

**ANNUAL PARTICIPANT FEES
DISCLOSURE STATEMENT
UMATILLA-MORROW HEAD START, INC. 403(B) PLAN ONE ("Plan")**

To: Plan Participants and Beneficiaries
From: Morrow Head Start, Inc., Plan Administrator
Date: January 1, 2012

This disclosure statement advises you of information regarding fees associated with your participation in the Plan. Part I provides general information regarding the operation of the Plan. Part II provides information regarding charges for administrative expenses the plan may incur. Part III provides information regarding individual expenses you may incur as a Plan Participant or Beneficiary. The Plan has also distributed, or will distribute when available, a Comparative Chart of Plan Investment Options ("Comparative Chart"), which will inform you about the Plan's investment alternatives.

I. General Plan Information

1. **Giving investment instructions.** If not already completed, you should complete an investment direction form or use the investment company's website, if available. You may direct the investment of all funds held in your plan account.
2. **Limitations on instructions.** You may give investment instructions on any day the New York Stock Exchange is open for business unless limited by the investment company policies.
3. **Voting and other rights.** The trustee will exercise any voting or other rights associated with ownership of your investments held in your plan account.
4. **Designated investment alternatives.** The Plan provides designated investment alternatives into which you can direct the investment of your plan funds. The Comparative Chart lists these designated investment alternatives and provides information regarding the alternatives.

II. Administrative Expenses. The Plan pays outside service providers for Plan administrative services, such as legal, accounting and recordkeeping services, unless the plan sponsor elects, at its own discretion, to pay some or all of the Plan administrative expenses. The cost for these services fluctuates each year based on a variety of factors. To the extent these expenses are not charged against forfeitures or paid by the employer, or reimbursed by a third party, the Plan charges these expenses either pro rata (*i.e.*, based on the relative size of each account) or per capita against participants' accounts.

III. Individual Expenses. The Plan imposes certain charges against individual participants' accounts, rather than against the Plan as a whole, when individual participants incur the charges. For example, buying or selling some investments may result in charges to your individual account, such as commissions or redemption fees. The Comparative Chart provides information regarding these expenses. These charges may also arise based on your use of a feature available under the Plan (*e.g.*, participant loans), or based on the application of applicable law (*e.g.*, processing a domestic relations order in case of a divorce). The Plan imposes the following charges:

<i>Reason</i>	<i>Amount</i>
Distribution fee	\$50

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