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FOR IMMEDIATE RELEASE

**SHAREBUILDER® LAUNCHES 401(k) PLAN
Designed Exclusively for Small Business,
ShareBuilder 401(k) Invests Only in ETFs and is 100 Percent Online**

BELLEVUE, WA – October 17, 2005 –More than 85 percent of the small businesses in the United States do not offer their employees any retirement plan, according to the Small Business Administration. Because of this, more than one-third of America’s workforce does not have access to an employer-provided retirement plan. To help solve this small business retirement crisis, ShareBuilder Corporation today announced the ShareBuilder 401(k) (www.sharebuilder401k.com).

The ShareBuilder 401(k) is designed specifically for businesses with less than 50 employees, a market segment that is underserved by existing 401(k) products. ShareBuilder has created the lowest cost small business 401(k) with a flat \$15 monthly fee per participant, no annual employer administrative fee, and a 0.65 percent annual asset fee. The innovative fee structure is simple and transparent, letting the employer know up-front exactly what their plan costs will be.

ShareBuilder’s 401(k) plan portfolios consist exclusively of Exchange Traded Funds (ETFs), making this the first time that small businesses could let their employees use these low-cost, market-efficient investment products for retirement saving.

“Small business owners have told us that they’ve been left behind in the retirement plan space, with most options being too costly for them or their employees,” said Jeff Seely, Chairman and CEO of ShareBuilder. “Today, 35 percent of the total U.S. workforce does not have access to a retirement plan at work, and that’s just plain unacceptable.”

Focused exclusively on the needs of small business, ShareBuilder 401(k) is affordable, simple, efficient and flexible.

“This unique plan product is good for both the business owner and for their employees,” said Seely.

HELPING SMALL BUSINESS OVERCOME THE BARRIERS

A study conducted by Mintel International Group identified cost as the biggest factor in whether or not a small business provides a 401(k) to their employees. As well, small business owners indicated that existing retirement savings products were not competitive with the larger companies’, thus putting them at a disadvantage when competing for employees.

“We’ve done our homework looking at all kinds of 401(k) plans and, time and again, we’ve found that what’s out there right now is cost prohibitive and too complicated to get up and running,” said Greg Merlino, owner of 50-employee Merlino Baking Co. in Seattle.

ETFs, often referred to by investors as Index Funds, are a key element to keeping costs down in the ShareBuilder 401(k). As a company, ShareBuilder is a leading proponent of ETFs because they have the potential to perform as well or better than most mutual funds due to a much lower expense ratio on average. The less a ShareBuilder 401(k) plan participant pays in expenses, the higher their net returns should be, and the more money they could accumulate for retirement.

“The ShareBuilder 401K plan is the first opportunity for small businesses to have access to low-cost funds like ETFs wrapped in a portfolio all for less than 1.00 percent annual asset fee,” said Fred Barstein, CEO of 401(k) Exchange.

PROVEN TECHNOLOGY PLATFORM

ShareBuilder has partnered with PAi, an expert in small business plan administration, to provide the back-end administration for employers and recordkeeping for participants in the ShareBuilder 401(k). PAi has more than 20 years in the industry and has partnered with leading mutual fund companies.

About ShareBuilder

For more information, go to www.sharebuilder401k.com. ShareBuilder (www.sharebuilder.com) is an online brokerage designed to make investing in the stock market simple and affordable. ShareBuilder serves both beginning and experienced investors. With no account or investment minimums, customers can choose from three

automatic, dollar-based investing programs. Individual transactions start at just \$4* per investment, or customers can choose from two subscription-based programs that offer multiple stock purchases at even lower costs per transaction and advanced portfolio tools. Real-Time buy and sell transactions are also available through market and limit orders. ShareBuilder Securities Corporation, a subsidiary of ShareBuilder Corporation, is a registered broker-dealer and member NASD/SIPC.

**See www.sharebuilder.com for complete information, including full fee schedule. Does not include real-time trades.*

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