

Co-op 401k Plan

AMERICA'S LEADING 401(K) PROGRAM FOR COOPERATIVES
Administered by Milliman



UPDATE

EMPLOYEE BENEFIT NEWS FOR
THE COOPERATIVE INDUSTRY

SEPTEMBER 2009

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Executive Summary Review details your Plan

All sponsoring cooperatives recently received a new Executive Summary developed by Milliman for the Co-op 401(k) Plan Sponsors. The Executive Summary Report takes a close-up look at your cooperative's activity in the Co-op 401(k) Plan. The cover letter that came with the report shows your cooperative's standing in "Star Performer" categories and how they compare to averages of Plan sponsors nationwide. The Executive Summary details information on where your plan stands in terms of participation, employee contributions, Plan activity, investment fund information, and more.

Employer contributions

Of the more than 480 cooperatives that sponsor the Co-op 401(k) Plan, 98% make a contribution to their employees' 401(k) plan. The majority of employer contributions—70%—offer to match a portion of their employees' contributions. The number of cooperatives providing an employer match is exactly the same as in 2008—a sign of the commitment cooperatives make to their employees' retirement savings even in tough times. Most cooperatives are matching 100% of an employee's contributions up to a certain percentage of pay; for example, if an employee contributes 4% of his pay, the cooperative will contribute an equal amount.

Further, the 2009 Executive Summary Reports reveal that nearly 60 cooperatives (12%) made a profit-sharing contribution on behalf of their employees, and

many of those cooperatives (61%) also offer a match. Nearly 115 cooperatives (24%) offered employees an employer basic contribution in 2009, and many others utilized a combination of matching, basic, and profit sharing contributions to help their employees on the road to retirement.

Contribution levels

So how much are cooperatives actually contributing? When all types of contributions (matching, basic, and profit-sharing, as well as employer contributions to a defined benefit plan) are considered, 50% of cooperatives provide a contribution of 5.00% or more. In fact, despite market conditions, there was almost no decline in Employer Contributions from 2008 to 2009.

Defined benefit plans

Over 100 cooperatives that offer the Co-op 401(k) Plan also offer a traditional defined benefit plan. Under a defined benefit plan, employees generally receive a set monthly amount at retirement. Defined Benefit Plans are not included in the Executive Summary Report, but are applicable to Star Performer Awards and median contribution levels.

www.coop401kplan.com

800.652.6675



South Dakota Wheat Growers
Farmers Union Oil Company
Tri-State Agri Services LLC
Markit County Grain, LLC
Western Cooperative Company
New Alliance Bean & Grain
Company
Farmers Union Cooperative Gin
Farmers Cooperative Association
Cotton Growers Cooperative
Centrol, Inc. of Dutton
Beattie Farmers Union Cooperative
Farmers Union Oil Company
Blackduck Co-op Ag Services
Burlington Cooperative Association
Farmers Cooperative Association
Bartlett Cooperative Association
Skagit Farmers Supply
Consumers Oil & Supply Company
Farmers Cooperative Association
Farmers Cooperative Association
Cloud County Cooperative Elevator
Association
Custer City Farmers Cooperative,
Inc
Co-Mark Inc.
Tallahatchie Farmers Supply, Inc.
Connell Grange Supply Company,
Inc.
Farmers Cooperative Grain
Association
Dalhart Consumers Fuel
Association
Dacoma Farmers Cooperative Inc.
Delphos Cooperative Association
Farmers Cooperative
Ag-Valley Cooperative Non-Stock
Equity Marketing Alliance, LLC
Elkhart Cooperative Equity
Exchange
Triangle Insurance Company, Inc.
Hi-Line Cooperative, Inc
Estelline Cooperative Grain
Company
Estelline Co-op Gin Company
Fairfield NS Coop Fertilizer
Association
Flagler Cooperative Association
Poudre Valley Cooperative Assn.,
Inc.
Fessenden Cooperative Association
Fruita Consumers Cooperative
Association, Inc.
Red River Farm Coop, Inc.

Garber Cooperative Association
Farmers Cooperative Association
Midwest Farmers Cooperative
Grainland Cooperative
Henderson Community Co-op
Hood River Supply Association
Ag Partners Cooperative, Inc.
Hopkinsville Elevator Company
Jackson Farmers Inc
Farmers Cooperative Elevator
Humboldt-St. Vincent Elevator
Association

Association
Co-op Services, Inc.
Cooperative Elevator & Supply
Company
GC&F Transport Co-op
State Line Grain Company
Mott Equity Exchange
Energy Partners LLC
Central OK Services
Farmers Union Cooperative Oil
Company
Decatur Cooperative Association

Crosby County Fuel Association
Ropes Farmers Cooperative Gin
Central Rolling Plains Coop
Farmers Cooperative Association
Golden Valley, Inc.
The Farmers Cooperative Elevator
Panhandle Cooperative
Association, Inc.
Seibert Equity Cooperative
Association
United Farmers Cooperative
Grain Growers Oil Company
St. Charles County Cooperative
Company
Farmers Cooperative Association
of Sudan
Crossroads Cooperative
Association
Farmers Cooperative Society of
Stamford
Nemaha County Coop Association
Midwest Ag Services, LLC
Farmers Union Cooperative
Company
Farmers Cooperative Elevator
Association
Farmers Union Oil Company
St. Francis Mercantile Equity
Exchange
Syracuse Cooperative Exchange
Dairylea Cooperative Inc
Agri Producers, Inc.
Farmers Cooperative Association
#1
Lincoln County Farmers
Cooperative, Inc.
Farmers Cooperative Grain &
Supply Company
Farmers Union Oil Company
Farmers Cooperative Exchange
Farmers Co-op Society #1
Watonwan Farm Service Company
The Wakefield Farmers
Cooperative Association
Horizon Resources
Leaf River Ag Service
Country Pride Cooperative, Inc.
Woodsboro Farmers Cooperative
Farmers Union Oil Company of
Westhope-Souris-Bottineau
Cooperative Energy Company
Farmers Cooperative Company

2009 Star Performers



The numbers are in and the certificates have been mailed. These cooperative took the steps to educate and promote their plan and are Co-op 401(k) Plan Star Performers! Co-ops looking to strengthen their retirement plan can use their report as a benchmark for 2010.

To be a Star Performer, cooperatives must have 80% eligible employees participating in the Plan, and must rank in the top 50% of all cooperatives in employer contribution and average employee contribution. In 2009, the median average employee contribution was 4.18% and the median employer contribution was 5.00%. Those cooperatives who met or exceeded those benchmarks and had an 80% participation rate are the Co-op 401(k) Plan's 2009 Star Performers!

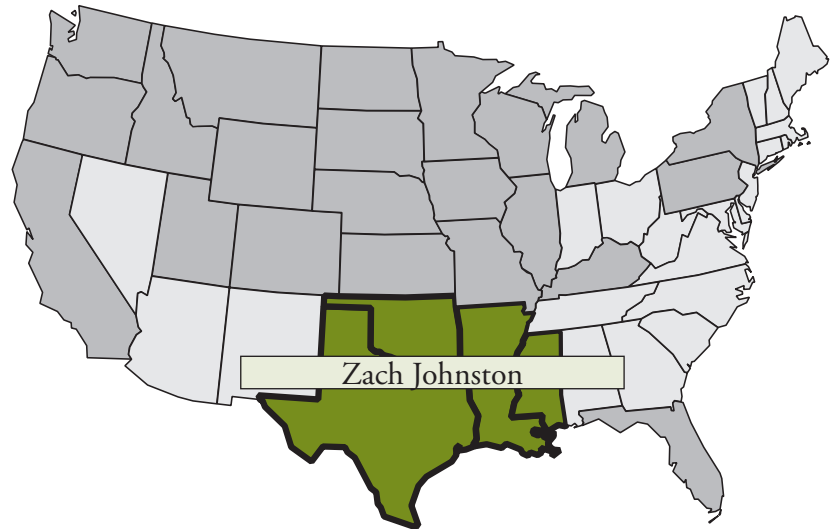
Hartford Farmers Elevator
Dakotaland Feed LLC
Frenchman Valley Farmers
Cooperative
North Central Farmers Elevator
O. K. Cooperative Grain &
Mercantile Company
Great Plains Cooperative
Nortana Grain Company
Lubbock Cotton Growers
Nebraska Cooperative Council
Harlow Coop Elevator & Seed
Company
Arkansas Valley Cooperative
Association
Lamont Grain Growers
TriCounty Producers Cooperative
The Pawnee County Cooperative

Orange Grove Cooperative
James Valley Grain, LLC
Midway Co-op Association
Osakis Creamery Association
Rangeland Cooperatives Inc.
Farmers Grain Company
Cimarron Valley Coop Inc.
Farmers Union Oil Company
Co-op Gas & Supply Company
Perley Community Co-op
Pilot Grove Cooperative Elevator
Petz Farmers Cooperative
Company
Owens Cooperative Gin Company
Rugby Farmers Union Elevator
Company
Rocky Ford Growers Cooperative
Association

Southern Regional Client Service Manager

Milliman's Southern Regional Client Service Manager has a new address:

Zach Johnston
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 918.408.2435
 zachary.johnston@milliman.com



PlanBITS

Schedule a Consulting Visit

If you would like more in-depth information on your cooperative's participation in the Co-op 401(k) Plan, consider calling your Regional Client Service Manager to schedule an Executive Summary Review. A Milliman representative will come to your cooperative to discuss the Executive Summary Review and determine how to improve your benchmarks by using educational tools for participants and Plan options like the Roth 401(k), Safe Harbor Plans, and online tools. You can also coincide Participant Education with Plan-level consulting.

Upcoming Meetings

Milliman will be attending Dairylea Cooperative's 102nd Annual Meeting on October 12-13, 2009. If you would like the Co-op 401(k) Plan to be a part of your Managers' Meeting, please contact us at 800.652.6675, Option 2.

Fiduciary Board election results will be announced in October

Board elections for Districts 2, 6, and 7 end September 30, 2009. Look for election results along with a summary of the Fiduciary Board's quarterly meeting in October. The following candidates are running for election:

District 2 (unopposed):

- Kevin Sexton, General Manager, River Country Cooperative, South St. Paul, Minnesota

District 6:

- Bruce Clark, General Manager, Mountain View Co-op, Black Eagle, Montana
- Al Sanow, General Manager, Ag Supply Company, Wenatchee, Washington

District 7 (unopposed):

- James Zimmerman, General Manager, Dairy One Cooperative, Inc., Ithaca, New York.

INVESTMENT FUND UPDATE AS OF 8/31/2009

Asset Category	Investment Fund	NAV	3-month	1-year	5-year annualized	10-year annualized	Ticker symbol
Stable Asset	Galliard Stable Asset	\$22.40	1.05%	4.61%	4.87%	5.29%	N/A
Bond	PIMCO Total Return Institutional	\$10.78	4.92%	12.57%	6.59%	7.49%	PTRX
Inflation Protected Bond	Vanguard Inflation-Protected Secs. Fund	\$24.15	1.51%	-1.32%	4.20%	N/A	VAIPX
Balanced	Vanguard Wellington Admiral	\$47.28	9.18%	-5.50%	5.13%	5.51%	VWENX
Large-Cap Value	Vanguard Windsor II Admiral	\$38.65	13.83%	-15.60%	1.26%	2.41%	VWNAX
Index Stock	Vanguard Institutional Index	\$93.83	11.73%	-18.10%	0.53%	-0.75%	VINIX
Large-Cap Growth	American Funds Growth Fund R5	\$24.94	8.58%	-17.30%	3.53%	3.79%	RGAFX
Mid-Cap Value	JP Morgan Mid-Cap Value Select	\$17.38	14.43%	-16.40%	2.47%	9.38%	JMVFX
Mid-Cap Growth	T. Rowe Price Mid-Cap Growth	\$42.44	11.39%	-14.44%	5.82%	6.14%	RPMGX
Small-Cap Value	Alliance NFJ Small-Cap Value Fund	\$22.25	9.77%	-18.05%	6.29%	10.15%	PSVIX
Small-Cap Index	Vanguard Small-Cap Index Signal	\$22.62	15.94%	-18.20%	3.30%	5.09%	VSISX
Small-Cap Growth	Vanguard Explorer Admiral	\$48.09	13.37%	-20.26%	2.16%	5.19%	VEXRX
Internal Large-Cap Value	Dodge & Cox Internal Stock	\$29.87	16.23%	-13.55%	8.02%	N/A	DODFX
Internal Large-Cap Blend	Vanguard Internal Growth Admiral	\$50.08	11.86%	-13.57%	7.20%	3.54%	VWTLX
Internal Large-Cap Growth	Artisan International Fund	\$19.05	13.12%	-15.06%	6.90%	5.20%	ARTIX
Model Portfolios ²	Conservative	N/A	3.17%	1.74%	4.83%	N/A	N/A
	Moderately Conservative	N/A	5.48%	-1.85%	4.71%	N/A	N/A
	Moderate	N/A	7.79%	-5.45%	4.58%	N/A	N/A
	Moderately Aggressive	N/A	10.10%	-9.04%	4.45%	N/A	N/A
	Aggressive	N/A	12.21%	-15.27%	3.92%	N/A	N/A

²Returns for model portfolios are a blended return calculated by using the returns for the underlying funds in the portfolio.
¹Because five- and ten-year returns are not yet available for this share class of this fund, these returns are for the most similar share class available.
²Fund performance figures were provided by Galliard Capital Management and Morningstar. Past performance is not a guarantee of future results.

Looking for more information about the Co-op 401(k) Plan?

Complete this form and mail
or fax today!

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Fax Number			

Update is a monthly publication for cooperatives exploring retirement plan and employee benefit issues with special focus on the Co-op 401(k) Plan, a 401(k) program administered by Milliman's Minneapolis office. This publication is for informational purposes only and is not intended to render legal advice on the topics discussed.

Update Employee Benefit News for the Cooperative Industry



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