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Dear TVARS member,

At the direction of TVA, the Tennessee Valley Authority Retirement System (TVARS) recently implemented benefit changes affecting TVARS members. These changes result in significant reductions in TVARS retirement benefits and will go into effect January 1, 2010. Virtually every employee and every retiree covered by TVARS is adversely affected by these reductions in retirement benefits.

We believe the recent TVARS changes are in violation of several aspects of retirement law. We also believe that TVA could possibly further reduce TVARS benefits at some point in the future simply to achieve its financial goals. A group of TVARS members, consisting of both employees and retirees, has begun efforts to initiate legal steps to stop these TVARS changes. A reputable Nashville law firm, with expertise and experience in retirement law, has been selected to represent us in this effort.

We need every TVARS member to help us save the retirement benefits that you have worked for, or are still working for. Your help is desperately needed in two ways:

To fund this legal effort, several TVARS members have formed a non-profit, tax-exempt corporation called "Save Our Retirement, Inc." The law firm requires a \$25,000 retainer to initiate legal proceedings. We need everyone's help to fund the effort. We're asking every TVARS member, both employees and retirees, to contribute \$100 (or as much as they can contribute) toward legal expenses (donations aren't tax deductible).

We need every TVARS member, including retirees, active employees, and beneficiaries of deceased members, to be informed of this effort. We need you to contact every TVARS member you know, both retired and still employed, and ask for their financial support and assistance. Please do NOT use TVA resources (time, computers, telephones, fax machines, etc.) in your communications.

We need your financial support and communication help immediately. The benefit cuts are scheduled to begin January 1, 2010, and are forcing many employees to make difficult hurried decisions regarding retirement. As is the situation with any legal action, there is no guarantee for success, even though we believe strongly our argument has merit. The only guarantee we have is that we will certainly lose the retirement benefits we have worked for if we do not challenge TVA's recent actions.

Please make your contribution check out payable to "Save Our Retirement Inc.", and mail it to:

Save Our Retirement, Inc.
PO Box 60013
Chattanooga, TN 37406-6013

Regards,

Jim Hovious
President, Save Our Retirement, Inc.
30+ year employee