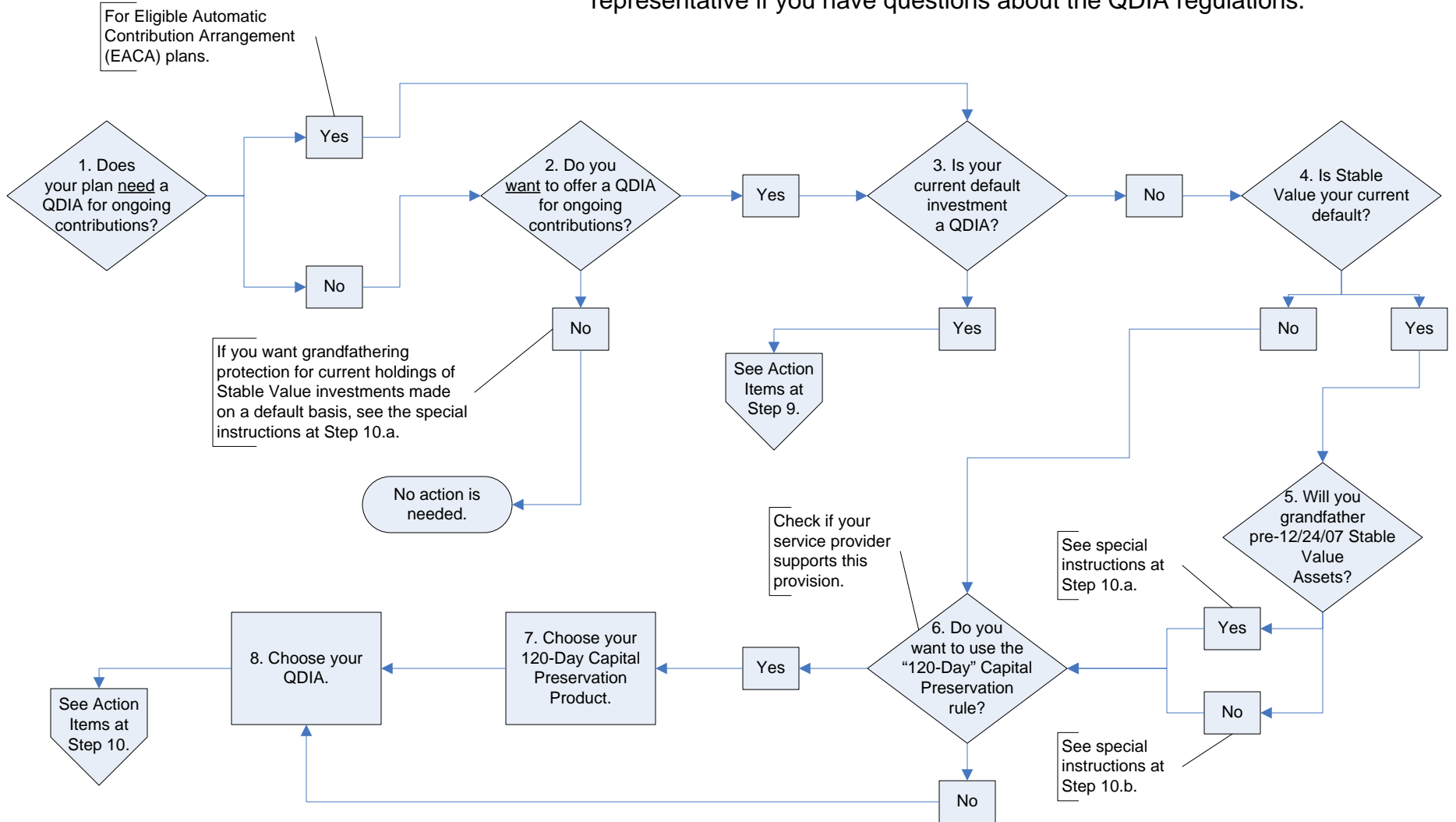


QDIA Decision Tree

This decision tree is for defined contribution ERISA plans, including 403(b) plans, that allow participants to direct investments. It has been designed to help plan sponsors navigate the action that may be needed in response to the Department of Labor's Qualified Default Investment Alternatives (QDIA) regulations. This tool is not intended to be the exclusive means by which plan sponsors should determine action required. Please contact your Prudential representative if you have questions about the QDIA regulations.



QDIA Decision Tree

Action Items

Step 9:

- Provide Participant Notices by 11/24/07, annually thereafter, and to new participants prior to or coincident with initial eligibility.
- Ensure participants receive investment information as required under section 404(c).
- Ensure investment transfers are available at least once every 3 months.
- Ensure no fees are imposed on transfers out within 90 days of investment in QDIA.
- Ensure plan offers "broad range of investment alternatives."

Step 10:

- (a) If you are grandfathering assets invested in a Stable Value fund before 12/24/07 (i.e., step 5 = Yes)
- Provide Participant Notices by 11/24/07, annually thereafter, and to new participants prior to or coincident with initial eligibility:
 - Include information about grandfathered assets, in addition to information about ongoing QDIA.
 - Also include information about initial 120-day investment in a capital preservation product, if applicable (i.e., step 6 = Yes) and if your service provider supports this provision.
 - Ensure participants receive investment information as required under section 404(c).
 - Ensure investment transfers are available at least once every 3 months.
 - Ensure no fees are imposed on transfers out within 90 days of investment in QDIA.
 - Ensure plan offers "broad range of investment alternatives."
- (b) If you are not grandfathering assets invested in a Stable Value fund before 12/24/07 (i.e., step 4 = No or 5 = No)
- Provide Participant Notices 30 days prior to the effective date of the QDIA provision, annually thereafter, and to new participants prior to or coincident with initial eligibility:
 - Include information about initial 120-day investment in a capital preservation product, if applicable (i.e., step 6 = Yes) and if your service provider supports this provision.
 - Ensure participants receive investment information as required under section 404(c).
 - Ensure investment transfers are available at least once every 3 months.
 - Ensure no fees are imposed on transfers out within 90 days of investment in QDIA.
 - Ensure plan offers "broad range of investment alternatives."
 - For maximum fiduciary protection, transfer assets invested by default in previous default investment to QDIA.