



memo

To: All HII Employees
From: Karen Velkey, HII Corporate Vice President, Benefits and Compensation
Date: April 29, 2020
Subject: 401(k) Scam Calls

Dear HII Employees:

Employees have reported receiving suspicious calls offering 401(k) advice to weather market volatility associated with the coronavirus (COVID-19) pandemic. Nationwide, scammers and malicious callers have been using the pandemic to gain access to individuals' financial accounts, and the Federal Deposit Insurance Corporation (FDIC) has warned Americans about imposters calling and pretending to represent the FDIC to perpetrate fraudulent schemes.

To avoid falling victim to a scam involving your HII 401(k) account, please note the following if you take a call from a supposed financial advisor:

Know the company names: **Alight Financial Advisors (AFA)** is the name of HII's company-sponsored 401(k) investment advice provider for salaried and Ingalls represented 401(k) plans. **Wells Fargo** administers the 401(k) plan for Newport News represented employees and **Financial Engines** is the investment advice provider for that plan. Likewise, **SmartPath** is the name of HII's company-sponsored personal financial coaching program. If you receive a call from someone claiming to be an advisor from a different company, it could be a malicious call.

Consider why they are calling: AFA and Financial Engines advisors do not "cold call" HII employees. Employees should only expect an outbound call from an AFA or Financial Engines advisor if:

1. They recently enrolled in AFA's or Financial Engines' Professional Management program and could receive a welcome call.
2. They requested a call from an AFA or Financial Engines advisor regarding an account or plan question.
3. They have been promoted to a director-level position and are no longer eligible to participate in the Professional Management program.

Similarly, SmartPath only calls HII employees when they have a scheduled coaching session.

Listen for security questions: If an AFA or Financial Engines advisor calls you, they will ask a series of questions associated with your account to confirm your identity. This is to ensure they are speaking to you, and not someone else, about your 401(k) account. If a supposed advisor calls and does not ask security questions, they do not represent AFA or Financial Engines and could be a scammer. While SmartPath coaches do not ask a security question, they should only contact employees at the start time of a coaching session scheduled through their site. If you receive a call from a supposed SmartPath coach, make sure you had a coaching session scheduled for that time. If you ever have doubts about a SmartPath coach's identity, you can ask the caller to provide a phone number for you to call and verify.

If you have suspicions about a call from someone claiming to be a financial advisor, remember that you do not have to speak to that person. You can hang up and contact your HII 401(k) administrator using the phone numbers below to confirm that the suspicious call was legitimate.

- If you participate in the Huntington Ingalls Savings Plan (HISP) or the Financial Security and Savings Program (FSSP), you can speak to an Alight financial advisor from 9 a.m. to 9 p.m. Eastern time at 1-877-216-3222.
- If you participate in the 401(k) plan through Wells Fargo for Newport News represented employees, you can speak to a representative at 800-728-3123 from 7 a.m. to 11 p.m. Eastern time or speak to a Financial Engines advisor at 800-601-5957 from 9 a.m. to 9 p.m. Eastern time.

A handwritten signature in black ink that reads "Karan Velkey". The signature is written in a cursive style with a long, sweeping tail on the letter 'y'.

Your plan sponsor has hired Alight Financial Advisors, LLC (AFA) to provide investment advisory services to HISP and FSSP plan participants. AFA has hired Financial Engines Advisors L.L.C. (FEA) to provide sub-advisory services. AFA is a federally registered investment advisor and wholly owned subsidiary of Alight Solutions, LLC. FEA is a federally registered investment advisor and wholly owned subsidiary of Financial Engines, Inc. Neither AFA nor FEA guarantee future results.

Advisory services for the Huntington Ingalls 401(k) Plan for Represented Employees provided by Financial Engines Advisors L.L.C., a federally registered investment advisor. Results are not guaranteed.