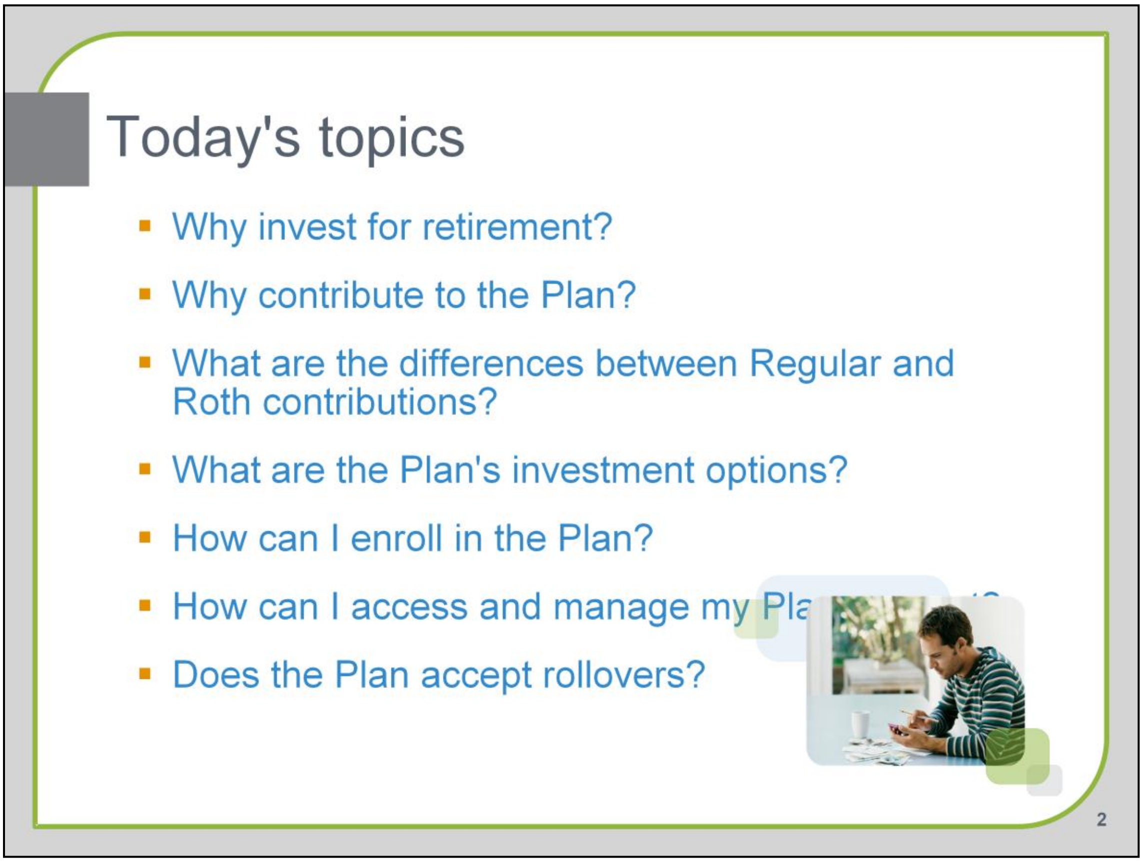
This workshop is designed to help you understand the importance of investing for retirement and to review some of the features and benefits you can look forward to when you enroll in the Granite Retirement Savings Plan. Let's get started.



Today's topics are in the form of key questions you may be asking yourself when it comes to preparing for retirement. Namely:

Why invest for retirement?

Why contribute to the Plan?

What are the differences between Regular and Roth contributions?

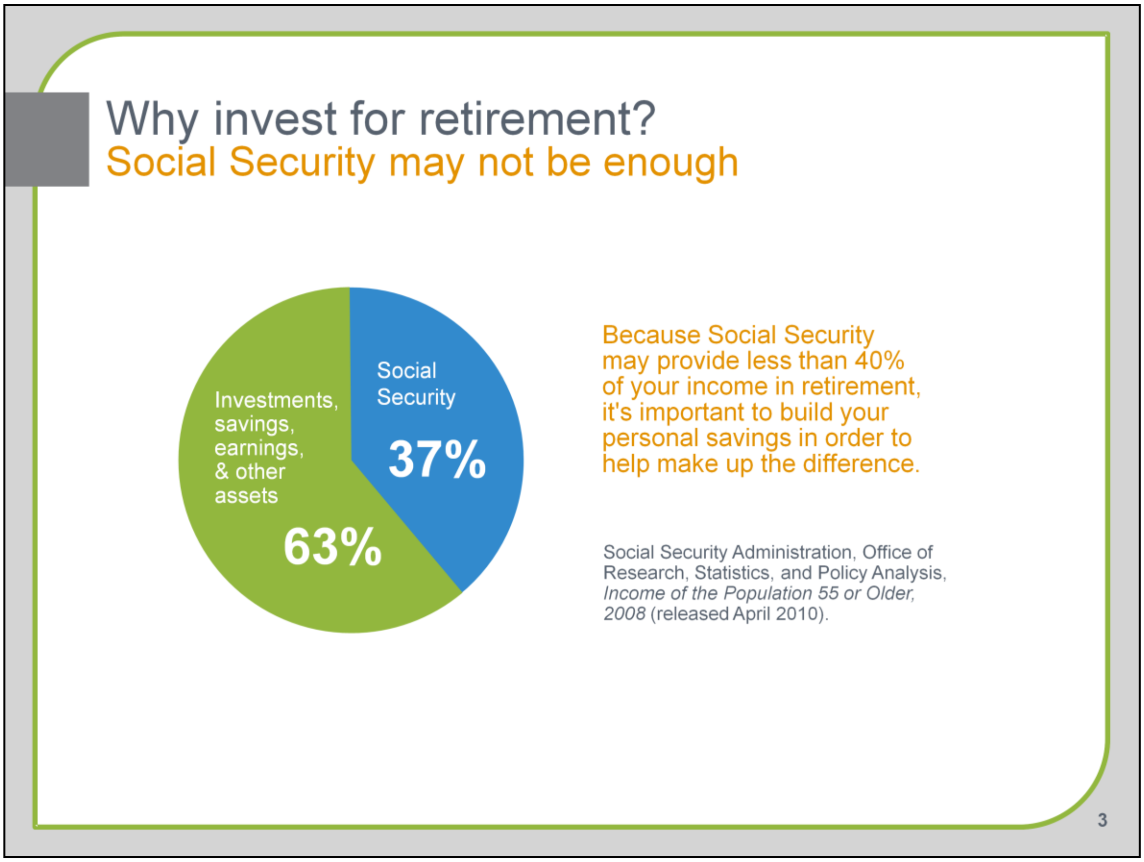
What are the plan's investment options?

How can I enroll in the plan?

How can I access and manage my plan account?

Does the plan accept rollovers?

We'll begin by taking a look at the importance of investing for retirement.

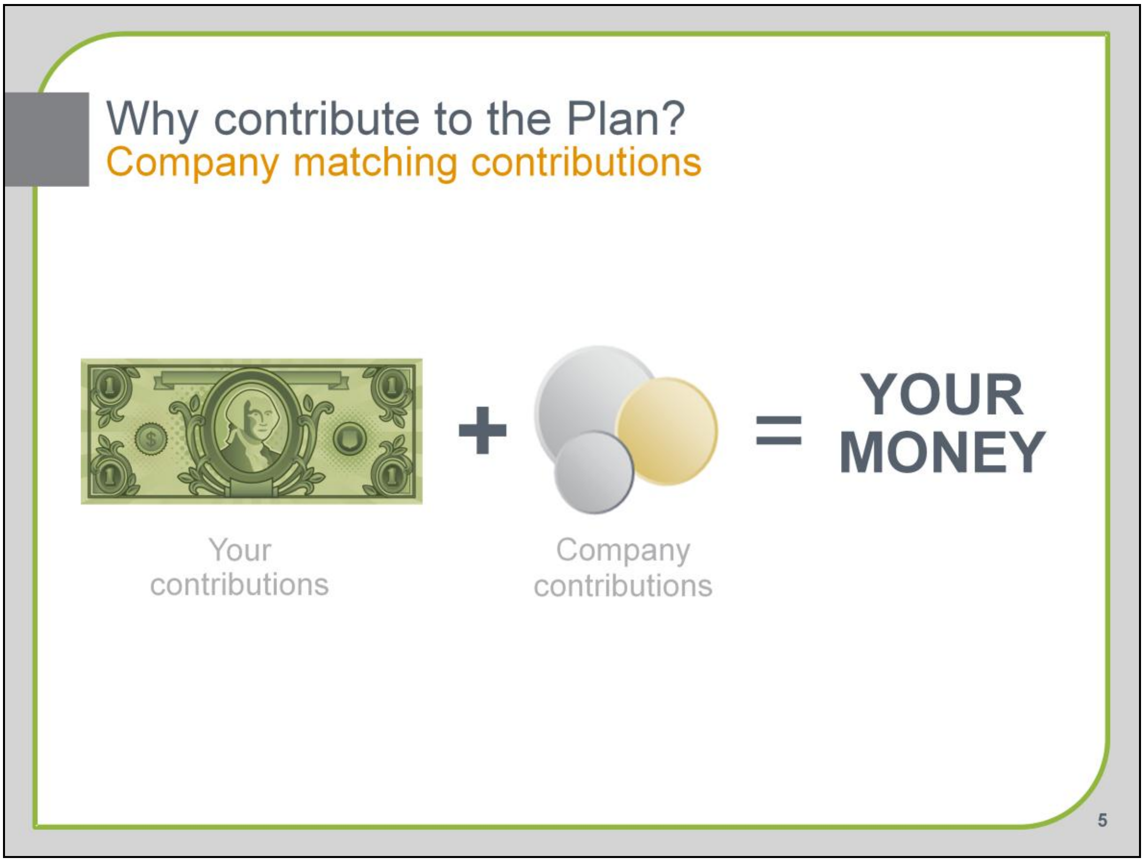


There are several reasons to start investing for your retirement as soon as you can.

First, your prime earning years are your best opportunity to invest. While many people envision working later in life to provide income, the fact is that many people end up not working as long as they'd thought they would, often due to unexpected reasons. By investing as much as you can during your working years, you can help maintain your lifestyle once your paychecks stop coming.

Also, Social Security will likely provide only a portion of your annual income in retirement. The rest will need to come from your own personal investments, savings, earnings, and other assets, as the chart here shows.

Why contribute to the Plan?



One of the best features of the Granite Retirement Savings Plan is the company match.

Granite will match 100% of the first 3% of your pay that you contribute to the plan. Not taking advantage of the match is like saying “no thanks” to free money. In addition, the Granite Match is immediately vested. Your Granite Match will begin on the first of the month following completion of 1,000 credited hours of service. Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

Why contribute to the Plan on a pre-tax basis?
You pay less in taxes now

Investor earns $30,000 per year

	Contributing 0%	Contributing 2%	Contributing 4%	Contributing 6%
Annual income	$30,000	$30,000	$30,000	$30,000
Plan contribution	**0**	**600**	**1,200**	**1,800**
Taxable income	30,000	29,400	28,800	28,200
Take-home pay (after taxes)	23,607	23,097	22,587	22,077
Actual reduction in take-home pay	**0**	**510**	**1,020**	**1,530**

In the example above, the federal tax shown is representative of a single filer in the 15% tax bracket earning $30,000 per year. Exemptions, itemized deductions, and state taxes are not reflected in this example. Regular investing does not ensure a profit or protect against a loss in declining markets. Withdrawals are subject to income tax, and those made before age 59½ may be subject to an additional 10% penalty.

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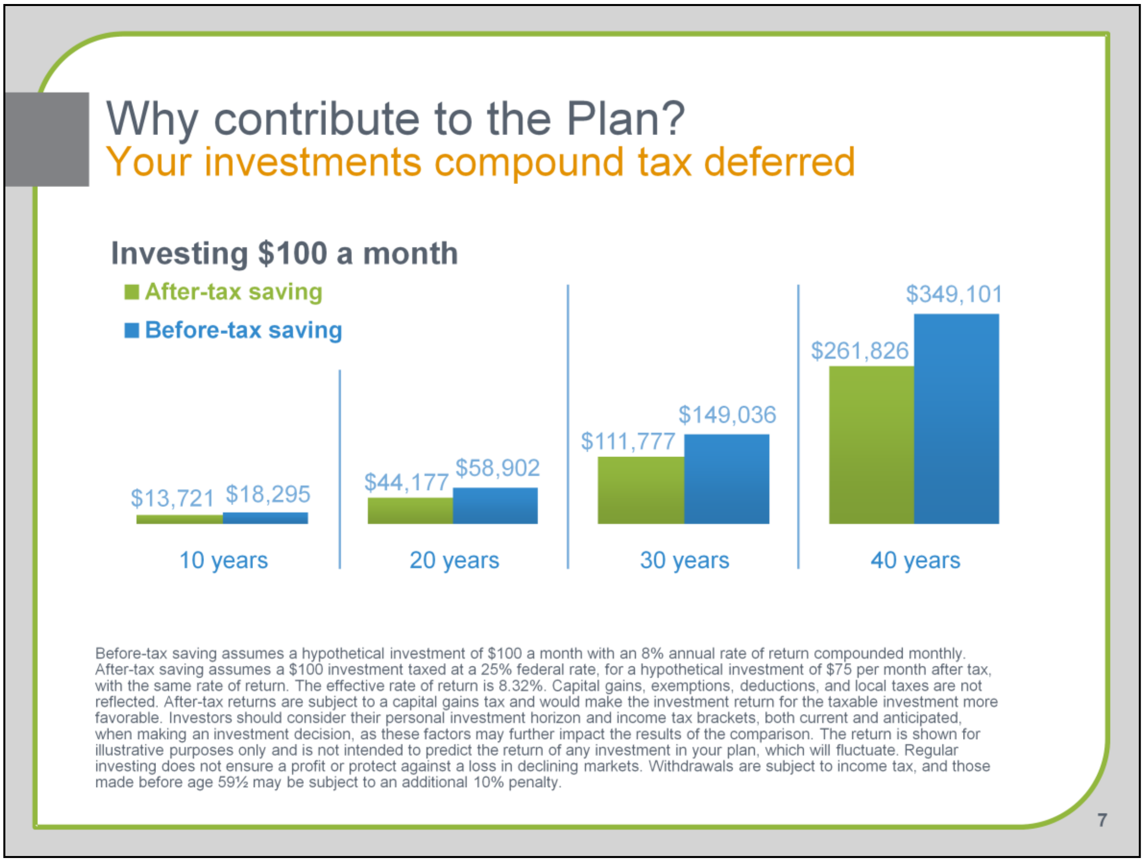
The plan allows you to contribute money before it's taxed. This means that every dollar you invest in the plan reduces your current taxable income by a dollar. With less of your income being taxed each pay period, contributing to the plan will likely cost less than you might think. For example, this chart shows that an investor who earns $30,000 a year and contributes 4% to a retirement account would invest $1,200 for the year. Yet, because of the current tax savings, his or her take-home pay would actually be reduced by only $1,020.

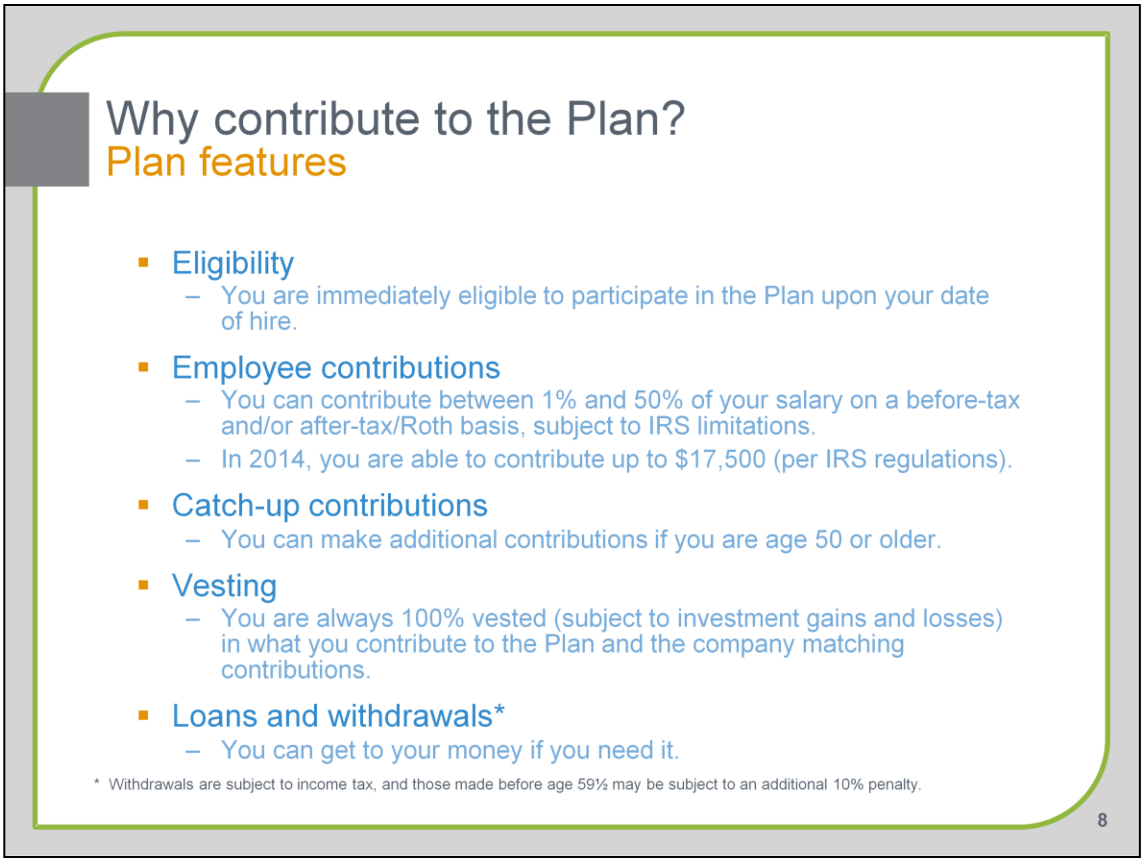
Of course, the other great advantage is that you won't pay taxes on your investments until you take the money out, typically at retirement, when you may be in a lower tax bracket.



Another reason to invest in your plan is the power of compounding.

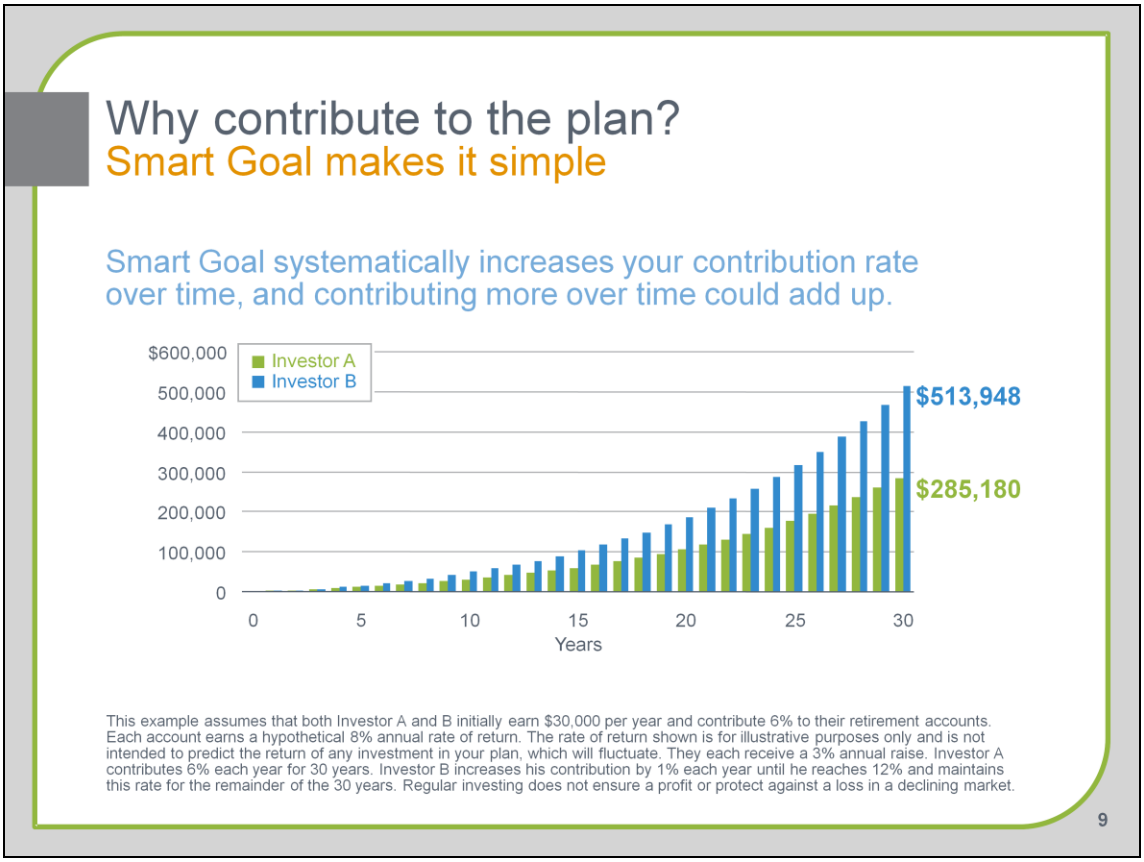
With tax-deferred compounding, the money in your account can earn an investment return on both the amount you invested and any earnings. Over time, this can make a big difference in the value of your account, as this chart shows. Keep in mind that this example doesn't account for the company match, which can potentially help your accounts value accumulate even faster.

Before-tax saving assumes a hypothetical investment of $100 a month with an 8% annual rate of return compounded monthly. After-tax saving assumes a $100 investment taxed at a 25% federal rate, for a hypothetical investment of $75 per month after tax, with the same rate of return. The effective rate of return is 8.32%. Capital gains, exemptions, deductions, and local taxes are not reflected. After-tax returns are subject to a capital gains tax and would make the investment return for the taxable investment more favorable. Investors should consider their personal investment horizon and income tax brackets, both current and anticipated, when making an investment decision, as these factors may further impact the results of the comparison. The return is shown for illustrative purposes only and is not intended to predict the return of any investment in your plan, which will fluctuate. Regular investing does not ensure a profit or protect against a loss in declining markets. Withdrawals are subject to income tax, and those made before age 59½ may be subject to an additional 10% penalty.



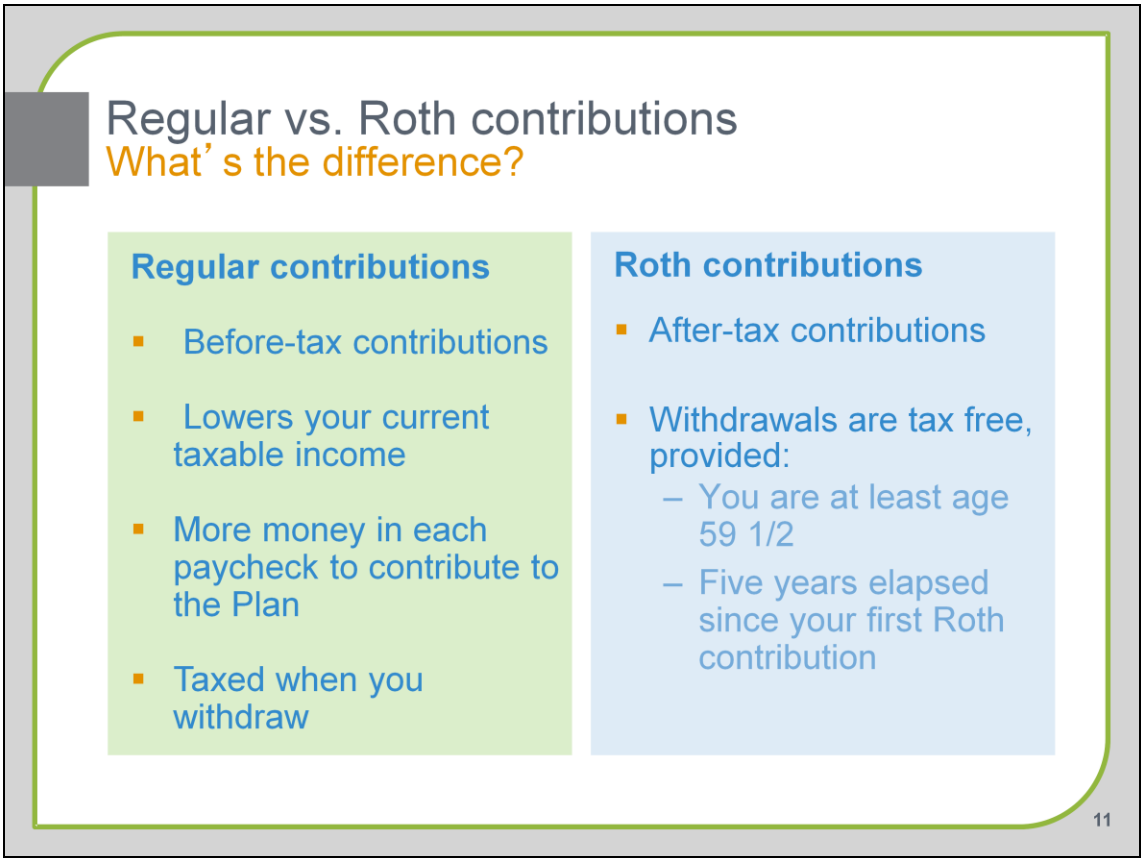
Here are some additional reasons why investing in your plan is a good idea:

- First, you're eligible to participate in the plan upon your date of hire.
- Next, you can contribute between 1% and 50% of your salary on a before-tax and/or after-tax/Roth basis, subject to IRS limitations. Plus, if you're age 50 or older, you can make additional catch-up contributions.
- Per the IRS regulations, you are able to contribute up to $17,500 in 2014. This amount many change each year.
- On the topic of vesting, which indicates when you are entitled to the contributions in your account, you are always 100% immediately vested in all contributions you make to the plan and the company matching contributions, subject to investment gains and losses.
- Finally, if you need to get to your money, you may be able to take a loan or an in-service withdrawal. However, if possible, it's a good idea to explore other withdrawal options outside the plan to keep your retirement savings on track. Also keep in mind that withdrawals are subject to income tax, and those made before age 59½ may be subject to an additional 10% penalty.



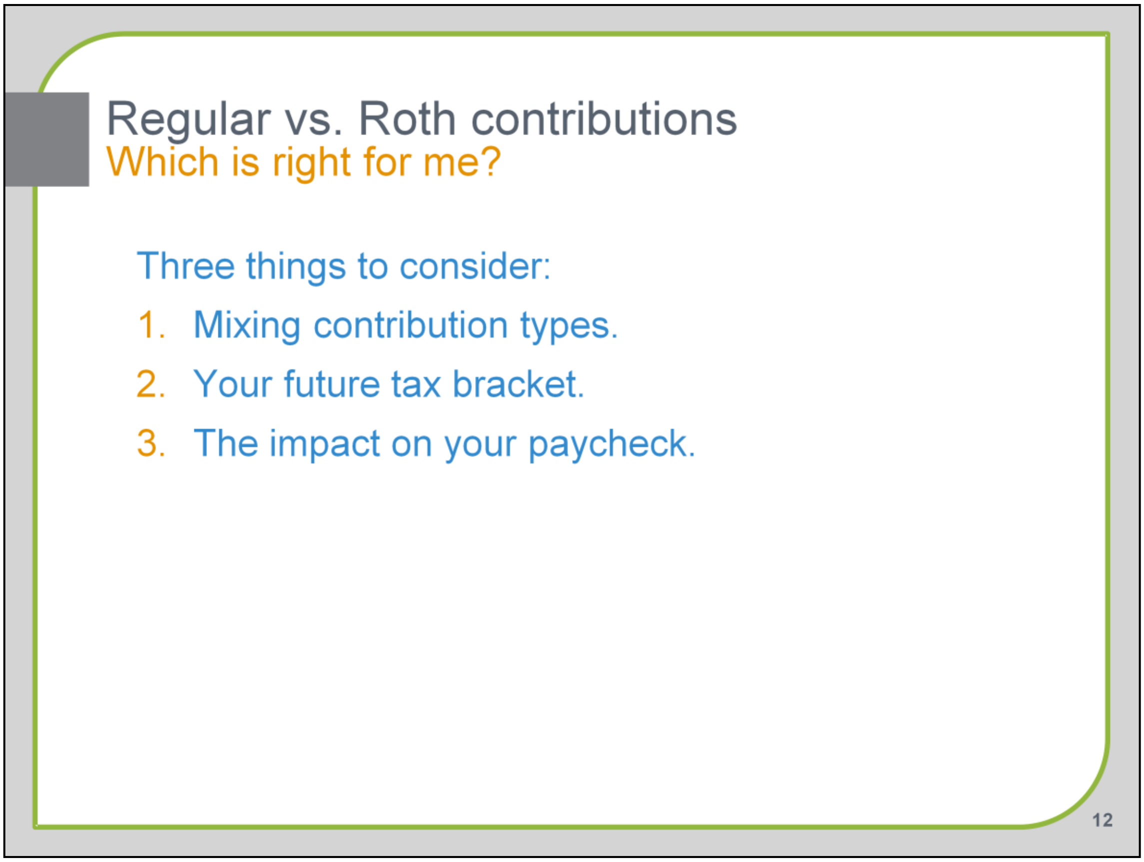
That's not all. Smart Goal is a plan tool you'll find particularly helpful if you feel you can't contribute as much for retirement as you'd like right now. Using Smart Goal, you can systematically increase your contribution rate over time, which could add up over the long run. This feature is available on the plan's website or by calling the plan's toll-free number. Of course, regular investing does not ensure a profit or protect against a loss in a declining market. Additional information is available on Granite Insiders.

Regular vs. Roth contributions



With regular contributions, your money goes into your account *before* taxes are taken out of your paycheck. Your contributions and any earnings are not taxed until you withdraw the money, typically at retirement. Because these contributions are removed from your pay before it's taxed, unlike with Roth contributions, your current taxable income is reduced. As a result, you pay less in current taxes, and have more money in your paycheck to contribute to the Plan.

With Roth contributions, the money goes into your account *after* taxes have been taken out of your paycheck — meaning you've paid the taxes on your contributions right up front. In exchange, you can withdraw your contributions and any earnings tax-free later on, provided you are at least age 59 ½ when you withdraw the money and at least five years have elapsed since your first Roth contribution, or the withdrawal is due to death or total disability.



So, how do you know which type of contribution makes sense for you? Here are three things to consider to help answer this question.

1. **You can mix the two contribution types.** The Plan allows you to make both before-tax *and* Roth after-tax contributions at the same time, if you choose. Just keep in mind that your combined contributions cannot exceed the IRS annual contribution limit. In 2014, the limit is $17,500, or $23,000 if you're age 50 or older.

2. **Your future tax bracket.** If you expect to be in a higher tax bracket in retirement than you are now, you may want to consider Roth contributions. You'll save on taxes by paying them up front, when you're in a lower tax bracket. However, if you expect to be in a lower tax bracket in retirement, consider regular before-tax contributions, since taxes on these contributions are deferred until you withdraw the money, typically in retirement.

3. **The impact on your paycheck.** As we discussed previously, since before-tax contributions reduce your current taxable income, you pay less in taxes from each paycheck than with Roth contributions. Therefore, your choice is whether to keep more of your money to put back into the Plan, or live with less money now to have a source of tax-free income when you retire.

Why contribute to the Plan?

What are the Plan's investment options?

Basic definitions

- **What is a fund?**
  - An investment that allows a group of investors to pool their money together with a predetermined investment objective.
- **Who manages funds?**
  - Each fund has a professional management team responsible for investing the pooled money into specific holdings.
- **What do funds invest in?**
  - Funds typically invest in one or more of the following:
    - Stocks: Shares or part ownership of a company.
    - Bonds: IOUs from a company or government.
    - Capital preservation instruments: Short-term investments (e.g., US Treasury bills).

Before we look at the investment options in the plan, let's first review some investment basics.

A fund is an investment that allows a group of investors to pool their money together with a predetermined investment objective.

Each fund has a professional management team responsible for investing the pooled money into specific holdings.

Depending on the fund's stated investment objective, funds typically invest in one or more of the following:

Stocks, which are shares or part ownership of a company

Bonds, which are IOUs from a company or government

Capital preservation instruments, which are short-term investments (e.g., U.S. Treasury bills)

To meet the needs of various investors, your plan offers two ways to invest and diversify your retirement account. You can choose a single professionally diversified “ready-mixed” portfolio, or you can mix your own portfolio.

Why is diversification important? Because owning a mix of different investments – whether or not you choose them yourself – can help you reduce risk and increase your exposure to market opportunities. Of course, you can still lose money in a diversified portfolio.

What are the Plan's investment options?

Your ready-mixed choices

Most aggressive
Higher risk/ longer targeted investment period

Lower risk/ shorter targeted Investment period
Most conservative

T. Rowe Price Retirement 2055 Fund	IncomeFlex Target Retirement 2055 Fund	Manning & Napier Pro Blend Extended Fund
T. Rowe Price Retirement 2050 Fund	IncomeFlex Target Retirement 2050 Fund	
T. Rowe Price Retirement 2045 Fund	IncomeFlex Target Retirement 2045 Fund	
T. Rowe Price Retirement 2040 Fund	IncomeFlex Target Retirement 2040 Fund	
T. Rowe Price Retirement 2035 Fund	IncomeFlex Target Retirement 2035 Fund	
T. Rowe Price Retirement 2030 Fund	IncomeFlex Target Retirement 2030 Fund	Manning & Napier Pro Blend Moderate Fund
T. Rowe Price Retirement 2025 Fund	IncomeFlex Target Retirement 2025 Fund	
T. Rowe Price Retirement 2020 Fund	IncomeFlex Target Retirement 2020 Fund	
T. Rowe Price Retirement 2015 Fund	IncomeFlex Target Retirement 2015 Fund	
T. Rowe Price Retirement 2010 Fund	IncomeFlex Target Retirement 2010 Fund	
T. Rowe Price Retirement 2005 Fund	IncomeFlex Target Retirement 2005 Fund	
T. Rowe Price Retirement Income Fund	IncomeFlex Target Retirement Income Fund	Manning & Napier Pro Blend Conservative Fund

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Here's a list of the ready-mixed investment options available through your Plan: [review list]

Ready-mixed funds are generally weighted more heavily toward more aggressive, higher-risk investments when the target retirement date of the fund is far off and more conservative, lower-risk investments when the target retirement date of the fund is near. This means that both the risk of your investment and your potential return are reduced as the target retirement date of the particular fund approaches, although there can be no assurance that any one fund will have less risk or more reward than any other fund.

T. Rowe Price Retirement and IncomeFlex Target Retirement Funds are ranked according to market and credit risk. Market risk measures how sensitive an investment may be to economic and market changes. Market risk is generally higher for investments that invest heavily in stocks. Credit risk measures how susceptible an investment's income holdings may be to the nonpayment of principal or interest by the issuer. These rankings are relative only to the investments on the previous slide and should not be compared with the rankings of other investments. There can be no assurance that any one investment will have less risk or more reward than any other investment. The target date investment is designed for investors expecting to retire around the year indicated in the product name. The asset allocation strategy generally becomes increasingly conservative as it approaches the target date and beyond. Investment risks change over time as the underlying investment asset allocation changes. The investment is subject to the volatility of the financial markets, including equity and fixed-income investments in the US and abroad, and may be subject to risks associated with investing in high-yield, small-cap, commodity-linked, and foreign securities. Principal invested is not guaranteed at any time, including at or after the target dates.

Note to presenter: Be sure to include this slide with prediversified funds.

The Manning & Napier Funds are ranked according to market and credit risk. Market risk measures how sensitive an investment may be to economic and market changes. Market risk is generally higher for investments that invest heavily in stocks. Credit risk measures how susceptible an investment's income holdings may be to the nonpayment of principal or interest by the issuer. These rankings are relative only to the investments on the previous slide and should not be compared with the rankings of other investments. There can be no assurance that any one investment will have less risk or more reward than any other investment. Diversification does not guarantee a profit; you can still lose money in a diversified portfolio. The investment is subject to the volatility of the financial markets, including equity and fixed-income investments in the US and abroad, and may be subject to risks associated with investing in high-yield, small-cap, commodity-linked, and foreign securities.

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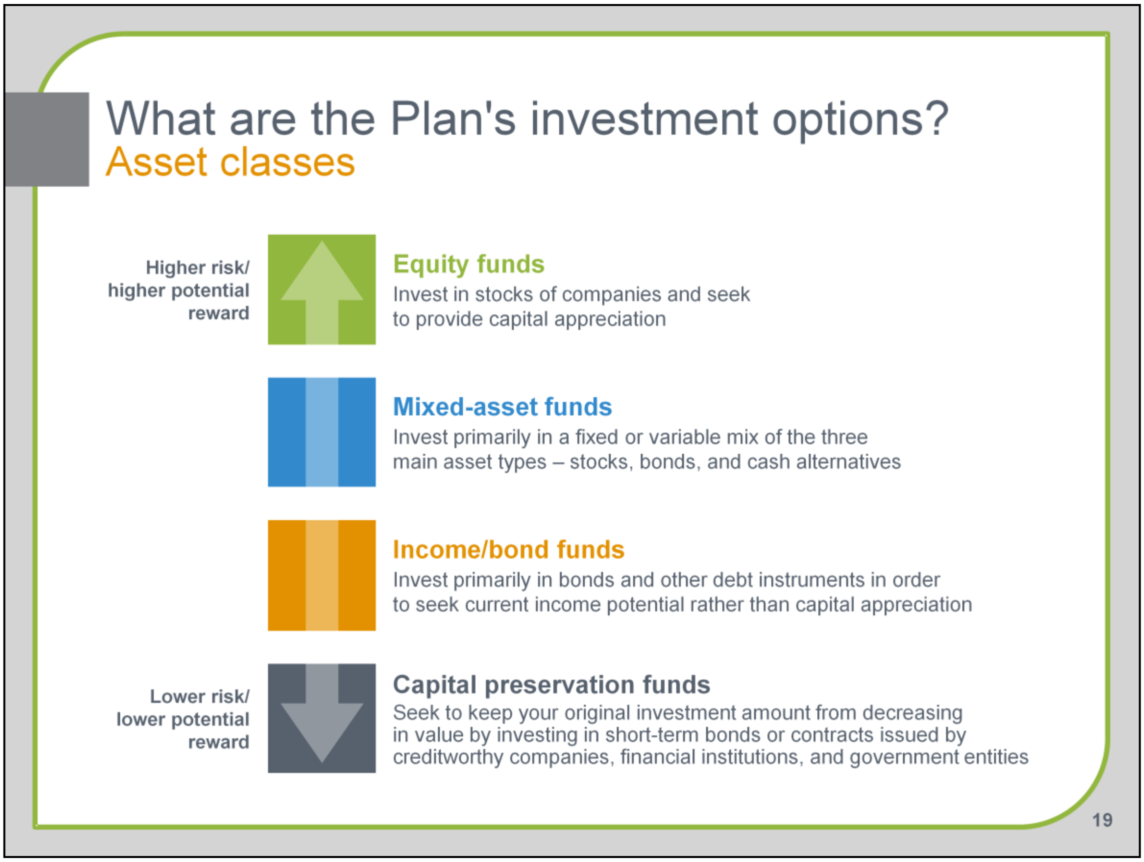

If you choose to mix your own portfolio, there are the four main asset classes that your plan's investment options may fall within. The asset classes shown here are listed in order of higher risk/higher potential reward down to lower risk/lower potential reward.

The first asset class is Equities – Equity funds invest in stocks of companies and seek to provide capital appreciation. Historically, equities have offered the greatest potential for long-term growth; however, they also involve the greatest risk of loss.

Next is Mixed Assets – Mixed-asset funds invest primarily in a fixed or variable mix of the three main asset types – stocks, bonds and cash alternatives. Because the more conservative assets reduce the overall level of risk, mixed-asset funds are considered less risky than pure equity funds.

After that is Income/Bond – Income/bond funds invest primarily in bonds and other debt instruments in order to seek current income potential rather than capital appreciation. Bonds offer less risk of loss, but also less opportunity for long-term growth.

Last on the list is Capital Preservation – Capital Preservation funds seek to keep your original investment amount from decreasing in value by investing in short-term bonds or contracts issued by creditworthy companies, financial institutions, and government entities. This asset class presents the least risk and also the smallest opportunity for growth.

Here are the individual investment options in your plan that you can choose from to create your own diversified portfolio.

As you can see, you have a broad range of investments to choose from. They are color-coded to show you which options are equity funds, which are income/bond funds, and which are capital preservation funds.

How you invest will depend on your age, time horizon until retirement, and tolerance for investment risk.

All investing involves risk. Keep in mind that investments that include international or foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging markets. Investments that include small- or mid-cap securities or securities of smaller, less well-known companies can be more volatile than those of larger companies. Investing in company stock involves additional risk, since it is not diversified. Sector funds involve more risk than funds that invest more broadly. Fixed-income investments entail interest rate risk (as interest rates rise, bond prices usually fall), the risk of issuer default, issuer credit risk, and inflation risk. Money market funds are not insured or guaranteed by the Federal Deposit Insurance Corp. (FDIC) or any other government agency. Although money market funds seek to maintain a constant share price of $1.00, it is still possible to lose money in these funds. Government and agency securities are not guaranteed. For more detailed information regarding the risks and other important information about the investments listed on the previous slide, please refer to the Summary Plan Description (SPD) or the investment's offering statement or prospectus.

Note to presenter: This slide must be included when discussing mix-your-own investment options. It must directly follow the preceding slide.

How can I access and manage my Plan account?

How can I access and manage my Plan account?

1. www.ibenefitcenter.com
   available 24/7
2. Automated phone service
   available 24/7
   by calling 1-800-685-6542
3. Service representatives
   available at the above number between
   8am and 10pm ET, any business day
4. Quarterly account statements
   default delivery online

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You have access to your plan account by using either the Plan's personalized website, www.ibenefitcenter.com, or the automated toll-free number. You also have access to Service Representatives any business day, and you can retrieve quarterly account statements online.

How can I manage my Plan account?
www.ibenefitcenter.com

- Create a unique user name and password.
- Answer several security questions.
- Click "enroll now".

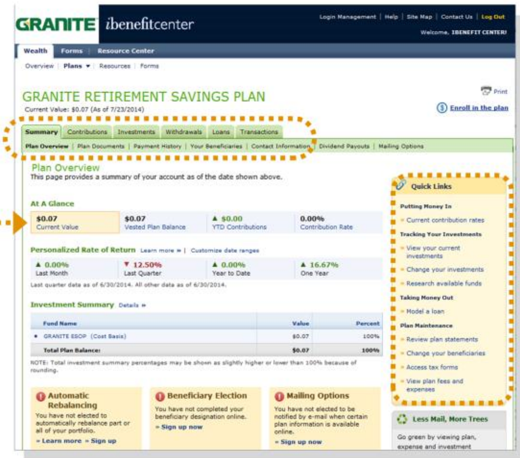
To access ibenefitcenter, log on to www.ibenefitceter.com. You will need to create a unique user name and password to access your account. To do this, click on "Create Your Account" and follow the prompts. As part of the account security process, you will be asked to give the answers to several questions. This will allow you to retrieve your login information if you forget it in the future. Once you've set up your account, click on "enroll now" and follow the instructions.

How can I manage my Plan account?

www.ibenefitcenter.com

The “Plan Overview” section offers a complete look at your account, along with a personalized rate of return.

- To process account transactions, simply click on a tab or link and follow the instructions.
- Track historical fund performance prices.
- Current balances are prominently displayed.



For illustrative purposes only.

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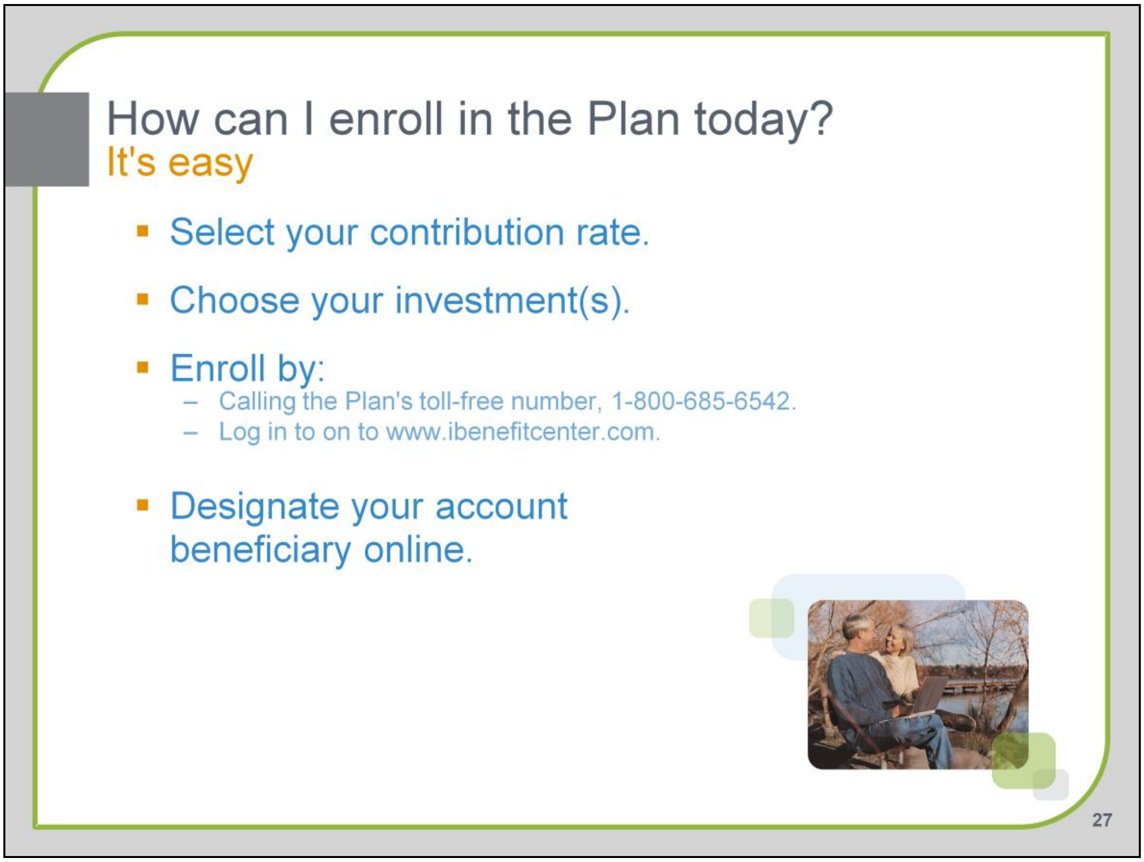
The Plan Overview section offers a complete look at your account, along with a personalized rate of return.

In this section of the website, you can view your balance and get performance information as well as make changes to your contribution rate and asset allocation.

The answer to this question is yes. Here are the types of rollovers the plan accepts:

- Before-tax distributions from other qualified plans, 403(b) and government 457 plans, and Traditional IRAs
- After-tax distributions from other employers' retirement plans

If you would like assistance with a rollover contribution, you can contact a Service Representative at 1-800-685-6542 between 8am and 10pm ET, any business day.



To enroll in your plan today, simply:

Select your contribution rate[(s)] and choose your investment(s). Then enroll by calling the plan's toll-free number at 1-800-685-6542, logging on to www.ibenefitcenter.com.

Also be sure to designate your account beneficiary online.

MERCER

Before investing, carefully consider the investment options' or funds' investment objectives, risks, charges, and expenses. Call 1-800-685-6542 or if using a website, visit www.ibenefitcenter.com for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read them carefully.

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Thank you for your interest in today's presentation. Remember that the time you spend learning about retirement is a wise investment.

Before investing, carefully consider the investment options' or funds' investment objectives, risks, charges, and expenses. Call 1-800-685-6542 or if using a website visit www.ibenefitcenter.com for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read them carefully.