

Announcing investment changes in the Town of Westport 401(k) Plan

The Town of Westport, working together with an independent investment advisor, recently performed a comprehensive review of your 401k investment choices. As a result of this review, extensive changes will be made to the investment menu to help you reach your retirement savings needs.

Upcoming employee information sessions

Employee information sessions will be held in October to give you the details on the enhancements to the plan and answer any questions you may have. **All active employees are strongly encouraged to attend a meeting.** More information about these sessions will be coming soon.

Highlights of investment changes and restructuring of plan fees

An analysis of the plan's investments and utilization by participants helped to identify the changes being made. Some funds will be replaced due to low use and others due to under performance. The changes that will be made will result in a larger number of funds offered, at a lower investment cost, across a broader number of asset classes. The following changes will be effective **October 15, 2012**:

- The restructuring of fees to further comply with recent government disclosure requirements.
- The addition of fifteen new investment funds, as outlined in the *New investment choices* section of this notice.
- The removal of four investment funds, as outlined in the *Fund replacements* section, due to low performance compared to its peer group and/or to the selection of comparable funds with lower expense ratios. Existing balances will map into comparable replacement funds as outlined in the *Fund replacements* section of this notice.
- The change in share class for two investment funds to achieve lower expense ratios, as outlined in the Fund replacements - Share class changes section of this notice.

Plan fees and expenses paid by participants

There are three different types of costs that are paid by the participants in the plan, as described below. These fees are not unique to your 401(k) plan. When you invest – whether inside or outside of your 401(k) plan – there are costs involved. The Retirement Plan Committee regularly reviews fees and expenses for the 401(k) plan to make sure they are reasonable and competitive.

Three types of costs paid by the participants in the plan are:

- **Management and Investment Fees** – different investment options will have different management styles and corresponding investment fees. As with other factors, the amount of investment fees will affect the investment return. The management and investment fees (commonly known as expense ratio) are deducted from an investment option's assets, thereby reducing its investment return. Therefore, the investment earnings provided on your quarterly statement represent net returns. As part of these types of fees, Wells Fargo is paid a portion to cover the administration and recordkeeping of your account. This is known as "revenue sharing".
- **Plan Administration Fees** - for recordkeeping, accounting, and legal advice required to operate the plan as a whole. Historically, majority of these fees have been paid from the revenue Wells Fargo receives from the various mutual fund companies.
- **Processing Fees** - for any plan services provided to you individually, such as processing a distribution. The processing fees are paid by the Town of Westport.

Impact to participants:

Due to recent government requirements about fee disclosure, the Retirement Plan Committee decided to move to the least expensive funds available to plan participants. Most of the funds in the plan have had their costs reduced to eliminate as much revenue sharing as possible. However, if you choose a fund that did provide revenue sharing, starting October 15, 2012, Wells Fargo will deposit directly into your account the revenue sharing from the investment fees it receives from the various mutual fund companies. Then, your account will be charged an asset based fee of 38 basis points (.38%) to cover plan administration costs. The asset based fee will be calculated on a monthly basis, based on the total value of your account.

Important Dates and Brief Transition Period

NOTE: No action is required on your part at this time.

In order to complete the fund changes listed below, there will be a brief blackout period, beginning at **4:00 p.m. Eastern Time on Thursday, October 11, 2012**, and ending at **9:00 a.m. Eastern Time on Monday, October 15, 2012**.

If you are currently investing in any of the funds being replaced, the balance in those funds will be automatically mapped over, or transferred to, the corresponding replacement funds.

If you carry balances in the funds being replaced, and do not want the balances automatically mapped to the new funds you may choose to transfer those balances into other investment options any time **before 4:00 p.m. Eastern Time on Thursday, October 11, 2012**.

In addition, if your future contribution allocation is directed towards the funds being replaced, you may change your allocation to any of the other investment options in the plan. Again, this change must be made **before 4:00 p.m. Eastern Time on Thursday, October 11, 2012**, or your future allocations will map over to the replacement funds until such time as you make a change.

Any assets remaining in the "funds to be removed" will be liquidated on **Friday, October 12, 2012**, and immediately reinvested in the new funds on **Monday, October 15, 2012**, during which you will be prohibited from conducting any transactions in your account. This blackout period will affect all participants whether you are invested in these funds or not.

Complete fund line-up

The chart below lists all the investments that will be available in your plan after 8:00 a.m. Eastern Time on October 15, 2012.

Asset class	Funds	Fees
Target date funds:		
Target date	Vanguard Target Retirement Income VTINX	0.17%
Target date	Vanguard Target Retirement 2010 VTENX	0.17%
Target date	Vanguard Target Retirement 2015 VTXVX	0.17%
Target date	Vanguard Target Retirement 2020 VTWNX	0.17%
Target date	Vanguard Target Retirement 2025 VTTVX	0.18%
Target date	Vanguard Target Retirement 2030 VTHRX	0.18%
Target date	Vanguard Target Retirement 2035 VTTHX	0.19%
Target date	Vanguard Target Retirement 2040 VFORX	0.19%
Target date	Vanguard Target Retirement 2045 VTIVX	0.19%
Target date	Vanguard Target Retirement 2050 VFIVX	0.19%
Target date	Vanguard Target Retirement 2055 VFFVX	0.19%
Target date	Vanguard Target Retirement 2060 VTTSX	0.18%
Asset allocation option:		
Moderate allocation	Vanguard Wellington VWELX	0.19%
Individual funds:		
Stable value/money market	Wells Fargo Adv Money Market Svc WMOXX	0.50%
Bond	Wells Fargo Adv Total Return Bond Adm MNTRX	0.70%
Bond	JP Morgan Core Bond R5 JCBRX	0.46%

Large cap value	Alliance NFJ Dividend Value Adm ANDAX	0.96%
Large cap blend	Vanguard S&P 500 Index VFINX	0.17%
Large cap growth	JP Morgan Large Cap Growth R5 JLGRX	0.76%
Mid cap blend	Vanguard Mid Cap Index Signal VMISX	0.12%
Small cap blend	Vanguard Small Cap Index Signal VSISX	0.17%
Foreign cap blend	Thornburg Intl Value R4 THVRX	1.25%

New investment choices

Effective October 15, 2012, at 9:00 a.m. Eastern Time, the following investment option will be added to the 401(k) Plan.

Vanguard Mid Cap Index Signal Ticker: VMISX

Objective: The investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Mid Cap 450 Index, a broadly diversified index of stocks of mid-size U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Vanguard Small Cap Index Signal Ticker: VSISX

Objective: The investment seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Small Cap 1750 Index, a broadly diversified index of stocks of smaller U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

JP Morgan Large Cap Growth R5 Ticker: JLGRX

Objective: The investment seeks long-term capital appreciation and growth of income by investing primarily in equity securities. The fund normally invests at least 80% of assets in equity securities of large companies with market capitalizations equal to those within the universe of the Russell 1000® Growth Index at the time of purchase. It invests in common stocks of companies with a history of above-average growth or companies expected to enter periods of above-average growth.

Target date funds

Vanguard Target Retirement Income	Ticker: (VTINX)
Vanguard Target Retirement 2010	Ticker: (VTENX)
Vanguard Target Retirement 2015	Ticker: (VTXVX)
Vanguard Target Retirement 2020	Ticker: (VTWNX)
Vanguard Target Retirement 2025	Ticker: (VTTVX)
Vanguard Target Retirement 2030	Ticker: (VTHR X)
Vanguard Target Retirement 2035	Ticker: (VTTHX)
Vanguard Target Retirement 2040	Ticker: (VFORX)
Vanguard Target Retirement 2045	Ticker: (VTIVX)
Vanguard Target Retirement 2050	Ticker: (VFIVX)
Vanguard Target Retirement 2055	Ticker: (VFFVX)
Vanguard Target Retirement 2060	Ticker: (VTT SX)

What is a target date fund?

A target date fund is a practical, easy-to-understand choice for retirement investing. Each target date fund is diversified across a range of stocks, bonds, and cash equivalents, allocated according to the fund's target date. The target date represents the year you may be considering to begin withdrawing your money. As the target date approaches, the fund slowly becomes more conservative, with less invested in stocks and more in bonds and cash equivalents. With a target date fund, you won't need to switch from growth-oriented funds to conservative funds over time; the fund automatically shifts its allocation for you. While a target date fund offers a convenient way to invest for retirement, it's important to remember that the principal value of the fund is not guaranteed at any time, including at the target date.

Target date funds

See the following table to determine the target date fund associated with your anticipated retirement date.

If you were born:	Money in the discontinued fund will be invested in the:
12/31/1942 and earlier	Vanguard Target Retirement Income
1/1/1943 – 12/31/1947	Vanguard Target Retirement 2010 Fund
1/1/1948 – 12/31/1952	Vanguard Target Retirement 2015 Fund
1/1/1953 – 12/31/1957	Vanguard Target Retirement 2020 Fund
1/1/1958 – 12/31/1962	Vanguard Target Retirement 2025 Fund
1/1/1963 – 12/31/1967	Vanguard Target Retirement 2030 Fund
1/1/1968 – 12/31/1972	Vanguard Target Retirement 2035 Fund
1/1/1973 – 12/31/1977	Vanguard Target Retirement 2040 Fund
1/1/1978 – 12/31/1982	Vanguard Target Retirement 2045 Fund
1/1/1983 – 12/31/1987	Vanguard Target Retirement 2050 Fund
1/1/1988 -12/31/1992	Vanguard Target Retirement 2055 Fund
1/1/1993 or later	Vanguard Target Retirement 2060 Fund

Fund replacements

The funds listed below will be closed to new contributions and removed from the plan's investment options, effective at **4:00 p.m. Eastern Time on Thursday, October 11, 2012.**

Unless you select to invest your future contributions and/or existing balances in another investment option before **4:00 p.m. Eastern Time on Thursday, October 11, 2012**, your future contributions previously invested in these funds will be invested according to the table below, along with any balances invested in the discontinued funds.

Money in discontinued funds	Will automatically transfer to new funds
<p>Dreyfus Mid Cap Index Investment objective: The investment seeks to match the performance of the Standard & Poor's® Mid Cap 400 Index. The fund generally is fully invested in stocks included in the S&P® Mid Cap 400 Index and in futures whose performance is tied to the index. It generally invests in all 400 stocks in the S&P® Mid Cap 400 Index in proportion to their weighting in the index. The fund is non-diversified.</p> <p><i>Asset class: Mid cap blend Gross expense ratio: 0.51%</i> <i>Ticker: PESPX Net expense ratio: 0.50%</i></p>	<p>Vanguard Mid Cap Index Investment objective: The investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Mid Cap 450 Index, a broadly diversified index of stocks of mid-size U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><i>Asset class: Mid cap blend Gross expense ratio: 0.10%</i> <i>Ticker: VMISX Net expense ratio: 0.10%</i></p>
<p>Dreyfus Small Cap Stock Index Investment objective: The investment seeks to match the performance of the Standard & Poor's® Small Cap 600 Index. The fund invests in a representative sample of stocks included in the S&P® Small Cap 600 Index and in futures whose performance is tied to the index. It expects to invest in approximately 500 or more of the stocks in the index. The fund may to invest in approximately 500 or more of the stocks in the index. The fund is non-diversified.</p> <p><i>Asset class: Small blend Gross expense ratio: 0.51%</i> <i>Ticker: DISSX Net expense ratio: 0.50%</i></p>	<p>Vanguard Small Cap Index Investment objective: The investment seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Small Cap 1750 Index, a broadly diversified index of stocks of smaller U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><i>Asset class: Small blend Gross expense ratio: 0.16%</i> <i>Ticker: VSISX Net expense ratio: 0.16%</i></p>

<p>Janus Fund T Investment objective: The investment seeks long-term growth of capital. The fund invests primarily in common stocks selected for their growth potential. Although it may invest in companies of any size, the fund generally invests in larger, more established companies. It may invest in foreign equity and debt securities, which may include investments in emerging markets. The fund may also invest its assets in derivatives.</p> <p><i>Asset class: Large growth Gross expense ratio: 0.90%</i> <i>Ticker: JANSX Net expense ratio: 0.90%</i></p>	<p>JP Morgan Large Cap Growth Investment objective: The investment seeks long-term capital appreciation and growth of income by investing primarily in equity securities. The fund normally invests at least 80% of assets in equity securities of large companies with market capitalizations equal to those within the universe of the Russell 1000® Growth Index at the time of purchase. It invests in common stocks of companies with a history of above-average growth or companies expected to enter periods of above-average growth.</p> <p><i>Asset class: Large growth Gross expense ratio: 0.77%</i> <i>Ticker: JLGRX Net expense ratio: 0.76%</i></p>
<p>Wells Fargo Adv Opportunity Adm Investment objective: The investment seeks long-term capital appreciation. The fund normally invests at least 80% of its total assets in equity securities and up to 25% of the fund's total assets in equity securities of foreign issuers, including ADRs and similar investments. It invests principally in equity securities of medium-capitalization companies, which the advisor defines as those within the range of market capitalizations of companies in the Russell Midcap® Index. The fund may sell an investment when its market price no longer compares favorably with the company's private market value.</p> <p><i>Asset class: Mid cap blend Gross expense ratio: 1.10%</i> <i>Ticker: WOFDX Net expense ratio: 1.01%</i></p>	<p>Vanguard Mid Cap Index Investment objective: The investment seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the MSCI US Mid Cap 450 Index, a broadly diversified index of stocks of mid-size U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.</p> <p><i>Asset class: Mid cap blend Gross expense ratio: 0.10%</i> <i>Ticker: VMISX Net expense ratio: 0.10%</i></p>

*Share class: follows a mutual fund's name in most newspaper listings and usually identifies the fee structure for the fund. The gross expense ratio reflects the percentage of total assets that is used to cover expenses associated with the operation of the mutual fund, including management fees and operating expenses. Investment options that show a net expense ratio lower than the gross expense ratio have certain fee waivers in effect that reduce the expenses for that investment option. For more information about any fee waiver, including its duration, see the investment option's prospectus or similar disclosure document.

New default investment

A default investment is a selection that is automatically made on your behalf if you have never selected an investment option in your plan. Town of Westport is changing the default investment in the Town of Westport 4019k) Plan from the Vanguard Wellington Fund to the Vanguard Target Retirement Fund, a qualified default fund. As of **Thursday, October 11, 2012 at 4:00 p.m. Eastern Time**, if you have never selected an investment option, your future contributions will automatically be invested in one of the Vanguard Target Retirement Funds based on your date of birth and an estimated retirement date of 65. If we do not have a birth date on record, then you will be invested in the Vanguard Wellington Fund.

Share class changes

Effective **Thursday, October 11, 2012, at 4:00 p.m. Eastern Time**, the following investment options are changing share class*:

Investment option	Old share price	New share price	Asset class
JP Morgan Cord Bond	A <i>Gross expense ratio: 0.76%</i> <i>Net expense ratio: 0.76%</i> <i>Ticker: PGBOX</i>	R5 <i>Gross expense ratio: 0.46%</i> <i>Net expense ratio: 0.46%</i> <i>Ticker: JCBRX</i>	Bond
Thornburg Intl Value	A <i>Gross expense ratio: 1.25%</i> <i>Net expense ratio: 1.25%</i> <i>Ticker: TGVAX</i>	R4 <i>Gross expense ratio: 1.25%</i> <i>Net expense ratio: 1.25%</i> <i>Ticker: THVRX</i>	Foreign Large Growth

Access and make changes to your account two easy ways

Wells Fargo Retirement Plan Website: wellsfargo.com/401k

To access the website for the first time, click on *First Time User*. You'll need your Social Security number and your date of birth in mm/dd/yyyy format. For example, May 8, 1971, should be entered as 05/08/1971.

After you initially sign on, you will be prompted to create a username and password for future use.

Retirement Service Center: 1-800-377-9188

To access your account by phone, you'll need your Social Security number (SSN) and your personal identification number (PIN), which is initially the last four digits of your SSN. You'll be required to change your PIN the first time you call.

The Retirement Service Center offers 24-hour automated account access through a touch-tone phone.

Representatives are also available Monday through Friday from 7:00 a.m. to 11:00 p.m. Eastern Time.

For more information about these funds including fees and expenses, obtain a current prospectus by calling the Retirement Service Center at 1-800-377-9188, visiting wellsfargo.com/401k, or calling your plan administrator.

Investments in Retirement Plans

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