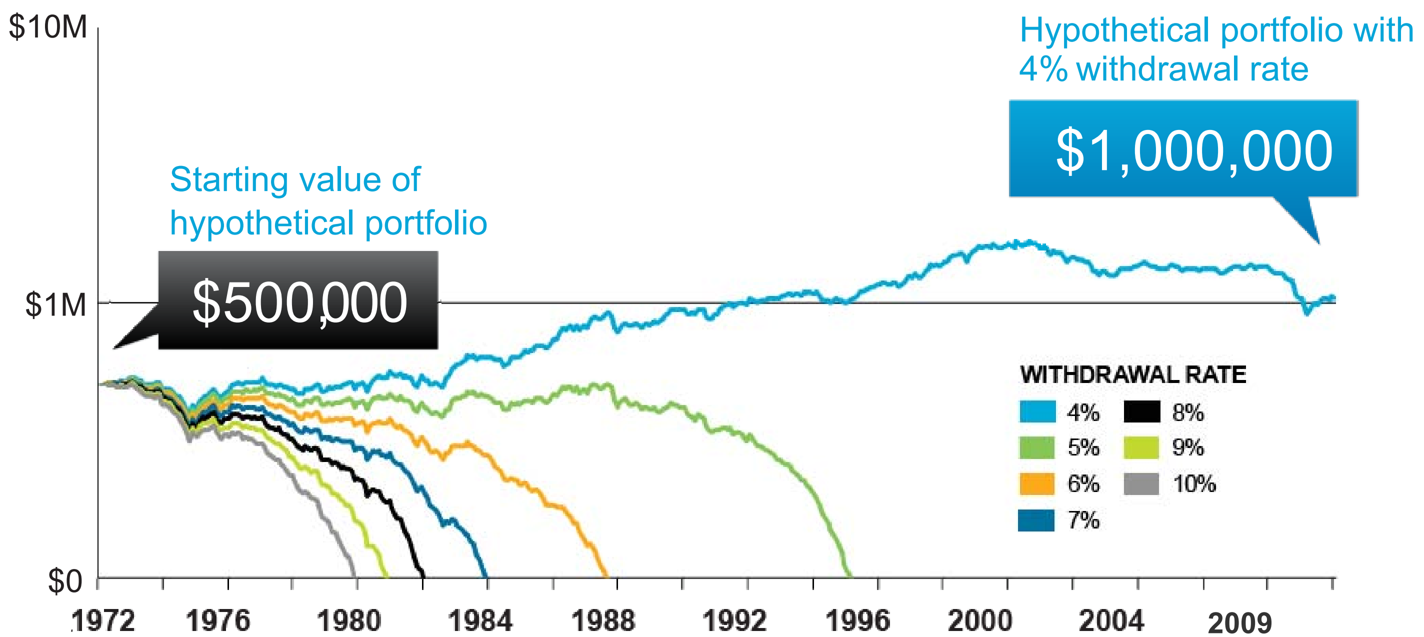
Lifespan	65-Year-Old Man	65-Year-Old Woman	65-Year-Old Couple
50% Chance	85 yrs.	88 yrs.	92 yrs.
25% Chance	92 yrs.	94 yrs.	97 yrs.
			lifespan for one survivor

What to Do: Take into account your personal health and family history, not just average life expectancy, when making your retirement calculations.

Annuity 2000 mortality table; Society of Actuaries. Figures assume a person in good health.

Spending too much, too soon

Withdrawal rate: The danger of taking out too much



What to Do: Fidelity suggests using no more than a 4%-5% withdrawal rate in your planning, perhaps even less during the early years of retirement.

Withdrawal rates are based on a Balanced portfolio of 50% stocks, 40% bonds, and 10% short-term investments and inflation adjusted. Source: Fidelity Investments. Hypothetical value of assets held in a tax-deferred account of $500,000 invested in a portfolio of 50% stocks, 40% bonds, and 10% short-term investments with inflation-adjusted withdrawal rates as specified. This chart's hypothetical illustration uses historical monthly performance from January 1972 through December 2009 from Ibbotson Associates: stocks, bonds, and short-term investments are represented by the S&P 500® Index, U.S. intermediate-term government bond, and U.S. 30-day T-Bills. This chart is for illustrative purposes only and is not indicative of any investment. Past performance is no guarantee of future results.

Not saving enough to cover the cost of health care

Health care costs: Plan for rising costs

About You

- Male
- Female
- Couple

Life Expectancy

- Average (50% chance)
- Above Average (25% chance)

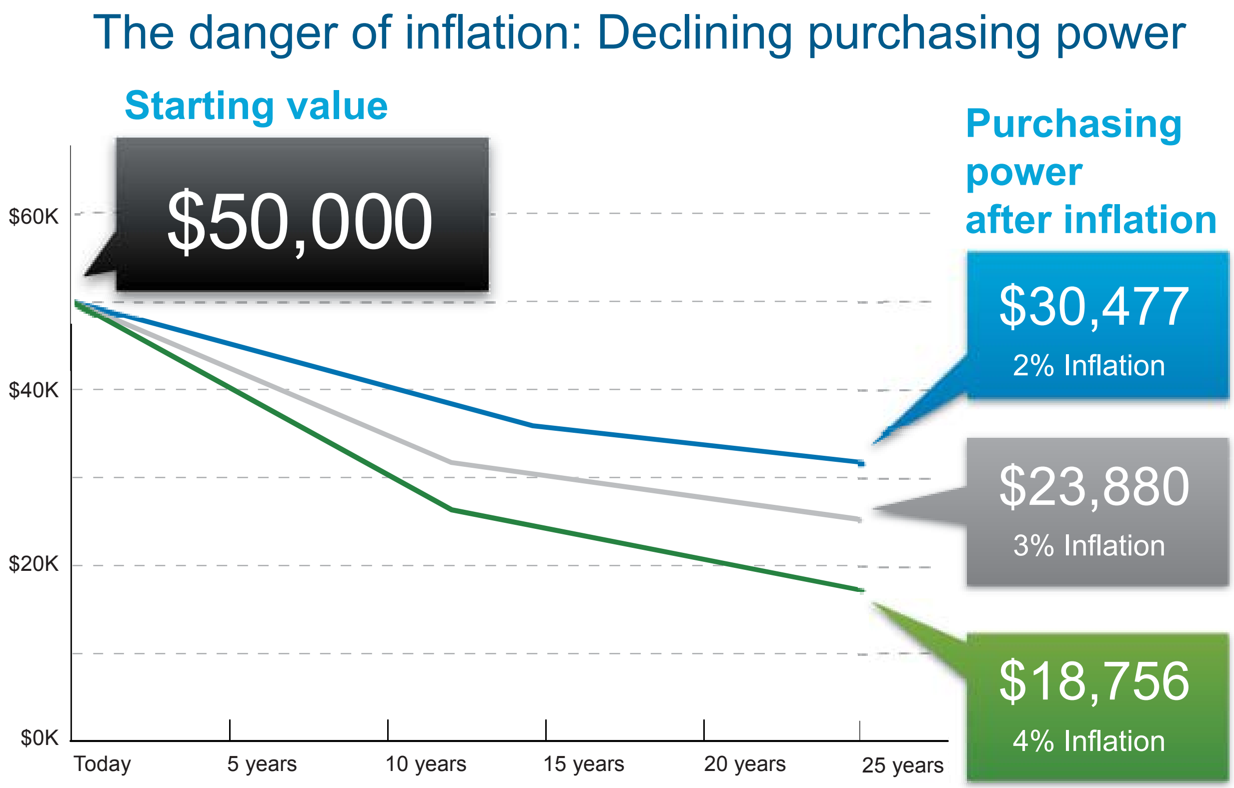
$430K

Potential health care costs in retirement

What to Do: Increase your anticipated medical expenses when doing your calculations.

Fidelity Consulting Services, 2010.

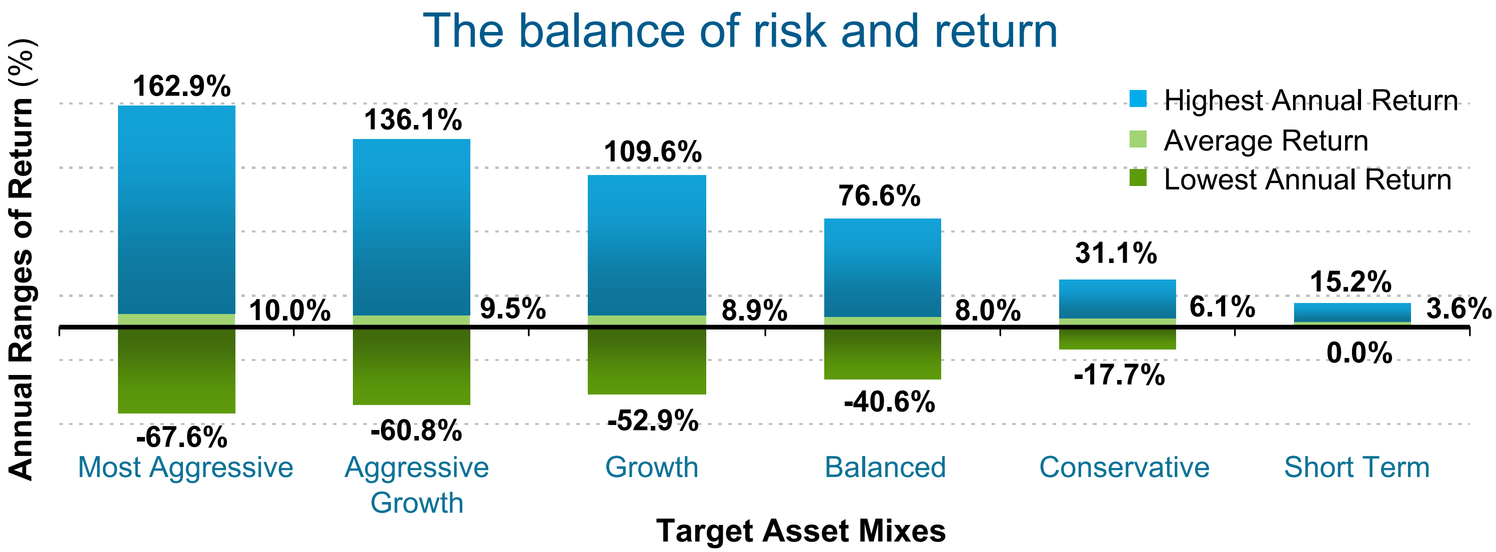
Falling short of inflation



What to Do: Make sure you consider investments with the potential to outpace inflation.

Source: Fidelity Investments, 2010. All numbers were calculated based on hypothetical rates of inflation of 2%, 3%, and 4% (historical average from 1926 to 2008 was 3%) to show the effects of inflation over time; actual inflation rates may be more or less and will vary.

Having the wrong investment mix



Each bar shows the range of calendar year returns for each asset class over the period of January 1926 - December 2010.

What to Do: Review your asset allocation and portfolio to evaluate the amount of growth potential you have, and determine if it aligns with your needs, risk tolerance, and overall goals.

Chart created by Fidelity using data from Ibbotson Associates. Past performance is no guarantee of future results. Returns reflect calendar year returns for the period January 1926 to December 2010 and include reinvestments of dividends and other earnings. This chart is for illustrative purposes only and does not represent actual or implied performance of any investment option. The listed asset classes consist of the following target asset mixes: Short Term (100% Short Term); Conservative (14% Domestic Stocks, 6% International Stocks, 50% Bonds, 30% Short Term); Balanced (35% Domestic Stocks, 15% International Stocks, 40% Bonds, 10% Short Term); Growth (49% Domestic Stocks, 21% International Stocks, 25% Bonds, 5% Short Term); Aggressive Growth (60% Domestic Stocks, 25% International Stocks, 15% Bonds); Most Aggressive (70% Domestic Stocks, 30% International Stocks).

These target asset mixes were developed by Strategic Advisers, Inc., a registered investment adviser and a Fidelity Investments company. Stocks are represented by the Standard and Poor's 500® Index (S&P 500® Index). The S&P 500® Index is a widely recognized, unmanaged index of 500 U.S. common stocks. Bonds are represented by the U.S. Intermediate Government Bond Index, which is an unmanaged index that includes the reinvestment of interest income. Short-term instruments are represented by U.S. Treasury bills. It is not possible to invest directly in an index. Stock prices are more volatile than those of other securities. International Stocks are represented by the Morgan Stanley Capital International Europe, Australasia, Far East Index for the period from 1970 to the last calendar year. International Stocks prior to 1970 are represented by the S&P 500® Index. Historically, government bonds and corporate bonds have a more moderate, short-term price fluctuation than stocks but provide lower potential long-term returns. U.S. Treasury bills maintain a stable value (if held to maturity), but returns are generally only slightly above the inflation rate. The purpose of the target asset mixes is to show how target asset mixes may be created with different risk and return characteristics to help meet various goals. You should choose your own investments based on your particular objectives and situation. Be sure to review your decisions periodically to make sure they are still consistent with your goals.

Steps to take today

Evaluate your portfolio to minimize retirement risks

- Determine your priorities
- Assess what's essential to you
- Start thinking about strategies for making it a reality
- Revisit and update on a regular basis

Tools to Help: Run the numbers with **myPlan Monitor** or talk to a Fidelity representative. Get more perspective with Fidelity's **Guide to Retirement Income Investing**.

Protect your retirement plans

- **Pay down debt**
- **Check your emergency fund**
- **Verify your beneficiaries**
  - CPChem may have your hardcopy forms on file, but update on-line and don't take a chance of outdated beneficiary information
  - CPChem Income and Survivor Protection Beneficiaries
    - Log in to www.cpchembenefits.mercerhrs.com
    - Or call **1-800-446-1422**, option 1
    - Click on **Beneficiaries** under **Health** tab
  - CPChem 401(k) and Retirement Plan Beneficiaries
    - Log in to www.NetBenefits.com
    - Or call **1-866-771-5225**
    - Click on **Beneficiaries** under **Your Profile** tab
- **Review your estate documents (will, trusts, etc.)**

Help preserve your assets and control the distribution of your estate

- **Wills**
  - CPChem employees enrolled in Supplemental Life have access to free will preparation services
  - Hyatt Legal Plan network attorneys prepare or update wills at no cost to you
  - To access the service or for any questions contact the Hyatt Legal Plan at **1-800-821-6400**
- **Powers of attorney**
- **Health care proxies**
- **Trust**
- **Beneficiary designation** (for assets other than CPChem benefits)
- **Gifting**

A Tool to Help: For much more on this topic, attend our workshop, **Preserving Your Savings for Future Generations**.

CPChem Employee Assistance Program: Free estate planning education for all employees by phone at **1-866-841-9377** or on-line at www.AetnaEap.com (log in with your Company ID code: MYCPCEAP).

We're here to help

- Schedule a complimentary one-on-one guidance consultation

  Call**: 1-866-771-5225**

- Visit NetBenefits®

  www.netbenefits.com

- Call your plan's toll-free number to speak with a representative familiar with the features of your workplace savings plan

Although consultations are one on one, guidance provided by Fidelity is educational in nature, is not individualized, and is not intended to serve as the primary or sole basis for your investment or tax-planning decisions.

Before investing, consider the investment objectives, risks, charges and expenses of the fund or annuity and its investment options. For this and other information, contact Fidelity for a free prospectus or, if available, a summary prospectus. Read it carefully before you invest.

Principal value and investment returns of a variable annuity will fluctuate and you may have a gain or loss when money is withdrawn.

Diversification and asset allocation do not ensure a profit or guarantee against a loss.

U.S. stock prices are more volatile than those of other securities.

Government bonds and corporate bonds have more moderate short-term price fluctuations than stocks but provide lower potential long-term returns. U.S. Treasury bills maintain a stable value (if held to maturity), but returns are only slightly above the inflation rate. As with all your investments through Fidelity Investments, you must make your own determination whether a particular investment is consistent with your objectives, risk tolerance and financial situation.

Past performance does not guarantee future results.

It is not possible to invest directly in an index. All index returns include reinvestment of dividends and interest income. Investors may be charged fees when investing in an actual portfolio of securities, which are not reflected in illustrations utilizing returns of market indexes.

Portfolio Review, Retirement Income Planner and Retirement Quick Check are educational tools.

myPlan® Monitor is a separate service and not part of this or any other Fidelity planning tool.

The tax, retirement, and estate planning information contained herein is general in nature, is provided for informational purposes only, and should not be construed as legal or tax advice. Fidelity does not provide legal or tax advice. Always consult an attorney or tax professional regarding your specific legal or tax situation.

Fidelity is not recommending or endorsing any particular investment in this workshop. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stocks of 500 widely held U.S. stocks that includes the reinvestment of dividends. It is not possible to invest directly in the index.

The Consumer Price Index is a widely recognized measure of inflation calculated by the U.S. government that tracks changes in the prices paid by consumers for finished goods and services.

Methodology and information for charts:
The charts on slide 42 and 51 are not intended to project or predict the present or future value of the actual holdings in a participant's portfolio or the performance of a given model portfolio of securities.

The calculations and results generated for the chart on page 51 are based on historical monthly performance from January 1972 through December 2009 from Ibbotson Associates: stocks, bonds, and short-term investments are represented by the S&P 500® Index, U.S. Intermediate-term Government Bond, and U.S. 30-day T-bill, respectively.

For the charts on pages 42, 51 and 54, which highlight varying levels of stocks, bonds, and short-term investments, the purpose of the hypothetical illustrations is to show how portfolios may be created with different risk and return characteristics to help meet a participant's goals. You should choose your own investments based on your particular objectives and situation. Remember, you may change how your account is invested.

Be sure to review your decisions periodically to make sure they are still consistent with your goals. You should also consider all your investments when making your investment choices.

For the chart on page 42, several hundred financial market return scenarios were run to determine how the asset mixes may have performed. The Average Market and Extended Down Market results are based on 50% and 90% confidence levels, respectively. The results for the **Average Market** highlight the number of years the hypothetical portfolio would have lasted in 50% of the scenarios. The results for the **Extended Down Market** are based on a 90% confidence level highlighting the number of years the portfolio would have lasted in at least 90% of the scenarios generated.

For the chart on page 42, the estimated returns for the stock and bond asset classes are based on a "risk premium" approach. The risk premium for these asset classes is defined as their historical returns relative to a 10-year Treasury bond. Risk premium estimates for stocks and bonds are each added to the 10-year Treasury yield. Short-term investment asset class returns are based on a historical risk premium added to an inflation rate, which is calculated by subtracting the TIPS (Treasury Inflation-Protected Securities) yield from the 10-year Treasury yield. This methodology results in what we believe to be an appropriate estimate of the market inflation rate for the next 10 years. Each year (or as necessary), these assumptions are updated to reflect any movement in the actual inflation rate. Volatility of the stocks (domestic and foreign), bonds, and short-term asset classes is based on the historical annual data from 1926 through the most recent year-end data available from Ibbotson Associates, Inc. Stocks, bonds, and short-term are represented by the S&P 500® Index, U.S. intermediate-term government bond, and 30-day U.S. Treasury bill, respectively. Annual returns assume the reinvestment of interest income and dividends, no transaction costs, no management or servicing fees, and the rebalancing of the portfolio every year.

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