Benefits Update

2011 Notice of Change

To provide you with quality coverage and to keep your monthly premiums as low as possible, we continually review our benefits program. And once a year during open enrollment, we announce plan changes. ***Please carefully review this important information and take action if needed.***

BENEFIT CHANGES

Generally, all changes are effective January 1, 2011, unless stated otherwise. Keep in mind, these changes may not apply to you if you're not enrolled in the respective plan or if you live in a service area where a plan is not available.

GENERAL INFORMATION

Health Plan Classification: As part of the *Patient Protection and Affordable Care Act* (health-care reform), health plans are classified as either "grandfathered" or "non-grandfathered."

At Deseret Mutual, we've decided to maintain the benefit structure that was in place at the time the law passed. ***So our health plans are considered "grandfathered."***

As a grandfathered plan, your coverage may not include certain consumer protections included in the law that apply to other plans. For example, health-care reform says certain preventive health services must be covered at no cost to you, the employee. But in our plans, you're still responsible for office visit copayments.

Keep in mind, grandfathered plans must comply with other consumer protections included in the Affordable Care Act — like eliminating lifetime limits on essential benefits. We're happy to report we've already done that.

For questions about which protections apply and do not apply, as well as information about what could cause a plan to change from grandfathered to non-grandfathered status, please contact us. Or you're welcome to contact the Employee Benefits Security Administration, U.S. Department of Labor, at 1-866-444-3272 or ***www.dol.gov/ebsa/healthreform***.

Adding Married Dependents: Also as part of health-care reform, ***you may be able to enroll your adult children until age 26, even if they're married***. But this coverage does not extend to the married child's spouse or children. Keep in mind, you cannot enroll married children if they already have health insurance available because of their own employment or their spouse's employment — in keeping with our current policy.

Eliminating Pre-existing Conditions Exclusions: We currently exclude pre-existing conditions from coverage for the first six months a member is enrolled, with a few exceptions like pregnancy and newborn children. But beginning next year, ***we'll eliminate this exclusion and extend full coverage to all members*** from the time they enroll.

MEDICAL INSURANCE

Annual Physical Exams: All our medical plans (Deseret Choice, Deseret Select, Deseret Premier, Deseret Value, and Deseret Protect) ***will cover one routine physical exam per calendar year, regardless of your age***. This change is effective retroactively to April 1, 2010.

But keep in mind, we'll continue to exclude "physical exams for the purpose of obtaining insurance, employment, government licensing, or as needed for physical examinations for volunteer work, unless otherwise provided for by the terms of the plan."

Deseret Value Enrollment Requirement: In the past if you chose Deseret Value for your medical coverage, you could not switch to another health plan until you had been enrolled for at least two full calendar years. ***But that requirement will no longer apply***. You can move from Deseret Value to another medical plan available to you during any annual open enrollment period.

Prescription Drug Changes: ***We're pleased to announce a new partnership with VRx*** to help us provide both our comprehensive retail and mail-service pharmacy benefits. VRx, a Salt Lake City-based company, will replace Medco as our pharmacy benefits manager. For more information about how this change may affect you, please see the enclosed *VRx Questions & Answers*.

If you have questions about any prescription changes, call our Pharmacy Team and we'll be happy to help!

Mental Health & Chemical Dependency Benefits: We're pleased to ***introduce important changes to our mental health and chemical dependency benefits***, based on the *Mental Health Parity and Addiction Equity Act of 2008*. These changes include:

- ***Treating outpatient mental health and chemical dependency therapy visits the same as regular office visits.*** So you'll pay the same copayments as you would for a regular office visit to a primary care physician. Please refer to your enclosed *2011 Medical Comparison* for more information.
- ***Eliminating the preauthorization requirement for both outpatient mental health and chemical dependency therapy.*** (Preauthorization is still required for inpatient hospital and alternative care services.)
- Please take note, some mental health testing will no longer need to be preauthorized while other testing may need to be preauthorized. For example, standard diagnostic and personality testing will not need to be preauthorized. But other more elaborate testing requires preauthorization. Please call our Medical Management Team for more information.

DENTAL INSURANCE

Orthodontia Lifetime Limits: ***We're pleased to announce the orthodontia lifetime limits in our dental plans will increase next year.*** Please keep in mind, this benefit applies to members who are banded on or after January 1, 2011. For members who are banded before this date, the existing lifetime limits apply. For information about the increased benefits, please see your enclosed *2011 Dental Comparison*.

ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE

Timing of Loss & Submitting Claims: Currently, a member must provide a written notice of claim within 90 days if he or she experiences a loss (an amputation, for example) or loss of use* (sight in an eye or paralysis, for example), according to both the Occupational Accidental Death & Dismemberment and 24-Hour Accidental Death & Dismemberment insurance plans. ***But beginning next year, these time limits will increase as follows:***

- The loss must occur within one year following the accident date
- Written notice of claim must be filed with Deseret Mutual within one year after the loss occurs

** Loss of use is defined as the entire and irrecoverable loss of use.*

FINANCIAL BENEFITS

Accessing Your Account Information: As you may know, you can access account information about your Deseret Mutual financial benefits—from the Thrift Plan, the Master Retirement Plan, or the Retirement *PLUS* Plan, depending on what's offered by your employer. How? By visiting our Web site at ***www.dmba.com*** or by calling a Financial Benefits Representative.

To do so online, log in with your Deseret Mutual ID number and password and then click on the ***Retirement*** tab along the top of the page. Then follow the prompts from there. Or to review your online Benefits Statement, click on *My Benefits* on the left-hand side of your home page and pull down the menu to "My Statement of Benefits." You're also welcome to have a summary of those benefits sent to you by request. Simply call and let us know.

Master Retirement Plan Benefit Formula: Effective retroactively to April 1, 2010, ***the final average salary formula will change to be the highest five years of salary of a participant's entire career*** instead of the highest five out of the last 10 years. This change will preserve vital retirement benefits in cases where an individual may change to a job with a much lower salary or where a participant returns to work — after several years away — to a lower paying job.

FLEXIBLE SPENDING

Over-the-Counter Medications: ***Beginning next year, over-the-counter medications will no longer qualify for Flexible Spending reimbursement***, unless you have a prescription from your doctor. So for example, you won't be able to buy an over-the-counter medication in January 2011 and charge the money to either your 2010 or 2011 account. The *Patient Protection and Affordable Care Act* also mandated this change.

According to the Internal Revenue Service, the federal agency that regulates all flexible spending plans, a prescription is defined as "a written or electronic order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred and that's issued by an individual who is legally authorized to issue a prescription in that state."

Keep in mind that even if you have a prescription from a physician for an over-the-counter medication, you cannot use your Benny Card to pay for it. Instead, you must submit your claim on paper and include your itemized receipt and the prescription from your doctor. You can still use Flexible Spending ***and*** your Benny Card to pay for insulin and other non-medicine items like bandages, contact lens solution, etc.

OTHER BENEFITS

Children's Health Insurance Program Reauthorization Act (CHIPRA) Rights: According to the *Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA)*, employers offering group health plans must notify each employee of potential premium assistance from CHIP or Medicaid programs. And as your employer's benefits administrator, we're assuming this responsibility.

So if you're eligible for heath coverage from your employer but you can't afford the premiums, some states have premium assistance programs that can help pay for coverage.

If you or your dependent are already enrolled in CHIP or Medicaid and you live in a state that offers help, you can contact your state's CHIP or Medicaid office to find out if premium help is available to you.

If you or your dependents are ***not*** currently enrolled in CHIP or Medicaid and you think you or any of your dependents might be eligible for either of these programs, you can contact your state's CHIP or Medicaid office, call **1-877-KIDS NOW**, or go to **www.insurekidsnow.gov** to find out how to apply. And if you qualify, ask the state if it has a program that might help you pay the premiums for your employer-sponsored plan.

Once it's determined that you or your dependents are eligible for help, we must let you and your dependents have medical coverage — as long as you and your dependents meet your employer's eligibility requirements — even if you're not already enrolled in your employer's plan. This is called a "special enrollment" opportunity and you must request coverage within 60 days of being informed you're eligible for premium assistance.

To see which states have premium assistance programs from CHIP or Medicaid programs, please call your Deseret Mutual Benefits Team or visit our Web site at ***www.dmba.com***. Or you're welcome to contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, ext. 61565

College Savings Plans: ***To help plan and save for your children's college education expenses, consider a College Savings Plan, or a 529 plan.*** Savings can be used for tuition, fees, books, etc. And you can save for the person you choose — your child, grandchild, spouse, niece or nephew, neighbor or friend. Or save for yourself.

- Nearly every state offers a 529 plan. And no matter where you live, you can choose the program that's right for you. In other words, you can choose a program in any state, regardless of where you live. In Utah, we're fortunate to have one of the nation's top ranked programs in our own backyard.
- To see whether your employer offers the Utah 529 plan through payroll deduction, please contact your human resources office directly.

HOW TO REACH US

If you have any questions about this information, please call your Deseret Mutual Benefits Team or visit our Web site. Our office hours are from 8 a.m. to 5 p.m. (Mountain Time) each weekday except Wednesday. On Wednesdays, our office hours begin at 9 a.m. Here's how to contact us:

Salt Lake City area. 1-801-578-5600
Toll free. 1-800-777-3622
Web site. . . . . www.dmba.com

Benefits Update

2010 Notice of Change

To provide you with quality coverage and to keep your monthly premiums as low as possible, we continually review our benefits program. And once a year during open enrollment, we announce plan changes. Please carefully review this important information and take action if needed.

Benefit Changes

Generally, all changes are effective January 1, 2010, unless stated otherwise. Keep in mind, these changes may not apply to you if you're not enrolled in the respective plan or if you live in a service area where a plan is not available.

Medical Insurance

Parity for Mental Health & Chemical Dependency Benefits: We're pleased to introduce important changes to our mental health and chemical dependency benefits, based on the *Mental Health Parity Act*. These changes include:

- Treating outpatient mental health and chemical dependency therapy visits the same as regular office visits by eliminating the annual visit limits. In other words, you'll no longer have a visit limit for outpatient therapy benefits, as long as your care has been properly preauthorized.
- Treating mental health and chemical dependency inpatient hospital stays the same as regular inpatient hospital stays by removing the day limits and applying the same preauthorization guidelines
- Applying the annual deductible (in Deseret Premier and Deseret Value) to mental health services only if it would apply to the same type of service for another medical diagnosis
- Aligning benefits for care provided in an alternative setting to inpatient hospital stay for both medical care (skilled nursing facilities) and mental health and chemical dependency care (Mental Health Alternative Care benefits)

Intestine Transplants: Intestine transplants are now covered by all Deseret Mutual medical plans. This change was effective May 1, 2009.

Skilled Nursing Facilities — Deseret Choice: Beginning next year, we'll include a 60% benefit for care provided in a non-contracted Skilled Nursing Facility in our Deseret Choice medical plan.

Surrogate Pregnancy & Adoption Exclusion: All services and expenses related to a surrogate pregnancy or other pregnancy resulting in the adoption of a child (including care, treatment, delivery, diagnostic procedures, or operations, as well as maternity care for the mother and prenatal/postnatal care for the newborn child) are excluded. All services and expenses for complications related to a surrogate pregnancy or other pregnancy resulting in the adoption of a child are also excluded.

Prescription Drug Changes

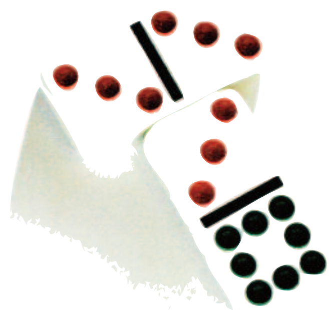
Closed Formulary: Currently, medications not included in our prescription drug formulary (or non-formulary medications) are covered at 50%; you pay the remaining 50%. But beginning next year, ***non-formulary medications will not be covered; you'll be responsible for the entire cost***. Also, physicians cannot override the closed formulary.

Please keep in mind, you and your physician may not have access to every medication you want, but all drug classes are included in the formulary. And with the broad spectrum of brand-name and generic medications covered on our formulary, all disease states can be treated effectively.

Here's how it works: If your physician writes a prescription for a non-formulary drug and does not allow a substitution, you or your pharmacist can work with your doctor to encourage a medication — either brand-name or generic — that's covered on the formulary. But if your physician still wants the non-formulary drug to be dispensed, you would be responsible for the entire cost.

And remember, you can still take advantage of substantial discounts when you purchase non-formulary medications. That's because you won't pay the full retail price; you'll pay the discounted price from Medco, our pharmacy benefits manager.

Generic Coinsurance Waiver: When you switch from purchasing a ***brand-name*** medication at a ***local retail pharmacy*** to receiving a ***generic*** medication from the ***mail-service pharmacy***, we'll waive your coinsurance for your first 90-day supply.



Preferred Drug Step Therapy: In this program, you must use a generic medication to treat a newly diagnosed condition ***before*** moving to a preferred brand-name medication. For example, if you need a drug to treat acid reflux, you would first need to use a generic drug like omeprazole (Prilosec) before you could use a brand-name drug like Nexium.

Infusion Therapy: You're financially protected when you purchase infused medications through our ***Specialty Pharmacy***. When you do, you will receive the medication and either administer it yourself or go to your physician to administer the medication. Beginning next year, if you purchase the infused drug itself through your ***physician's office***, your share of the expenses will no longer apply to your annual out-of-pocket limit.

If you have questions about any prescription changes, call our Pharmacy Team and we'll be happy to help!

EyeMed Vision Care

We're pleased to offer valuable vision protection from ***EyeMed Vision Care***. Coverage is optional, and you pay the entire cost if you choose to enroll. Plus, you can tailor coverage to meet your needs — benefits for eyewear (like glasses or contact lenses) either with or without coverage for an annual eye exam.

For more complete information, please see the enclosed *EyeMed Vision Care 2010 Benefit Update*.

Life Insurance

SGTL Insurance for Dependent Children: Beginning April 1, 2009, Supplemental Group Term Life insurance coverage increased for dependent children as follows:

	Option 1	Option 2	Option 3
Birth to 6 months	$ 1,000		
6 months to 26 years	$ 3,000	**$7,500** (was $5,000)	**$15,000** (was $10,000)

SGTL Insurance for Surviving Children: Effective April 1, 2009, surviving children can simply maintain the same level of coverage they have when their covered parent dies (either $3,000, $7,500 or $15,000). Coverage does not automatically increase for children enrolled in Option 1 ($3,000) when the parent dies.

Disability Insurance

Freeze Enrollment in Medical Plan: Currently, if you're receiving Disability Plan benefits, you can change your medical coverage during open enrollment every year. But beginning next year, your enrollment will freeze to the medical plan in which you're enrolled at the time your Disability benefits begin.

Financial Benefits

Accessing Your Account Information: As you know, you can access account information about your Deseret Mutual financial benefits — from both the Thrift Plan and the Master Retirement Plan — by visiting our Web site at ***www.dmba.com*** or by calling a Financial Benefits Representative. To do so online, click on ***Your Benefits*** in the top left-had corner, and pull down the menu to ***Personal Statement of Benefits***.

Or you're welcome to have a summary of those benefits sent to you by request. Simply call us and let us know.

Flexible Spending Account Program

Annual Maximum for Medical and Dental Expenses: Beginning in 2010, ***you can allocate up to $6,000 in your medical and dental Flexible Spending account***. For dependent care expenses, the limit remains at $5,000.

Other Important Reminders: ***When you enroll in Flexible Spending, we issue a debit card known as a "Benny Card."*** Here's how it works:

- Your Benny Card will contain the value of your annual election for medical and dental expenses. So simply use your Benny Card at the pharmacy, store, doctor's office, or wherever you're incurring eligible FSA expenses, and the amount will be automatically deducted from your account. It works just like an ordinary debit card, but only for eligible expenses.

- If you're enrolled in Flexible Spending for 2009 and you plan on enrolling for 2010, ***hang on to your Benny Card*** and your new allocation will automatically be loaded for the new year.

- When you use your Benny Card, ***be sure to save all your receipts so you can verify, or "substantiate," your eligible expenses***. Before we introduced the Benny Card last year, you had to submit your receipts before you could be reimbursed for eligible expenses. But now with the Benny Card, we simply ask you to verify certain eligible expenses after the fact, based on IRS guidelines.

- Of course, you're welcome to continue submitting your Flexible Spending claims using our online system. Or if you're saving receipts for over-the-counter medications or other items like contact lens supplies or glasses, you can also submit your claims on paper.

- To enroll in Flexible Spending, visit our Web site or call ***by midnight (Mountain Time) on Thursday, December 31, 2009***. ***Or if you want to have your Benny Card in hand by the first of the year, enroll by Friday, December 4, 2009!***

- And remember, enrollment doesn't carry over; you must re-enroll if you want to participate.

How to Reach Us

If you have any questions about this information, please call your Deseret Mutual Benefits Team or visit our Web site. Our office hours are from 8 a.m. to 5 p.m. (Mountain Time) each weekday except Wednesday. On Wednesdays, our office hours begin at 9 a.m. Here's how to contact us:

Salt Lake City area	1-801-578-5600
Toll free	1-800-777-3622
Web site	www.dmba.com

Making your benefits fit ...

Benefits Update

2009 Notice of Change

To provide you with quality coverage and to keep your monthly premiums as low as possible, we continually review our benefits program. And once a year during open enrollment, we announce plan changes. Please carefully review this important information and take action if needed.

Benefit Changes

Generally, all changes are effective January 1, 2009, unless stated otherwise. Keep in mind, these changes may not apply to you if you're not enrolled in the respective plan or if you live in a service area where a plan is not available.

Medical Insurance

Deseret Select: Coverage for College Students

Effective immediately, ***your dependent children who are full-time college students can be covered on Deseret Select***, even if they live outside the service area. In other words, benefits will be paid as if they lived in the Deseret Select service area. So they don't need to receive care from contracted providers. But remember, ***other family members who live in the service area must continue to receive care from Deseret Select contracted providers***. Otherwise, they will not be covered unless it's an emergency.

If you've chosen Deseret Select for your medical coverage and your ***dependent child is a full-time college student who lives out of the Deseret Select service area, you must let us know***. To do so, please call our Membership Department!

Living Healthy Wellness Program

We're happy to report that beginning in 2009, ***your spouse can also earn up to $200 by participating in our Living Healthy Wellness Program***. And that means your family can earn up to $400 simply by making healthy decisions everyday! Plus, you'll have better health for a lifetime!

- For taking the Personal Health Assessment on our Web site, you can earn $50 when you include important biometric information like your blood pressure, blood glucose level, complete cholesterol profile, height and weight, etc.
- For each of the six two-month challenges, you can earn $25 per challenge, for up to $150. The six different challenges focus on important components of wellness like physical activity, nutrition, getting appropriate sleep, managing stress, etc.
- Please visit our Web site at ***www.dmba.com*** in early December for more details about the 2009 program.

Dental Insurance

Annual Maximum Benefit

The ***annual maximum benefit for our low-option Dental Plan will increase from $900 to $1,100*** (with Deseret Value). And the ***annual maximum for our high-option Dental Plan will increase from $1,200 to $1,500*** (with Deseret Choice, Deseret Select, Deseret Premier, Altius, and other contracted HMOs).

Preventive Care Benefits

Because preventive care is so important in maintaining good health, ***benefits for preventive care will no longer count toward your annual maximum benefit***. So more money will be available to you to take care of all the teeth in your family.

For example, you have two crowns in the summer of 2009 and reach your annual maximum benefit. And then in November, you have your second preventive, or routine exam. The charges for the dental exam, cleanings, and x-rays would still be covered because these charges are no longer subject to your annual maximum.

Replacing Crowns & Veneers

The time limit on replacing crowns and veneers will change from ***once every five years to once every seven years***. A replacement may be covered sooner when it's justified by a either a medical or dental problem that results in an unavoidably damaged crown or veneer. But all exceptions must be preapproved ***and*** meet Deseret Mutual's specific medical/dental criteria.

Life Insurance

Supplemental Group Term Life Insurance Premiums

Next year, ***premiums for Supplemental Group Term Life insurance, or SGTL, will be less*** as shown here:

Supplemental Group Term Life Premium Rates as of January 1, 2009

Age	Current Monthly Rate per $1,000	New Monthly Rate per $1,000	Percent Reduction	Typical Monthly Savings *
30	0.042	0.040	5%	$0.56
40	0.060	0.056	7%	$1.12
50	0.148	0.136	8%	$3.36
60	0.496	0.464	6%	$8.96
65	0.840	0.812	3%	$7.84

* The typical amount of coverage is $280,000.

Supplemental Benefit Premiums for Disabled Participants

Currently, premiums for supplemental benefits (Supplemental Group Term Life insurance and 24-Hour Accidental Death & Dismemberment insurance) are waived once an individual begins receiving Disability Plan benefits.

But beginning next year, ***newly disabled participants will be responsible for paying their own premiums*** during the Disability Plan's 45-day waiting period, as well as ***for the first six months they receive Disability Plan benefits***. Then after this six-month period, premiums will be waived for supplemental life insurance benefits. These changes will bring the plan in line with common market practice, as well as lower monthly premiums for active employees.

Also, the definition of "disability" at the six-month point changes to "the inability to work in any occupation (in a comparable job)." And this definition applies to the supplemental benefit premium waiver described above.

Financial Benefits Account Information

As you know, you can access account information about your Deseret Mutual financial benefits — from both the Thrift Plan and the Master Retirement Plan — by visiting our Web site at ***www.dmba.com*** or by calling a Financial Benefits Representative. To do so online, click on ***Your Benefits*** in the top left-had corner, and pull down the menu to ***Personal Statement of Benefits***.

Or you're welcome to have a summary of those benefits sent to you by request. Simply call us and let us know.

Flexible Spending Account Program

Beginning in 2009, ***we'll issue a Flexible Spending debit card known as a "Benny Card."*** And using your Benny Card will help keep cash in your wallet. In other words, you'll never pay twice — first from your paycheck into your Flexible Spending Account and then again at the time of purchase. Here's how it works:

- Your Benny Card will contain the value of your annual election for medical and dental expenses. So simply use your Benny Card at the pharmacy, store, doctor's office, or wherever you're incurring eligible FSA expenses, and the amount will be automatically deducted from your account. It works just like an ordinary debit card, but only for eligible expenses. For more information, please review the enclosed ***2009 Flexible Spending Update***.

- Of course, you're welcome to continue submitting your Flexible Spending claims using our online system. Or if you're saving receipts for over-the-counter medications or other items like contact lens supplies or glasses, you can also submit your claims on paper.

- To enroll in Flexible Spending, visit our Web site or call ***by midnight (Mountain Time) on Wednesday, December 31, 2008***.

- ***Or if you want to have your Benny Card in hand by the first of the year, enroll by Friday, December 5, 2008!*** And remember, enrollment doesn't carry over from year to year; you must re-enroll if you want to participate.

How to Reach Us

If you have any questions about this information, please call your Deseret Mutual Benefits Team or visit our Web site. Our office hours are from 8 a.m. to 5 p.m. (Mountain Time) each weekday except Wednesday. On Wednesdays, our office hours begin at 9 a.m. Here's how to contact us:

Salt Lake City area. 1-801-578-5600
Toll free. 1-800-777-3622
Web site . . . . www.dmba.com

DESERET MUTUAL
BENEFIT ADMINISTRATORS

2008 Benefits Handbook

Your Benefits Handbook Introduction

Your *2008 Benefits Handbook* summarizes the benefits available from your employer as part of your employee benefit program. These benefits are administered by Deseret Mutual Benefit Administrators.

Your employer has the right to amend or terminate benefits at any time. So you should not assume that benefits in place now will remain the same in the future. As costs and market conditions change, your benefits may change as well. Therefore, in the future you should not consider yourself entitled to existing benefits at current levels.

The following information is important to you in understanding your benefits:

- Your employer has developed these plans to provide you with benefits to meet your needs during your current employment, as well as during retirement

- Your benefit program is designed to be competitive with some of the very best benefits available in the marketplace. And it's designed to remain affordable to both you and your employer.

Your benefit program includes two basic types of plans:

A) Benefits to which you may be legally entitled, as follows:

- Master Retirement Plan: After you become vested in the Master Retirement Plan, the current value of your accrued benefit (the benefit you have earned to date) cannot be reduced or eliminated. Future benefits, however, may increase, decrease, or be eliminated as needed. (You're vested after five years of eligible service with a participating employer.)

- Savings Plans: You are always 100% vested in the current value of your contributions and earnings, as well as in the current value of the matching contributions and earnings from your employer.

  Your account balance may change based on market fluctuations (which means you may lose principal as well as interest) and whether you choose to withdraw or borrow money from your account. Future employer contributions may increase, decrease, or be eliminated as needed.

B) Other plans that are subject to change: Benefits may increase, decrease, or be eliminated as needed. Current benefits administered by Deseret Mutual include, but are not limited to:

Your Benefits Handbook Introduction

Medical Insurance Plans:

Deseret Choice

Deseret Select

Deseret Premier

Deseret Value

Contracted Health Maintenance Organizations (HMOs)

Dental Insurance Plans:

Deseret Mutual Dental Plan for Deseret Choice, Deseret Select, and Altius

Deseret Mutual Dental Plan for Deseret Value

MetLife Dental Plan for Deseret Premier and contracted HMOs

MetLife Dental Plan for Deseret Value

Life Insurance Plans:

Group Term Life insurance

Occupational Accidental Death & Dismemberment insurance

Supplemental Group Term Life insurance

24-Hour Accidental Death & Dismemberment insurance

Disability Insurance

Flexible Benefits:

Flexible Spending Account program

Premium Only Plan

COBRA Continuation Coverage

Value-added Benefits

You are entitled to benefits specified in the respective plan contract on the date of service or loss. For example, you are eligible for life insurance benefits that are included in the plan contract on the date of death.

This information is provided to help you understand your benefits, as well as help you plan for your future financial needs.

General Information

General Information

General Information

The insurance and retirement benefits available to you are a vital and substantial part of your total compensation from your employer. And Deseret Mutual Benefit Administrators (or Deseret Mutual) administers these benefits for you.

To help you become familiar with your benefits, this Benefits Handbook includes a complete description of each of the plans in your benefit program as of January 1, 2008. And this section of your Handbook outlines general information.

Customer Service Information

To answer your questions and help you with your benefits, we have a staff of qualified representatives who are here to help. We have useful tools and information on our Web site. And we have experts in various fields, such as financial planning and medical case management, who are available to you. So please, let us help you maximize your benefits.

Our office hours are from 8 a.m. to 5 p.m. (Mountain Time) weekdays, except on Wednesdays when office hours begin at 9 a.m. Or you can visit our Web site — 24 hours a day, seven days a week — for a wealth of information. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600
Toll free 1-800-777-3622
Web site . . . . www.dmba.com

If your hearing is impaired, we have telephone lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655
Toll free 1-800-333-9715

For your information, we record incoming telephone calls to ensure the quality of the information you receive.

If you want to visit us in person, our offices are located on the 4th floor in the Eagle Gate Tower and Plaza at 60 East South Temple in downtown Salt Lake City. You can make an appointment or simply drop by during office hours.

Deseret Mutual's mailing address is:

P. O. Box 45530
Salt Lake City, Utah 84145

General Information

Participating Employers

In 1970, The Church of Jesus Christ of Latter-day Saints, along with other companies owned and operated by the Church, formed a private employer trust to administer benefits for its employees. Today, that trust is known as Deseret Mutual Benefit Administrators, or Deseret Mutual for short.

Deseret Mutual is not an insurance company. Rather, it's a private, non-profit trust that administers health and pension benefits exclusively for employees of the Church and its related organizations. Our purpose — or mission — is to improve your health and financial well-being.

You should look to Deseret Mutual as your partner in making important health-care decisions, as well as decisions that affect your financial future, especially retirement.

Deseret Mutual's participating employers include:

- AgReserves, Inc.
- Beneficial Financial Group
- Beneficial Life Insurance Agency
- Bonneville International Corporation
- Bonneville Media Corporation
- Bonneville Satellite Company
- Brigham Young University
- Brigham Young University — Hawaii
- Brigham Young University — Idaho
- Corporation of the President
- Corporation of the Presiding Bishop
- Deseret Book Company
- Deseret Farms, Inc.
- Deseret Management Corporation
- Deseret Mutual Benefit Administrators
- Deseret Morning News
- Deseret News Publishing Company
- Deseret Trust Company
- East Central Florida Services, Inc.
- Ensign Peak Advisors, Inc.
- Farm Management Company
- Hawaii Reserves, Inc.
- Laie Treatment Works, Inc.
- Laie Water Company, Inc.
- LDS Business College
- LDS Family Services
- Polynesian Cultural Center
- Property Reserve, Inc.
- Suburban Land Reserve, Inc.
- Taylor Creek Management Company
- Temple Square Hospitality Corporation
- Zions Securities Corporation

Benefit Plans

Deseret Mutual's benefit program includes the following plans:

- ***Core benefits***
  - Medical insurance (several options)
  - Dental insurance (several options)
  - Group Term Life (GTL) insurance
  - Occupational Accidental Death & Dismemberment (OAD&D) insurance
  - Disability insurance
- ***Supplemental benefits***
  - Supplemental Group Term Life (SGTL) insurance
  - 24-Hour Accidental Death & Dismemberment (24-Hour AD&D) insurance
- ***Retirement benefits***
  - Thrift Plan
  - Master Retirement Plan
- ***Flexible benefits***
  - Flexible Spending Account (FSA) program
  - Premium Only Plan (POP)
- ***Value-added benefits***
  - Long-term Care insurance
  - Group Auto and Homeowner's insurance

If you have questions about other benefits offered by your employer, such as vacations, holidays, or premium payroll deductions, contact your employer directly.

For an overview of the plans, eligibility requirements, enrollment guidelines, and when your coverage begins or your benefits are available, see the tables on pages 4 and 5. For more detailed information about the plans, please review the various sections in your Benefits Handbook.

General Information

Plan		Who can enroll?	What are the requirements?	When can you enroll?
Core Insurance Benefits	Medical / Dental plans	You and your eligible dependents	Enroll within 30 days after your eligibility date. If you don't enroll within 30 days, you must wait until the following open enrollment.	Enroll within 30 days after your eligibility date OR during the next annual open enrollment. Enroll newly acquired dependents within 60 days of their eligibility date. Enroll after a HIPAA qualifying event.
Core Insurance Benefits	GTL OAD&D Disability Plan	GTL: you and your eligible dependents OAD&D and Disability: you, the employee	Enroll within 30 days after your eligibility date. If you don't enroll within 30 days, you must meet Deseret Mutual's health standards (eligibility for these three plans is tied together).	Enroll within 30 days after your eligibility date OR you may enroll later if you meet our health standards. Enroll newly acquired dependents within 60 days of their eligibility date.
Supplemental Insurance Benefits	SGTL	You and/or your eligible dependents	Complete the appropriate application and meet Deseret Mutual's health standards.	Anytime
Supplemental Insurance Benefits	24-Hour AD&D	You and/or your eligible dependents	Complete the appropriate application.	Anytime
Retirement Benefits	Master Retirement Plan	You, the employee	You must be 21 or older, in an eligible class of employment as defined by your employer, and have worked at least 1,000 hours a year. To be vested, you must have 60 months of vesting credit.	Enrollment is automatic.
Retirement Benefits	Thrift Plan	You, the employee	You must be 21 or older, scheduled to work at least 1,000 hours a year, and in an eligible class of employment as defined by your employer.	Anytime
Flexible Benefits	Flexible Spending Account (FSA)	You, the employee	You must meet your employer's eligibility requirements, determine your election, and then enroll.	Enroll within 30 days after your eligibility date AND each annual open enrollment thereafter.
Flexible Benefits	Premium Only Plan (POP)	You, the employee	Same requirements as for medical and dental coverage.	Enrollment is automatic unless you waive participation within 30 days of your eligibility date or during open enrollment.

Plan		Who pays for this benefit?	When does your coverage begin or when is your benefit available?	When does your coverage end?
Core Insurance Benefits	Medical / Dental plans	Your employer pays a large portion of the premium on your behalf; you pay the remainder of the premium.	As a new employee, coverage begins on your eligibility date. If you enroll during open enrollment, your coverage begins the first day of the following year.	For information, see *Termination of Coverage* on page 17.
Core Insurance Benefits	GTL OAD&D Disability Plan	Your employer pays a large portion of the premium on your behalf; you pay the remainder of the premium.	As a new employee, coverage begins on your eligibility date. At any time thereafter, coverage begins the first day of the month after we approve your application.	
Supplemental Insurance Benefits	SGTL	You pay the entire premium.	Coverage begins the first day of the month after we approve your application.	
Supplemental Insurance Benefits	24-Hour AD&D	You pay the entire premium.	Coverage begins the first day of the month after we accept your application.	
Retirement Benefits	Master Retirement Plan	This benefit is paid entirely by your employer.	If you are 55 or older and vested, benefit payments begin when you retire.	
Retirement Benefits	Thrift Plan	You determine your contribution amount and your employer matches up to 4%.	Vesting is immediate. See the *Thrift Plan* section for details of when benefits are available.	
Flexible Benefits	Flexible Spending Account (FSA)	You elect how much of your pretax money to allocate to your FSA each year.	As a new employee, coverage begins on your eligibility date. If you enroll during open enrollment, coverage begins the first day of the following year.	
Flexible Benefits	Premium Only Plan (POP)	Not applicable.	As a new employee, benefits begin on your eligibility date. If you enroll during open enrollment, benefits begin the first day of the following year.	

General Information

Core Insurance Benefit Plans

The core benefit plans include ***Medical***, ***Dental***, and ***Group Term Life*** insurance (available to you and your eligible dependents), as well as ***Disability*** and ***Occupational Accidental Death & Dismemberment*** insurance (available only to you as the employee).

You may choose:

- the entire core benefits package
- the Dental, Life, & Disability option (you must be enrolled for at least two calendar years)
- to waive both medical and dental coverage and choose GTL, OAD&D, and Disability
- to waive all benefits

Please keep in mind, your employer pays a large portion of the core insurance premium on your behalf; you pay the remainder of the premium.

Supplemental Insurance Benefit Plans

Supplemental Group Term Life and ***24-Hour Accidental Death & Dismemberment*** insurance are available to you and your eligible dependents (see the *Life Insurance* section of your Benefits Handbook). With supplemental benefits, you pay the entire premium.

Retirement Benefit Plans

Each eligible employee may participate in the ***Thrift Plan*** (see the *Thrift Plan* section of your Benefits Handbook). The Thrift Plan is a defined contribution plan where both you and your employer make regular contributions.

Also, each eligible employee is automatically enrolled in the ***Master Retirement Plan*** (see the *Master Retirement Plan* section of your Benefits Handbook). The Master Retirement Plan is a defined benefit plan, or pension plan, and is fully funded by your employer. In other words, you don't pay a cent for this valuable benefit.

Flexible Benefits

These programs may provide tax advantages to you. See the *Flexible Benefits* section of your Benefits Handbook to learn about the ***Flexible Spending Account*** program and the ***Premium Only Plan***.

Value-added Benefits

Deseret Mutual offers several value-added benefits. They're called "value-added" because we simply offer programs and discounts to add value to your benefit package. When applicable, you pay the entire cost for these benefits.

For example, with some value-added benefits, like MetLife's long-term care insurance, you pay a premium if you choose to enroll. With other value-added benefits, like TLC Vision, you simply take advantage of our negotiated discounts.

For the most current information about Deseret Mutual's value-added benefits, visit our Web site or call your Deseret Mutual Benefits Team.

These value-added benefits may change at any time without notice. Companies and discounts may also change. These benefits are available to participants who choose to use these services on a voluntary basis, separate and apart from the benefits program administered by Deseret Mutual.

Eligibility and Enrollment Processes

When you meet the eligibility requirements of your employer and you have actively started work for your participating employer, you are eligible to participate in the benefit program. You must be actively on the job before your benefits begin.

You can enroll in nearly all of the benefit programs online. So it's convenient and easy. For Internet access, use your own computer or your employer's computer. For help, work with your employer directly or you're welcome to call our Deseret Mutual Membership Team. If you are enrolling for the first time and you need help, call 1-801-578-5620 in the Salt Lake City area or toll free at 1-800-333-9742.

Here's a general outline of the requirements for the different benefit plans.

Core Insurance Benefits

Some insurance benefits (Medical, Dental, and Group Term Life insurance) are available to you and your eligible dependents (see *Eligible Dependents* on page 9). Others (Disability and Occupational Accidental Death & Dismemberment insurance) are only available to you as the employee. For more information, see the table on page 4 and look under the column heading "Who can enroll?"

General Information

Enrolling in the core benefit program within 30 days after your eligibility date is **very important**. You may also enroll up to 90 days before your eligibility date but you are not covered until your eligibility date. Each year thereafter, you may review your enrollment decisions and possibly change coverage during open enrollment (see *Open Enrollment* on page 12).

Please note that in most cases, you cannot disenroll midyear. But during the next open enrollment you can disenroll and/or choose another medical plan.

If you do not enroll within 30 days of your eligibility date, you cannot apply for medical or dental coverage until the next annual open enrollment, with coverage beginning the first day of the following year. Exceptions may apply (see *Protecting You: Health Insurance Portability & Accountability Act* on page 25).

Also, if you enroll after 30 days, you must meet Deseret Mutual's health standards for any Group Term Life, Occupational Accidental Death & Dismemberment, and Disability insurance.

And remember, you may choose:

- the entire core benefits package
- the Dental, Life, & Disability option (you must be enrolled for at least two calendar years)
- to waive both medical and dental coverage and choose the GTL, OAD&D, and Disability
- to waive all benefits

As a new employee, coverage begins on your eligibility date. With open enrollment, coverage begins the first day of the following year. If you apply for Group Term Life, Occupational Accidental Death & Dismemberment, and Disability insurance after 30 days, coverage begins on the first of the month after Deseret Mutual approves your application.

Supplemental Insurance Benefits

You may apply for ***Supplemental Group Term Life*** or enroll in ***24-Hour Accidental Death & Dismemberment*** at anytime by completing the appropriate forms on our Web site or by contacting your employer. Also, you and/or your dependents must complete the health questionnaire if you're applying for Supplemental Group Term Life insurance.

Coverage begins the first day of the month after Deseret Mutual approves your application.

Retirement Benefits

Retirement benefits are available to you (the employee). Your dependents are not eligible for their own retirement benefits through your employment with a participating employer.

As an eligible employee, you're automatically enrolled in the ***Master Retirement Plan***.

For the ***Thrift Plan***, you may enroll at anytime. But the sooner you enroll, the better opportunity you have to take advantage of investment time and compounding interest, and the sooner you start receiving your employer's matching contribution.

Eligible Dependents

Your eligible dependents include your spouse and your dependent children. For benefits purposes, your spouse is defined as a person of the opposite sex who is your legal husband or wife. Eligible children are your unmarried children who are younger than 26, including:

- Natural children (including infants from the date of birth)
- Legally-adopted children, stepchildren, and children appointed by a court of law to your custody or your spouse's custody
- Your stepchild (child of your spouse)
- A grandchild who is the child of your covered, unmarried, dependent child. The unmarried dependent child and the grandchild must live in your home and depend primarily on you for support. For the grandchild to be covered, a direct lineal relationship must exist between you and the grandchild (or a direct line created through adoption).
- A child placed with you under the direction of a licensed child placement agency
- Your unmarried child who is 26 or older and incapable of self-support because of mental or physical incapacity that existed before the child reached 26, and who is primarily dependent upon you for support.

  To apply for this coverage, submit proof of these circumstances within 60 days from the end of the month when the child reaches 26 or within 30 days of your eligibility date. Please contact Deseret Mutual for a copy of the *Application for Dependent Coverage After Age 26*.

If one of your dependents is hospitalized before benefits are effective and the dependent is in the hospital on the date benefits become effective, medical benefits do not begin for the dependent until the day after he/she is discharged from the hospital. If the child is adopted, coverage is effective the date of placement.

Remember, you have 60 days to enroll a new dependent or you must wait until the next open enrollment. (Please see *Protecting You: Health Insurance Portability & Accountability Act* on page 25.)

Guidelines for Eligibility and Enrolling Dependents 19 and Older

Your dependent children 19 and older are eligible to be covered by your medical, dental, and life insurance policies only if they are not eligible for their own employment-based medical coverage.

Dependent children (who are full-time students, full-time missionaries, unemployed dependents, or dependents working for employers who do not offer health insurance) may continue coverage until they reach age 26, marry, or obtain employment that offers health insurance, whichever comes first.

We ask you to verify this dependent child's status when you first enroll the dependent, and again before the child's birthday each year thereafter. ***Please respond to our requests for verification.*** If you don't respond, the dependent child's coverage ends on the first day of the month following the dependent's birthday. If you verify the dependent child's status more than 60 days after coverage has ended, you cannot reinstate coverage until the next open enrollment period.

Re-enrollment: If a dependent loses eligibility for his/her own employment-based medical coverage, you can re-enroll the dependent within 30 days of the end of the coverage.

High-deductible Plans: This policy does not apply to dependent children 19 and older in situations where the only employment-based medical insurance offered is catastrophic with an annual deductible of $1,500 or more. So dependent children with only catastrophic coverage can continue to be covered by your plan.

Dual Deseret Mutual Coverage: This policy applies to dependents who are eligible for Deseret Mutual coverage because of their own employment with a participating employer. In these situations, the dependent must enroll with Deseret Mutual as an employee. The dependent's coverage under your (the parent's) policy ends unless the dependent is a full-time student.

Surviving Spouses and Dependents: This policy applies to everyone enrolled in the Family Survivor Benefit (see *Family Survivor Benefit* on page 20). If employment-based medical coverage is available, either through the individual's own employment or through the surviving parent's employment, coverage with Deseret Mutual ends.

But if the surviving spouse or dependent child loses employment-based medical coverage, this dependent is allowed to re-enroll in the Family Survivor Benefit within 30 days of the end of the other coverage.

Guidelines for Eligibility and Enrolling Stepchildren

You may enroll your stepchild as an eligible dependent.

Just as for all other dependent children, coverage may continue until the stepchild either turns 26, marries, or is eligible for their own employment-based medical insurance, whichever comes first.

You may enroll your eligible stepchild if you do so at your eligibility date or within 60 days after your marriage to the child's parent. If you do not enroll the stepchild within 60 days, you may not enroll the child until the next open enrollment, unless the child was covered by another group medical insurance plan and subsequently loses eligibility for that coverage. In this case you must apply within 30 days.

In cases of divorce, we may request a certified copy of the divorce decree for coordination of insurance benefit purposes.

Eligibility of Employees at High Risk

If you apply for Group Term Life or Supplemental Group Term Life insurance and Disability coverage after 30 days from your eligibility date and you do not meet our health standards, you may be classified as high risk and coverage may be reduced or declined:

- Group Term Life insurance: $25,000 (or 50% of coverage)
- Supplemental Group Term Life insurance: Not available
- Disability Plan: Not available

General Information

Open Enrollment

Generally, open enrollment is held annually during the fall. Changes in coverage are then effective January 1 of the following year.

During open enrollment, you may change from your current medical plan to another plan available in your area if you meet plan guidelines.

To see which medical plans are available to you, visit our Web site, contact your employer, or call your Deseret Mutual Benefits Team.

- ### Unrestricted Open Enrollment

  Deseret Mutual offers an unrestricted open enrollment. This means if you have waived medical/dental coverage in the past, you can enroll during open enrollment without meeting Deseret Mutual's health standards. You may also enroll your eligible dependents.

  Unrestricted open enrollment applies to medical and dental coverage only. It does not apply to any life insurance or disability coverage.

  Of course, you may apply for Group Term Life insurance or Disability coverage at any time if you don't already have it. But you must meet our health standards to qualify. If you're interested, go to the forms library on our Web site or contact your Deseret Mutual Benefits Team to get a *Declaration of Insurability* form.

- ### Deseret Value Two-year Enrollment Requirement

  If you enroll in the Deseret Value medical plan, you must remain enrolled in it for at least two full calendar years before you can change to another medical plan, which you may do during open enrollment.

  But if you move to another area where different medical plans are available, you can switch to a plan that was not available to you in the first area. Then the Deseret Value two-year enrollment requirement does not apply.

- ### Dental, Life, & Disability Option Two-year Enrollment Requirement

  If you choose the Dental, Life &, Disability option, you must remain enrolled for two full calendar years before you can change to another benefit option, which you may do during open enrollment.

Qualifying Events in Family Status

Major family events may qualify you to enroll at times other than during open enrollment or as a new employee. These include:

- Marriage
- Birth
- Adoption
- Change in employment status (such as going from part time to full time)
- Involuntary loss of eligibility for other medical insurance

Coordination of Insurance Benefits

To help you make the most of your coverage, coordination of benefits combines the medical/dental benefits of two or more insurance plans. If you are covered by more than one plan, **you are legally responsible** to notify Deseret Mutual.

If you are eligible for Deseret Mutual coverage as both an employee and a dependent of another employee and you are enrolled in both plans, we coordinate benefits between:

- Deseret Premier
- Deseret Choice
- Deseret Select
- Deseret Value
- Deseret Mutual contracted HMOs
- Other medical plans not associated with Deseret Mutual

We do not coordinate benefits between Deseret Value and Deseret Value. In other words, if you or a dependent could be covered by Deseret Value with two participating employers (as either the participant or the dependent), we do not consider the second Deseret Value plan enrollment.

Which Plan Pays First for the Participant and Spouse

When you are insured by two plans, the coordination of benefits provision designates one plan as the primary insurer and the other plan as the secondary insurer. The primary insurer is the plan that pays first and the secondary insurer is the plan that pays second. It is determined as follows:

General Information

1. If one plan has a coordination of benefits provision and the other does not, generally the plan without the provision is the primary insurer.

2. If both plans have a coordination of benefits provision:

   - The plan insuring you as an active employee (or retired employee) rather than as a dependent is the primary insurer

   - The plan insuring you as the active employee rather than a retired employee is the primary insurer

If these guidelines do not establish primary coverage or if Medicare is involved, please call the Deseret Mutual Membership Team for help.

Some exceptions apply, especially if Medicare is involved. For more information, please contact Deseret Mutual.

Which Plan Pays First for Dependent Children

When children are covered, the plan covering the parent whose birthday comes earliest in the calendar year (regardless of age) pays first. An exception to this may occur when the parents are separated or divorced. In this case, benefits are paid in this order:

1. Natural parent with custody

2. Stepparent with custody

3. Natural parent without custody

If a court decree establishes financial responsibility for the medical, dental, or other health-care expenses for the child, the plan of the parent with this financial responsibility pays first.

Process

The primary insurer pays the allowable expenses as if no other plan were involved. After the primary insurer pays, the secondary insurer determines how much it would pay if the other plan were not involved. Then it pays part of the remaining expenses, up to the total allowable benefit from the plan.

Please remember, if two or more insurance plans are involved, the total benefit will not exceed Deseret Mutual's maximum allowable limit. Therefore, you may still be responsible for some expenses.

Premiums

Core Insurance Benefits: Your employer pays the majority of your monthly premiums and **you are responsible** for the remaining balance. For supplemental insurance benefits, on the other hand, you pay the entire cost of the premiums for the coverage you choose. The advantage of supplemental coverage is that it's available at reasonable group rates.

For the core insurance benefits, monthly premiums are divided into three categories. These include coverage for:

- you (the employee) only
- you and one dependent
- you and two or more dependents

Supplemental Insurance Benefits: Premiums vary depending on your age and the options you choose. Please refer to the *Life Insurance* section of your Benefits Handbook for more information.

Retirement Benefits: These benefits do not have any associated premiums. Your employer fully funds the Master Retirement Plan benefit. For the Thrift Plan, you determine your contribution amount and your employer makes a matching contribution of up to 4 percent.

Premium Adjustments

Please be aware that premium adjustments because of enrollment changes or errors are limited to 15 months immediately preceding the date Deseret Mutual receives evidence that such adjustments should be made. These adjustments can be either returned premium dollars or additional premium charges.

In the case of a dependent's death, if you do not notify Deseret Mutual within 15 months, we still refund any extra premium you paid back to the date of the dependent's death, but we withhold 10 percent of the refund, up to $200.

Notification of Changes in Family Status

To make sure your benefits are provided quickly and efficiently, please make sure your records at Deseret Mutual are accurate. If any of the following changes occur, contact your employer and Deseret Mutual immediately:

- Address (notify your employer)
- Marriage (for you or your dependent children)
- Birth
- Adoption
- Placement of a foster child
- Death
- Divorce
- Name
- Dependent status
- You or any of your dependents qualify for Medicare
- You or any of your dependents acquire other medical or dental insurance
- Any other situation that may affect your participation in the benefit program

Benefits During Leaves of Absence

Depending on the type of leave, benefits may continue to an employee on a leave of absence for three months or longer. Contact Deseret Mutual for more information. To qualify, the leave must be officially approved by your employer and the clear intent must be for you to return to work for the participating employer.

Core and Supplemental Insurance Benefits

You may continue your benefits during certain types of leaves of absence. But limitations apply as to how long your benefits may continue and how long your employer continues to contribute to the premium for your coverage. For information about a specific leave of absence, please contact your employer or Deseret Mutual.

If you're outside your medical plan's service area during your leave, you can choose a plan in your new area for the duration of your leave. Then when you return, you can re-enroll in your original medical plan.

You may continue Supplemental Group Term Life insurance if you keep basic Group Term Life insurance. You may also continue your 24-Hour Accidental Death & Dismemberment insurance.

If you discontinue your coverage while you're on leave, then you can reinstate coverage that was in effect before an employer-approved leave of absence (such as full-time military service, professional development leave, or family leave) if you:

- were enrolled for at least six months immediately before the leave
- return to active employment within three months after release or the end of the designated leave
- request your benefits to be reinstated within 30 days after your return to work

Other Benefits

You continue to receive benefit credit in the Master Retirement Plan while you're on an approved leave of absence. If you are on a paid leave, you may continue to contribute to the Thrift Plan. But if you are on an unpaid leave, you cannot participate. If you're on unpaid leave and enrolled in a Flexible Spending Account, contact Deseret Mutual's Membership Team about your options

Military Leaves of Absence

Special provisions apply to military leaves. Please contact your employer and Deseret Mutual for more information.

Termination of Coverage

Medical / Dental / Life / Disability Insurance

Your insurance coverage automatically ends on the earliest of the following dates:

- Last day of the month for which premium is paid
- Last day of the month in which you end employment and you do not qualify to continue insurance benefits
- Last day of the month in which you disenroll and request your coverage to end
- Last day of the month in which you are no longer eligible for benefits

- Date you enter active duty in the armed forces of any country, except for life insurance (please contact Deseret Mutual for more information about military leaves)

- Date of termination of the plan

In addition to the above, your dependent's insurance coverage automatically ends on the earliest of the following dates:

- Last day of the month in which your dependent no longer qualifies as a dependent

- Last day of the month you are divorced (your spouse's coverage ends but your dependent children's coverage may not end)

- Date your dependent enters active duty in the armed forces of any country, except for life insurance (please contact Deseret Mutual for more information about military leaves)

When you retire, you may be able to continue medical and some life insurance coverage (see page 22).

If you or your dependent is in the hospital on the date your coverage ends, you may extend medical benefits for the individual solely for the injury or illness for which you or your dependent were admitted.

In your case, coverage ends on the date of your release from the hospital. In the case of your dependents, coverage ends on the date of release from the hospital or 30 days from the date insurance eligibility ends, whichever comes first.

Retirement Benefits

Master Retirement Plan: Generally, you stop accruing benefit credit on the last day of the month in which you are no longer an active employee in an eligible class of employment. See the *Master Retirement Plan* section of your Benefits Handbook.

Thrift Plan: If you end employment for any reason, including retirement, you cannot make further contributions to your Thrift Plan account. But you may be able to rollover money to and/or from another plan. See the *Thrift Plan* section of your Benefits Handbook.

Flexible Benefits

Flexible Spending Account: You must re-enroll to participate every year. This benefit ends each December 31 or when you end employment.

Premium Only Plan: This benefit ends when you end employment or disenroll.

Continuation Coverage — COBRA (Medical / Dental)

"COBRA" stands for the Consolidated Omnibus Budget Reconciliation Act of 1985. It allows individuals and their dependents to continue their group coverage for medical/dental for a limited time after a qualifying event causes them to lose their group coverage. With COBRA, you or your dependent pays 102 percent of the monthly premium.

To be eligible for COBRA, you and your dependents must be enrolled in a Deseret Mutual medical plan when a qualifying event, as listed below, occurs:

- If your employment with a participating employer ends (for reasons other than gross misconduct on your part) or you lose eligibility for coverage, you and your dependents may be covered for up to 18 months.

  If you acquire new dependents, they may be added to your COBRA coverage. You must enroll them within 60 days after marriage, birth, or adoption.

- If you get divorced, your former spouse may be covered for up to 36 months. You must notify us of the divorce.

- If a dependent child marries or exceeds the maximum age for coverage as your dependent, your dependent may be covered for up to 36 months. You must notify us of the marriage of a dependent.

If you lose eligibility or end employment and qualify for COBRA coverage, your employer notifies Deseret Mutual. We then send you a notice of your COBRA eligibility and information about how to enroll. You have 60 days from the date Deseret Mutual sends you notification to enroll in COBRA continuation coverage.

COBRA coverage may end for any of the following reasons:

- Your employer no longer provides group medical coverage to any of its employees

- You or your dependents fail to pay the monthly premium for your COBRA coverage

- You or your dependents become covered by another group medical plan, including Medicare. But if your new plan has a pre-existing conditions exclusion, you can maintain your COBRA coverage until you satisfy that condition.

- Your former spouse's coverage ends if your spouse subsequently remarries and is covered by the new spouse's group medical plan

Continuing Life Insurance Coverage

If part or all of your Group Term Life or Supplemental Group Term Life insurance ends because you end employment (other than retirement), your salary level decreases, or you lose membership in an eligible class of employment, you may be able to purchase a continuing individual policy from Beneficial Financial Group without having to meet health standards.

You must apply for this policy and pay the initial premium within 30 days from the time your group insurance benefits end. Please contact Beneficial Financial Group at 1-800-233-7979 or Deseret Mutual for more information.

If you retired or if your reduction in coverage is caused by age as specified by the plan, you can also convert your coverage to a policy with Beneficial Financial Group.

Family Survivor Benefit

The family survivor benefit provides a one-year period of continuation of medical and dental insurance at no cost to your survivors. Then after one year, your dependents may continue to receive medical/dental coverage depending on your length of service before your death.

When you die, your surviving dependents who are covered on the date of your death may continue medical/dental coverage with Deseret Mutual. Surviving dependents may also continue some Supplemental Group Term Life insurance if they choose to do so (see the *Life Insurance* section of your Benefits Handbook).

If your surviving dependents choose to continue coverage, they must notify Deseret Mutual within 60 days of the date of your death and complete any necessary forms.

Consider the following guidelines:

- Monthly premiums for your surviving dependents are waived for up to one year following your death. Thereafter, depending on the years of Master Retirement Plan benefit credit you earned before your death, your family may be eligible to receive either part or all of your employer's maximum contribution for medical coverage as follows:

Your Years of Benefit Credit	Percent of Maximum Employer Contribution
Fewer than 10 years	Not eligible
10 to 11 years	50 percent
12 to 13 years	60 percent
14 to 15 years	70 percent
16 to 17 years	80 percent
18 to 19 years	90 percent
20 or more years	100 percent

- If you have less than 10 years of benefit credit when you die, your surviving dependents who are covered on the date of your death may continue to receive coverage for one year. Beyond the first year, your dependents cannot continue coverage through the family survivor benefit.

  But after the one-year period in which your employer pays for your coverage, your surviving dependents are eligible for COBRA continuation coverage for medical/dental benefits for up to 36 months.

- If employment-based medical coverage is available, either through the individual's own employment or through the surviving parent's employment, coverage with Deseret Mutual ends. But if the surviving spouse or dependent child loses employment-based medical coverage, this dependent is allowed to re-enroll in the Family Survivor Benefit within 30 days of the end of the coverage.

  This applies to survivors who enrolled in health insurance offered by their employers, as well as those who previously elected not to enroll in their employers' plans. Surviving dependents who have not enrolled in their employers' plans have 30 days to do so, beginning the date their Deseret Mutual coverage ends (one year from the time of your death).

  For your information, employers are required by law to offer eligible employees this 30-day window to enroll when they lose eligibility for the other insurance they had when they originally declined enrolling in the employer's group plan.

  If at some time in the future your surviving spouse loses eligibility for insurance with his/her current employer, he/she has 30 days to re-enroll with Deseret Mutual.

- Surviving spouses who were enrolled in a Deseret Mutual dental plan or the Senior Dental Plan may, at their own expense, enroll in or remain in the Senior Dental Plan. Call Deseret Mutual for information about the Senior Dental Plan.

- If your surviving spouse is eligible for other coverage and that policy covers any of your dependents, the dependents are no longer eligible for coverage from Deseret Mutual. In this case, the same 30-day window applies to your eligible dependents to enroll for coverage with the surviving spouse's current employer.

- Other eligible survivors (unemployed survivors or survivors working for employers who do not offer them health insurance) may continue to be covered by Deseret Mutual until they obtain employment that offers health insurance or they otherwise no longer qualify as dependents

Note: Newly acquired dependents of your survivors may not be added to the survivor coverage.

For more information, please see *Eligibility and Enrollment Processes* on page 7.

Insurance Benefits for Retirees

If you retire from a participating employer, you may have some insurance options with Deseret Mutual.

Retiree Eligibility

If you are at least age 55 when you retire, you may qualify to participate in Deseret Mutual's post-retirement insurance plans. Your eligibility is based on the benefit credit you earned in Deseret Mutual's Master Retirement Plan. You must have at least 10 years of benefit credit.

Medical Coverage: To continue coverage, you and your dependents must have been enrolled in a Deseret Mutual medical plan or another group plan for at least 12 months immediately before your retirement.

If you do not meet all of Deseret Mutual's eligibility requirements and you are not eligible for Medicare or another group medical plan, you may be eligible for COBRA coverage (see page 19 for more information).

Senior Dental Plan: You are eligible if you meet the eligibility requirements for continued medical coverage. After you retire, dental benefits are optional and separate from the medical plans.

Life Insurance Coverage: If you meet the eligibility requirement, you may be able to keep some Group Term Life insurance coverage if you have been enrolled in this program for at least 12 months immediately before you retire. Your dependents cannot continue Group Term Life insurance after you retire.

If you are eligible when you retire, you and/or your spouse and dependent children may also be eligible to continue some Supplemental Group Term Life insurance. But you must apply for coverage before you retire. Please see the *Life Insurance* section of your Benefits Handbook.

Retiree Enrollment

You must enroll for retiree benefits at the time you retire. If you do not, you are not eligible.

If you meet the eligibility requirements but do not enroll because you have other group coverage, then you later involuntarily lose eligibility for other coverage, you may enroll with Deseret Mutual for medical coverage as long as you do so within 30 days from losing eligibility for the other coverage.

If you enroll for the Senior Dental Plan, you must remain enrolled in the plan for at least two full calendar years.

Retiree Medical Coverage

If you are younger than 65, you may enroll in a similar plan to that of an active employee. If you're 65 or older, Deseret Mutual offers you the Deseret Secure medical plan.

In some areas, HMOs are also available to those with or without Medicare. So before you enroll, find out what plans are available.

Retiree Premiums

If you qualify to participate in Deseret Mutual's retiree medical plans, your employer contributes a fixed dollar amount toward your monthly premiums. Your employer's maximum contribution does not pay the entire monthly premium. So you're responsible for paying the balance.

Depending on the years of benefit credit you have earned in Deseret Mutual's Master Retirement Plan before you retire, you may be eligible to receive either part or all of your employer's maximum contribution for retiree medical coverage.

Eligibility for your employer's maximum contribution to premiums is defined as follows:

General Information

Years of Benefit Credit	Percent of Maximum Employer Contribution
1 to 9 years	Not eligible
10 years	50 percent
11 years	50 percent
12 years	60 percent
13 years	60 percent
14 years	70 percent
15 years	70 percent
16 years	80 percent
17 years	80 percent
18 years	90 percent
19 years	90 percent

If you end employment and you meet the eligibility requirements to participate in the retiree medical plans but you choose to postpone receiving your Deseret Mutual Master Retirement Plan benefit, you may still be eligible to continue medical coverage. But you pay the entire monthly premium until you begin receiving your Master Retirement Plan benefit. Your employer's applicable contribution begins at that time.

Retiree Dental Coverage

You and your dependents are eligible for dental benefits as long as you remain actively employed. After you retire, you may enroll in the optional Senior Dental Plan if you meet the eligibility requirements described on page 22. You pay the entire premium for the Senior Dental Plan. And remember, you must remain enrolled in the plan for at least two full calendar years.

For information about the Senior Dental Plan, call Deseret Mutual (or see the *Retirement Benefits Handbook*).

Retiree Life Insurance Coverage

If you meet the eligibility requirements, you may continue a portion of your Group Term Life and Supplemental Group Term Life insurance coverage when you retire. Please see the *Life Insurance* section of your Benefits Handbook for more information.

Protection for You and Your Benefits

Protecting Your Privacy

Protected Health Information

Deseret Mutual does not disclose your personal, protected health information without your express permission. So if you would like other individuals (including your spouse or other family members) to have access to your protected health information, you must submit a *Privacy Authorization Form* to Deseret Mutual. Your dependents ages 18 and older must also submit a *Privacy Authorization Form* before you can access their protected health information.

Protected Health Information is a HIPAA Administrative Simplification Provision. "HIPAA" stands for the Health Insurance Portability and Accountability Act of 1996. For more information on HIPAA, see *Protecting You: Health Insurance Portability & Accountability Act (HIPAA)* below.

Deseret Mutual Identification Number

We are committed to protecting the confidentiality of the personal information we receive either from or about you. Therefore, although we use your Social Security number when communicating financial information to the federal government, generally we do not use your Social Security number to identify you. We use a number that is specific to you, your Deseret Mutual identification number.

All physicians, dentists, and any other business partners must use your Deseret Mutual identification number. Otherwise your claims may be delayed or denied.

For added security when accessing your information on our Web site, we ask you to provide a personal identification number (PIN) to accompany your Deseret Mutual identification number. You choose your own PIN.

Your PIN provides access to all of your personal health and financial information on file at Deseret Mutual. You can protect your private information by safeguarding your PIN. If you give your PIN to anyone, or if you suspect someone else knows your PIN, contact us immediately.

Protecting You: Health Insurance Portability & Accountability Act (HIPAA)

The following regulations of HIPAA apply to your Deseret Mutual medical/dental benefits:

General Information

Reducing Pre-existing Conditions: Certificate of Creditable Coverage

If you were continuously insured by another plan before you enrolled in a Deseret Mutual medical plan, we may reduce or eliminate the time you are subject to the pre-existing conditions exclusion by the time you were covered by the other plan. This applies if you didn't have a break in coverage of more than 63 days between your enrollment in the former plan and in Deseret Mutual's plan.

To determine how this provision may apply to you, provide Deseret Mutual with a *Certificate of Creditable Coverage* from your former insurance program.

If you were covered by a different Deseret Mutual medical plan, you do not need to provide a *Certificate of Creditable Coverage*. But please notify the Membership Team of your transfer.

If you end medical coverage with us, we automatically send you a *Certificate of Creditable Coverage*. Also, you may request a copy of this certificate for up to two years after your employment ends.

Special Enrollment Periods for Qualifying Events

HIPAA requires insurers to offer special enrollment periods to individuals who initially decline enrollment because they have other insurance and subsequently or involuntarily lose eligibility for the other coverage. A special enrollment period must also be offered to you if you gain a new dependent, either through marriage, birth, or adoption. (See *Qualifying Events in Family Status* on page 13.)

If you waive medical/dental coverage and later want to enroll with Deseret Mutual, you must provide a *Certificate of Creditable Coverage* or other legal documentation of the qualifying event.

HIPAA prohibits group plans from using health criteria to determine an individual's eligibility to enroll. But, special enrollment in Deseret Mutual's medical plans is only allowed if:

- you had other insurance at the time of the waiver and you subsequently lost eligibility for the other coverage. In this case, you and your dependents may enroll within 30 days after losing the other coverage. This also applies to your eligible dependents who had and lost other coverage.

- you gain a new dependent. You may also enroll within 60 days after acquiring the dependent. In this case, you may enroll any other eligible dependents who are not currently enrolled.

All other plan provisions and requirements apply to eligibility for medical benefits.

Protecting Your Benefits: Employee Retirement Income Security Act (ERISA)

As a participant in the benefit program, you are entitled to certain rights and protections from the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all participants be entitled to:

- Examine, without charge and at the program administrator's and employer's offices, all program documents including insurance contracts, collective bargaining agreements, and copies of all documents filed by the program with the U.S. Department of Labor, such as annual reports and plan descriptions (Deseret Mutual is the program administrator)

- Obtain copies of all program documents and other program information upon written request to Deseret Mutual. Deseret Mutual may charge a reasonable fee for the copies.

- Receive a summary of the program's annual financial report. Deseret Mutual is required by law to furnish each participant with a copy of this summary financial report.

Your employer may not fire you or discriminate against you to prevent you from obtaining a benefit or for exercising your rights under ERISA.

If your claim for benefits is denied, in whole or in part, Deseret Mutual sends you a written explanation of the reason for the denial. You have the right to have Deseret Mutual review and reconsider your claim. Under ERISA, you can take steps to enforce the above rights.

For instance, if you request materials from Deseret Mutual and you do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require Deseret Mutual to provide the materials and pay you up to $100 a day until you receive the materials, unless the materials were not sent because of reasons beyond Deseret Mutual's control.

If you have a claim for benefits denied or ignored, in whole or in part, you may file suit in state or federal court. If program fiduciaries misuse the program's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in federal court.

The court decides who pays court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim to be frivolous.

If you have questions about the program, contact Deseret Mutual. If you have questions about this statement or about your rights under ERISA, contact the nearest Area Office of the U.S. Department of Labor.

General Information

Protecting Deseret Mutual: Fraud Policy Statement

It is unlawful to knowingly provide false, incomplete, or misleading facts or information with the intent of defrauding Deseret Mutual. An application for insurance or statement of claim containing any materially false or misleading information may lead to reduction, denial, or termination of benefits or coverage under the policy and recovery of any amounts Deseret Mutual may have paid.

Benefit Administration

Subrogation

If you have an injury or illness that is the liability of another party and you have the right to recover damages, Deseret Mutual requires reimbursement for any amount it has paid when damages are recovered from the third party.

Deseret Mutual is reimbursed:

- first
- from any claim against the third party, the third party's liability insurer, including Workers Compensation, or your uninsured or underinsured motorist insurer
- whether the recovery is obtained by settlement, judgment, or any other source
- regardless of how the settlement is allocated by the third party or insurer
- regardless of whether the settlement is considered to have recovered full compensation or damages

In addition, if you do not attempt to recover damages from the third party as described above, Deseret Mutual has the right to initiate legal action against the liable third party to recover the amount it has paid for your injuries.

Your acceptance of Deseret Mutual benefits for the injury gives Deseret Mutual the right to subrogate. You need to provide all information Deseret Mutual requests for subrogation purposes. If you do not, we will withhold the payment of your benefit and you are responsible for reimbursing all costs and expenses paid by Deseret Mutual for the injury.

Claims Review Procedures

If Deseret Mutual denies your claim and you want to appeal because you think it was denied inappropriately, or if you have other claim concerns or complaints, please bring them to our attention. You must submit your appeals within 15 months from when we send you notification of the benefit decision. To appeal a claim:

Step 1: Detail your appeal in a written statement (or a verbal request for urgent care claims).

In your request, please state the reasons you believe your claim was wrongfully denied. Include copies of all documents that support your position, such as doctor's letters, operative reports, bills, medical records, and Explanation of Benefits (EOB) statements.

Step 2: Send your request to:

Deseret Mutual
Attention: Appeals Coordinator
P.O. Box 45530
Salt Lake City, Utah 84145

The Claims Management Review Committee (CMRC) or an equivalent committee reviews your case within 30 business days. Then the committee does one of the following:

- Approves the claim for payment and/or approves the benefits for service
- Requests additional information, either from you or your provider. If the committee has questions about any medical procedure or treatment, you may be referred to another licensed medical provider for evaluation.
- Upholds the denial and notifies you in writing

Step 3: If you still aren't satisfied after your case is reviewed, you can resubmit it to:

Deseret Mutual
Attention: Appeals Coordinator
P.O. Box 45530
Salt Lake City, Utah 84145

The Claims Review Committee (CRC) meets on a regular basis and includes officers and legal counsel of Deseret Mutual, employer representatives, and consulting professional personnel. This committee reviews all cases based on complete anonymity.

Please refer to the Claims Review Procedures table on page 30. It shows, by law, when you must submit appeal requests for health claims, as well as when you can expect responses to those requests.

Step 4: If you want to pursue further review, please be aware that you must first submit the matter to arbitration, pursuant to the arbitration provisions of the plan. This includes any claim against Deseret Mutual based on negligence, breach of contract, or otherwise.

Definitions and Exclusions

Each benefit plan has unique limitations and exclusions. Please pay particular attention to the exclusions in each section, as well as the *Definitions* section of your Benefits Handbook.

Claims Review Procedures

	Urgent Care Health Claims	Pre-service Health Claims	Post-service Health Claims	Health Claims for Disability
Deseret Mutual must provide a notice of the initial claim denial by . . .	**72 hours** after receiving your claim, if it was properly completed **48 hours** (1) after receiving completed claim or (2) after the 48-hour claimant deadline, whichever is earlier	**15 days** after receiving your initial claim **30 days** after receiving the claim if we need more information and we provide an extension notice during the initial 15-day period	**30 days** after receiving your initial claim **45 days** after receiving the claim if we need more information and we provide an extension notice during the initial 30-day period	**45 days** after receiving your initial claim **75 days** after receiving the claim if we need more information and we provide an extension notice during the initial 30-day period
Deseret Mutual must provide an incomplete claim notice and ask for additional information by . . .	**24 hours** after receiving your claim	**5 days** after receiving your claim	**30 days** after receiving your claim, extended **15 days** from the date we receive the required information	**45 days** after receiving your claim, extended **30 days** from the date we receive the required information
You must complete the claim by . . .	Not applicable	**45 days** after receiving the notice to provide information	**45 days** after receiving the notice to provide information	**45 days** after receiving the notice to provide information
You must appeal the decision by . . .	**15 months** after receiving the claim denial	**15 months** after receiving the claim denial	**15 months** after receiving the claim denial	**15 months** after receiving the claim denial
Deseret Mutual must provide a notice of the decision of appeal by . . .	**72 hours** after your request for review (either verbal or written)	**30 days**. Two levels of review are available: the CMRC responds within **15 days** of written request and the CRC responds within **15 days** of request (either verbal or written)	**60 days**. Two levels of review are available: the CMRC responds within **30 days** of written request and the CRC responds within **30 days** of request (either verbal or written)	**45 days** after your request for review **90 days** after receiving your appeal if we need an extension

Notification of Discretionary Authority

Deseret Mutual has full discretionary authority to interpret the plans and to determine benefit eligibility. Deseret Mutual has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility for benefits are binding and conclusive.

Notification of Non-compliance & Abuse of Benefits

If any member participating in the plan seeks to either bypass or ignore appropriate medical advice in an attempt to abuse the health-care system (which may include, but is not limited to, jumping from physician to physician, emergency room to emergency room, or seeking medications from multiple sources), Deseret Mutual has the right to place the member on what's called a "medical compliance plan."

The member will then be instructed to receive care from certain providers and/or facilities that are specifically named in the compliance plan, as determined by Deseret Mutual.

If the member then chooses to receive care from providers and/or facilities that are not included in the compliance plan, benefits will be denied and the member will be responsible for paying all costs associated with this care, including repaying Deseret Mutual for any amounts it may have paid.

Notification of Benefit Changes

Deseret Mutual is subject to the Employee Retirement Income Security Act of 1974 (ERISA). Deseret Mutual reserves the right to amend or terminate the plan at any time. If benefit changes are made, we will notify you within 30 days before the effective date of change.

This *General Information* section of your Benefits Handbook outlines the general provisions of your employee benefit program. If you would like a copy of the legal documents please contact your employer or Deseret Mutual.

If you have questions, please call Deseret Mutual or visit our Web site:

Salt Lake City area 1-801-578-5600
Toll free 1-800-777-3622
Web site . . . . www.dmba.com

If your hearing is impaired, we have telephone lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655
Toll free 1-800-333-9715

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Dental Insurance

With Deseret Choice, Deseret Select, & Altius Health Plan

Dental Insurance

Dental Insurance

With Deseret Choice, Deseret Select, & Altius Health Plan

Your total health is important to us, including your dental health. Deseret Mutual's Dental Plan provides valuable protection. And that should give you something to smile about!

This section of your Benefits Handbook outlines the major provisions of the Dental Plan as of January 1, 2008.

Eligibility for Coverage

You and your dependents are eligible for Dental Plan benefits as long as you remain actively employed. (If you decide to enroll in medical coverage in addition to this plan, you must choose Deseret Choice, Deseret Select, or Altius Health Plan.)

When you retire, you are no longer eligible for coverage. But you may be able to enroll in Deseret Mutual's Senior Dental Plan (for more information, call your Benefits Team).

If you choose the Dental, Life, & Disability option, you must remain enrolled for two years before you can change to another benefit plan option.

You and your dependents are eligible for preventive and diagnostic procedures as soon as your coverage begins. For all other benefits, such as restorative procedures and orthodontics, you and your dependents are subject to the pre-existing conditions provision (see *Pre-existing Conditions* on page 9).

Maximum Benefits

The **annual maximum** benefit is $1,200 per person for you and each of your eligible dependents. For orthodontic benefits, the **lifetime maximum** benefit is $1,800 per person (see *Orthodontic Procedures* on page 4).

For information about other maximum benefits, see *Supplemental Accident Benefit* on page 8.

Copayments

For each routine diagnostic exam, you pay a $15 copayment.

Dental Insurance

Deseret Mutual's Dental Network

Contracted dentists, including specialists, make up our dental network.

- ***Financial Protection***

  When you receive care from members of our contracted dental network, you are financially protected. Contracted dentists accept what you pay (your copayments and coinsurance) and what Deseret Mutual pays as payment in full. In other words, they do not bill you for amounts that exceed our maximum allowable limits.

  Please be aware, however, **you are still responsible** for charges considered ineligible or not covered by the plan.

- ***Dental Benefits***

  Our contracted arrangements do not change your Dental benefits. They simply protect you from paying unnecessary expenses. That is, you can receive care from any licensed provider of your choice. But to take advantage of this financial protection, receive care from providers in our contracted dental network.

- ***Contracted Dentists***

  For information about contracted dentists in your area, please visit our Web site or call your Benefits Team.

Dental Benefits

Generally Dental benefits cover routine checkups, fluoride treatments, and cleanings at 100 percent after your $15 copayment. Most other services, such as restorative procedures (including fillings), are covered at 80 percent. Orthodontic procedures are covered at 50 percent.

Of course, all benefits are based on medical necessity and are subject to the maximum allowable limits determined by Deseret Mutual. Charges are considered incurred on the date of service or the date treatment begins. One exception is for dentures; the service date is the date you receive the dentures.

Your Dental Plan benefits follow alphabetically on pages 3 to 7.

All benefits are subject to the maximum allowable limits determined by Deseret Mutual.

Anesthesia

- The plan pays 80% and you pay 20%
- General anesthesia expenses are covered when used as a part of oral surgery or in a case approved for the outpatient hospitalization benefit (see *Outpatient Hospitalization* on page 4)
- Generally, local anesthesia or relative analgesia are included in the cost of a complete procedure. If they are billed separately, they are not covered.
- When general anesthesia is administered as part of an eligible outpatient hospitalization, expenses do not count toward your annual maximum benefit

Endodontic Procedures

- The plan pays 80% and you pay 20%
- Pulpal and root canal therapy is covered
- Pulp caps are covered
- Generally, bases are included in the cost of a restorative or a prosthodontic procedure. If they are billed separately, they are not covered.

Oral Surgery

- The plan pays 80% and you pay 20%
- Extractions and other oral surgeries are covered:
  - — Reimplanting knocked out teeth
  - — Single tooth implants, replacing an implant once every five years (to the date)
- Generally, routine post-operative visits are included in the cost of the total surgical procedure. If they are billed separately, they are not covered. For tooth transplants, oral surgery expenses and other related expenses are not covered.

Dental Insurance

All benefits are subject to the maximum allowable limits determined by Deseret Mutual.

Orthodontic Procedures

- The plan pays 50% and you pay 50%
- The lifetime maximum benefit is $1,800 per person. (If you began treatment **before** January 1, 2007, your maximum benefit is $1,600.)
- Benefits are paid on a monthly basis for the duration of the treatment. This includes 50% of the down payment (not to exceed $400) and 50% of the monthly payment up to the $1,800 maximum. To determine the monthly payment amount, we divide the remaining cost by the number of months of treatment.
- Monthly payments stop when you or your dependent becomes ineligible or if you end treatment before it is completed
- Charges for molds, x-rays, and exams in connection with orthodontic treatment are considered part of the treatment and are included in the benefit maximum
- Habit-control appliances, such as nightguards and finger-sucking appliances, are not covered

Outpatient Hospitalization

- The plan pays 80% and you pay 20%
- Submit a doctor's statement to Deseret Mutual, including the treatment plan, fees, and a description of medical necessity
- Outpatient hospital expenses for dental treatment may be covered if:
    - — A medical problem exists that must be monitored in connection with general anesthesia and surgical procedures
    - — General anesthesia is required because of extended work on a child younger than 5
    - — Dental or surgical procedures are performed on a patient who has a mental disability, such as Down Syndrome, or a sensory disability, such as deafness or blindness
- Eligible outpatient hospitalization expenses do not count toward your annual $1,200 maximum benefit

All benefits are subject to the maximum allowable limits determined by Deseret Mutual.

Periodontal Procedures

- The plan pays 80% and you pay 20%
- Periodontal maintenance is covered twice each calendar year
- Non-surgical procedures, including deep scaling, root planing, full mouth debridement, periodontal exams, and chemotherapeutic agents, are payable once every six months (to the date)
- Covered surgical procedures include gingivectomy, osseous surgery, and grafting

Preventive / Diagnostic Procedures

- The plan pays 100% after your office visit copayment
- Cleaning (prophylaxis)
  - — Twice each calendar year
- Exams
  - — Twice each calendar year
  - — $15 copayment per visit
  - — Initial and routine exams by a general or a pediatric dentist
- Fluoride treatment
  - — Topical application twice each calendar year
- Sealants (see *Sealants* on page 7)
- Space maintainers
  - — Charges to replace lost or stolen space maintainers are not covered
- X-rays
  - — Complete mouth x-rays or panorex x-rays once every three years (to the date)
  - — Series of two or four bitewing x-rays twice each calendar year
  - — Periapical x-rays as necessary

Dental Insurance

All benefits are subject to the maximum allowable limits determined by Deseret Mutual.

Prosthodontic Procedures

- The plan pays 80% and you pay 20%
- For most services, the service date is the date treatment begins. For dentures, the service date is the date you receive the dentures.
- Crowns, veneers, bridges, onlays, inlays, and partial and complete dentures are covered based on these guidelines:
  - — Covered once every five years (to the date); for stainless steel crowns on permanent teeth, payable once every two years (to the date)
  - — Charges for relining or rebasing dentures eligible once every three years (to the date)
  - — Separate payment is not made for tooth preparation, temporary restorations, impressions, analgesia, or local anesthesia. These procedures are normally included in the cost of the complete prosthodontic procedure.
- Charges to replace lost or stolen dentures are not covered

Restorative Procedures

- The plan pays 80% and you pay 20%
- Amalgam, porcelain, composite or resin, and metal restorations are covered based on these guidelines:
  - — One restoration per tooth surface every two years (to the date) or every five years (to the date) for gold restorations, no matter how many restorations are placed on the surface
  - — Separate payment is not made for tooth preparation, temporary restorations, cement bases, impressions, analgesia, or local anesthesia. These procedures are normally included in the cost of a complete restorative procedure.
- Changing restorations from amalgam to composite fillings because of amalgam/mercury sensitivity is not covered

All benefits are subject to the maximum allowable limits determined by Deseret Mutual.

Ridge Augmentation / Extension

- The plan pays 80% and you pay 20%
- This benefit includes procedures to restore the alveolar ridge to accommodate dentures
- These expenses do not apply toward your annual maximum benefit

Sealants

- The plan pays 100% based on these guidelines:
  - Only patients younger than 16 are eligible for this benefit
  - The benefit covers permanent molars only
  - A molar sealant is covered once every five years (to the date)

Temporomandibular Joint (TMJ) Dysfunction

- Benefits for temporomandibular joint (TMJ) disorder are covered by Deseret Mutual's Deseret Choice and Deseret Select medical plans, not by the Dental Plan
- For more information, please see the *Medical* section of your Benefits Handbook. If you're enrolled in Altius Health Plan, please contact Altius for more information.

Other Benefits

These benefits are paid at 80%:

- Application of desensitizing medications (when eligible; subject to review)
- Emergency exams and eligible treatment for pain
- Exams or consultations by specialists
- Recementing space maintainers
- Therapeutic drug injections (when eligible; subject to review)

Dental Insurance

Special Medical / Dental Benefit

This benefit may pay for eligible dental treatment needed because of specific medical conditions or the treatment of specific medical conditions, determined by Deseret Mutual

Examples of conditions that may be covered include:

- Cleft palate
- Jaw tumors
- Radiation therapy
- Severe immune conditions, such as lupus or AIDS

Before treatment, submit a doctor's statement to Deseret Mutual, including the treatment plan, fees, and medical necessity. Then, benefits are based on these guidelines:

- The plan pays 90% and you pay 10%
- The lifetime maximum benefit is $10,000 per person
- Expenses covered by this benefit do not apply to your annual maximum benefit
- For more information about this unique benefit, please call Deseret Mutual

Supplemental Accident Benefit

If you need dental treatment because of an accident, eligible charges will be covered according to regular Dental Plan benefits, based on the services performed. Accident-related expenses are not subject to the pre-existing conditions provision. Benefits are based on the following guidelines:

- The injury must occur while covered by Deseret Mutual's Dental Plan
- The cause of the condition must meet the definition of an accident as defined by the plan
- Benefits are determined by the date of the accident. Eligible expenses must be incurred within two years of the accident. Some additional benefits may be available for dependent children

- Orthodontic expenses are not covered by the supplemental accident benefit
- The first $2,000 paid per accident does not count toward the annual maximum benefit
- If five or more teeth are involved, additional benefits may be available up to $5,000 per accident and do not count toward your annual maximum benefit
- For more information about this benefit, call your Deseret Mutual Benefits Team

Pre-existing Conditions

A condition is defined as pre-existing if you sought advice, received treatment, or had treatment recommended for the condition within six months before enrolling in the plan.

For the purposes of Dental Plan benefits, you are covered for pre-existing conditions after being continuously covered by the plan for a period of six months, but only for eligible charges incurred after the six-month period.

If you were continuously insured by another plan before you enrolled in Deseret Mutual's Dental Plan without a break of more than 63 days between your enrollment in the former plan and Deseret Mutual's Dental Plan, you may reduce the length of time you are subject to the pre-existing conditions exclusion.

To determine how this provision applies to you, provide Deseret Mutual with a *Certificate of Creditable Coverage* from your former insurance.

Filing Claims

You must submit claims within **15 months** from the date of service. **You are responsible** to make this happen.

Your dental network dentist has general claim forms. Your dentist completes the form and sends it to Deseret Mutual. If crowns and/or veneers are done, the dentist must also submit the periapical x-rays.

Deseret Mutual will send you an *Explanation of Benefits* statement when your claims have been processed. Please review your statements for accuracy.

Dental Insurance

Errors on Bills or Explanation of Benefits Statements

If services appear on an *Explanation of Benefits* statement that were not performed or could be considered fraudulent, please call Deseret Mutual's fraud hotline at 1-801-578-5918 or 1-800-777-3622 ext. 5918. For more information, see Fraud Policy Statement on page 10.

If your find an error on any of your bills after your claims have been processed and paid, please verify the charges with your provider. Then submit a written description of the error to Deseret Mutual at the following address:

Deseret Mutual
Overpayment Team
P.O. Box 45530
Salt Lake City, Utah 84145

This is called an audit reimbursement request. Audit reimbursement is a valuable benefit of the Dental Plan because if the mistake is not otherwise detected, you can receive 50% of the eligible savings, up to $250 per incident, as defined by Deseret Mutual.

Because the error usually means the provider was overpaid, we must recover the money from the provider before we can return the savings to you. Therefore, please be patient while we correct the error.

If Deseret Mutual detects an error on a bill before you do, we cannot forward the savings to you because this would violate our obligations based on the Employee Retirement Income Security Act of 1974 (ERISA).

Fraud Policy Statement

It is unlawful to knowingly provide false, incomplete, or misleading facts or information with the intent of defrauding Deseret Mutual. An application for insurance or statement of claim containing any materially false or misleading information may lead to reduction, denial, or termination of benefits or coverage under the policy and recovery of any amounts Deseret Mutual may have paid. Non-compliance with a contract prepared by Deseret Mutual addressing abuse of health care benefits or systems may also lead to reduction, denial, or termination of benefits or coverage under the policy and recovery of any amounts Deseret Mutual may have paid.

Coordination of Benefits

To help you make the most of your coverage, coordination of benefits combines the benefits of two or more dental plans. So if you or your dependents have dental coverage with two plans, your dental benefits may be coordinated.

If you are covered by more than one plan, you are legally responsible to notify Deseret Mutual. The total benefit will not exceed Deseret Mutual's maximum allowable limit. So you may be responsible for some out-of-pocket expenses.

For more information about coordination of benefits, please see the *General Information* section of your Benefits Handbook.

Subrogation

If you have an injury or illness that is the liability of another party and you have the right to recover damages, Deseret Mutual must be reimbursed for any amount it has paid when damages are recovered from the third party.

In addition, if you do not attempt to recover damages from the third party as described above, Deseret Mutual has the right to step into your shoes and initiate legal action against the liable third party to recover the amount it has paid for your injuries.

For more information about subrogation, please see the *General Information* section of your Benefits Handbook.

Exclusions

Services that do not meet the definition of eligible, as previously defined, are not eligible for coverage. In addition, the following services and their associated costs are excluded from coverage:

Cosmetic

1.1 Surgery or dentistry done for cosmetic reasons
1.2 Services for primarily non-therapeutic purposes

Diagnostic & Experimental Services

2.1 Dental treatments or procedures that on the effective date or renewal date of this policy are:
- Considered dental research
- Investigative/experimental technology
- Not recognized by the U. S. dental profession as usual and/or common
- Determined by Deseret Mutual not to be usual and/or common dental practice
- Illegal

That a dentist might prescribe, order, recommend, or approve services or dental equipment does not, of itself, make it an allowable expense, even though it is not specifically listed as an exclusion.

Investigative/experimental technology means a treatment, procedure, facility, equipment, drug, device, or supply that does not, as determined by Deseret Mutual on a case-by-case basis, meet all of this criteria:

- The technology has final approval from all appropriate governmental regulatory bodies, if applicable
- The technology is available in significant number outside the clinical trial or research setting
- The available research about the technology is substantial. For plan purposes, substantial means sufficient to allow Deseret Mutual to conclude:
  - — The technology is both necessary and appropriate for the covered person's treatment
  - — The technology is safe and efficacious
  - — More likely than not, the technology will be beneficial to the covered person's health
  - — The technology is generally recognized as appropriate by the regional dental community as a whole

Procedures or treatments falling in these categories continue to be excluded from Deseret Mutual's Dental Plan until they are specifically included in the Dental Plan.

Education

3.1 Expenses for educational programs, plaque control, myofunctional therapy, and oral hygiene or dietary instruction

Government / War

4.1 Services furnished by a hospital or facility owned or operated by the United States Government or agency thereof

4.2 Services required as a result of war or act of war, or service in the military forces of any country at war, declared or undeclared, except when the employee is actively engaged in pursuing a specific assignment given and authorized by the employer. War includes hostilities conducted by force or arms by one country against another country, or between countries or factions within a country, either with or without a formal declaration of war.

Legal Exclusions

5.1 Services the patient is not charged or is not legally obligated to pay

5.2 Services that began before the patient was covered by this plan

5.3 Treatment or care done after termination of benefits

5.4 Services incurred in connection with injury arising from participation in or attempt at committing an assault or felony

5.5 Other dental treatment, except as outlined

Miscellaneous

6.1 Charges that exceed Deseret Mutual's maximum allowable limits

6.2 Failure to keep a scheduled dentist appointment

6.3 Completing claim forms

6.4 Unfinished dental work

6.5 Care and treatment by anyone who:
- Ordinarily resides in the same household with you or your dependents
- Has legal responsibility for financial support and maintenance of you or your dependents

Other Insurance / Worker's Compensation

7.1 Injuries or conditions that are compensable by workers' compensation, no-fault auto insurance, employment liability laws, or services provided by a federal or state government agency. Services provided by a group, franchise, or other insurance or prepayment program approved through an employer, union, trust, or association.

Replacements

8.1 Lost or stolen dentures, bridges, or appliances

8.2 Replacing fillings less than two years old (to the date) or replacing dentures, bridges, or crowns less than five years old (to the date)

Specific Products & Services

9.1 Services or supplies not furnished and/or prescribed by a dentist or physician (for example, denturist services), except cleaning, scaling, or fluoride treatments that may be performed by a licensed dental hygienist under the dentist's supervision

9.2 Tooth preparation, temporary restorations, cement bases, impressions, or acid etching

9.3 Appliances, restorations, or treatment, other than full dentures, whose primary purpose is to alter vertical dimension or restore occlusion

9.4 Protective athletic mouthguards or habit-control appliances, such as nightguards or finger-sucking appliances

9.5 Fluoride rinse, toothpaste, toothbrush, or other products or supplies intended for use at home by the patient

9.6 Study models or photos, unless used for orthodontic treatment.

9.7 Emergency room services

9.8 Infection control

9.9 General anesthesia other than for oral surgery, unless otherwise covered by the plan

9.10 Treatment of disturbances of the temporomandibular joint

Definitions

For definitions of words and terms applicable to the Dental Plan, please refer to the *Definitions* section of your Benefits Handbook.

Notification of Discretionary Authority

Deseret Mutual has full discretionary authority to interpret the plan and to determine eligibility. Also, Deseret Mutual has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

Dental Insurance

Notification of Benefit Changes

Deseret Mutual is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and reserves the right to amend or terminate this plan at any time. If benefit changes are made, we will notify you within 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Dental Plan for Deseret Choice, Deseret Select, and Altius Health Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact your employer or Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600

Toll free. 1-800-777-3622

Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655

Toll free. 1-800-333-9715

Life Insurance

Life Insurance

Life Insurance

Most of us plan to have some life insurance, yet it is something many of us postpone until we think we can afford it. But no one wants to leave family or loved ones behind without some financial security. Finding affordable life insurance is also vital to establishing a secure financial future. And to help provide this security, Deseret Mutual offers four different life insurance plans to meet your needs.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's life insurance plans as of on January 1, 2008.

If you enroll in Deseret Mutual's core benefits program within 30 days of becoming eligible, you are covered by Group Term Life and Occupational Accidental Death & Dismemberment insurance plans while you are actively employed:

- ***Group Term Life (GTL) insurance:*** Group Term Life insurance provides a burial benefit plus short-term financial assistance for your surviving dependents. This insurance also provides limited coverage for your eligible dependents.

- ***Occupational Accidental Death & Dismemberment (OAD&D) insurance:*** This plan provides valuable coverage if you die or become dismembered in an accident that occurs while you are on the job with a participating employer. This plan is only available to you as the employee.

Two additional, or supplemental, plans are also available:

- ***Supplemental Group Term Life (SGTL) insurance:*** Just as the name implies, SGTL insurance is supplemental to all other life insurance coverage you may have. You pay the entire cost for this coverage; your employer does not contribute. But you do have the advantage of low group rates. You can cover yourself, your spouse, your dependent children, or any combination of the three. The maximum coverage is determined by your income.

- ***24-Hour Accidental Death & Dismemberment (24-Hour AD&D) insurance:*** If you want accidental death and dismemberment insurance around the clock, then 24-Hour Accidental Death & Dismemberment insurance may be for you. This supplemental plan covers you whether you are on or off the job, anywhere in the world, 24 hours a day. Because this is supplemental coverage, you pay the entire monthly premium; your employer does not contribute. You can enroll yourself and/or your eligible dependents.

Life Insurance

Group Term Life Insurance

Enrollment

If you're a full-time employee and you enroll in Deseret Mutual's core benefits program within 30 days of becoming eligible, you and your eligible dependents are automatically enrolled in Group Term Life (GTL) insurance without having to meet health standards. Your coverage is effective on your eligibility date.

If you do not enroll within 30 days of becoming eligible but would like to enroll later, you must meet Deseret Mutual's health standards. After you apply, we'll send you a letter telling you whether you've been approved. Your coverage becomes effective the first day of the month following the date we approve your application.

Coverage

As an active employee, your Group Term Life insurance coverage is $50,000 (as long as you meet the eligibility requirements and enroll).

If you're 65 or older and actively employed, your coverage gradually reduces on the April 1 following your birthday according to this schedule:

Age	Coverage Reduces To
65 to 69	65 percent
70 to 74	45 percent
75 and older	35 percent

(100 percent equals the coverage you have before age 65.)

High-risk Employees: If you enroll more than 30 days after you are eligible and you do not meet health standards, Deseret Mutual can classify you as high risk. Your Group Term Life benefit is then limited to $25,000.

Dependent Coverage

If you're an eligible employee and you choose coverage for your spouse, a $2,000 death benefit is available when he or she dies. For each of your dependent children ages 15 days to 26 years, a $2,000 death benefit is available. And for an infant who is born alive but dies within 15 days, a $500 death benefit is available.

Group Term Life Insurance

Please keep in mind that coverage for your dependents is in effect while you are actively employed but ends when you retire or die.

Duplicate Coverage

You can have Group Term Life coverage from two policies if you are eligible for Group Term Life insurance as an employee and as the spouse of an employee (that is, both you and your spouse work for a participating employer and have dependent coverage on each other's policies). This means if you are covered as a participant and a spouse, you are eligible for up to $52,000 of Group Term Life insurance: $50,000 as a participant and $2,000 as a spouse.

If you and your spouse work for the *same* participating employer, the taxable value of the $2,000 is subject to federal income tax, based on tax regulations.

Your dependent children can also have duplicate Group Term Life coverage. This means each of your dependent children may be eligible for $4,000 of coverage: $2,000 from each policy. If you and your spouse work for the same participating employer, the taxable value of any coverage over $50,000 is subject to federal income tax.

Benefits

If one of your insured dependents dies, benefits are paid to you.

If you die, life insurance benefits are paid to the beneficiary you named when you enrolled in Deseret Mutual's core benefits program. Be aware that Deseret Mutual can only release information to your designated beneficiary.

If you die without naming a beneficiary or if your beneficiary dies before you do and you have not named an alternate beneficiary or you do not name a new beneficiary, benefits are paid to your estate. Then you have two options:

- The court recognizes the personal representative you named in your estate plan. Or a family member, using an attorney, may be appointed as the personal representative through the court system. This personal representative files the necessary paperwork with Deseret Mutual and we release your funds to the personal representative on behalf of your estate.
- Or someone needs to do an affidavit (a statement written and sworn to in the presence of someone authorized to administer an oath, such as a notary public) for collection of personal property through the court system, in which case the funds are released directly to the person designated in the affidavit and probate can be avoided.

You may change your beneficiary at any time on our Web site or in writing. We suggest you always provide an alternate beneficiary, and make sure your beneficiaries are current. A named beneficiary may die or you may divorce and remarry. So you need to review your beneficiaries on a regular basis.

You may also consider a trust, which is a legal document in which an individual gives fiduciary control of property to a person (trustee) or an institution for the benefit of the beneficiaries. If you choose a trust, Deseret Mutual will request a full copy of the trust for legal review.

If your beneficiary is a minor and a trustee has not been named to receive the minor's share, a guardian must be appointed through a court proceeding, and a certificate of appointment and qualification must be sent to Deseret Mutual. If a guardian is not appointed, Deseret Mutual will hold the funds at simple interest until the minor is of age and requests the payment.

Benefits After Retirement

If you qualify to keep this coverage after you retire, your coverage is limited to $12,000. To qualify, you must have been enrolled in Group Term Life insurance for at least 12 months immediately before your retirement. For information about the eligibility requirements, please see the *General Information* section of your Benefits Handbook. And remember, your spouse and dependent children cannot be covered after you retire.

Benefits Before Death

You may be eligible to receive a portion of your benefit if you are an active or disabled employee with a life expectancy of six months or less, as determined by Deseret Mutual.

This benefit provides the option of receiving up to 50 percent of your Group Term Life insurance benefit, up to $25,000 and may be used for whatever purpose you deem appropriate.

Exclusions

Group Term Life insurance benefits are not available for loss caused wholly or partly, directly or indirectly, by war or act of war, or service in the military forces of any country at war, declared or undeclared. War includes hostilities made by force or arms by one country against another country, or between countries or factions within a country, either with or without a formal declaration of war.

Group Term Life Insurance

This exclusion does not apply while you are pursuing an assignment given and authorized by your employer that requires you either to reside outside of your country of residence or to travel, except for routine commuting to and from work. Your dependents are also exempt from this provision if they travel or reside with you while you are pursuing such an assignment.

Filing Claims

To receive benefits, you or your beneficiary must:

Step 1: Inform your employer or Deseret Mutual.

Deseret Mutual sends you or your beneficiary a packet of information, including all benefits currently in force.

Step 2: Obtain an original certified copy of the death certificate.

Step 3: Complete the forms in the packet.

Step 4: Send the completed forms and the original and *final* certified copy of the death certificate to Deseret Mutual.

OAD&D Insurance

Enrollment

If you're a full-time employee and you enroll in Deseret Mutual's core benefits program within 30 days of becoming eligible, you are automatically enrolled in Occupational Accidental Death & Dismemberment (OAD&D) insurance. Your coverage is effective on your eligibility date.

If you do not enroll within 30 days of becoming eligible but would like to enroll later, you must qualify for Group Term Life and for Disability Plan insurance since these three plans are tied together. You must also meet Deseret Mutual's health standards. For more information, please call your Membership Team.

If you enroll after 30 days of becoming eligible, your Occupational Accidental Death & Dismemberment coverage becomes effective the first day of the month following the date we approve your application.

Please keep in mind that this plan is available to you as the employee only. Your spouse and dependent children are not eligible.

Coverage

The maximum benefit available for all losses caused by one accident while on the job is $100,000. This coverage is in addition to Workers' Compensation benefits and/or all other insurance benefits.

Benefits

If you suffer any of the losses listed below while performing the duties of your job, you are eligible for benefits:

Loss (or Loss of Use)	Amount Payable
Life	$100,000
Both hands, both feet, or sight of both eyes	$100,000
One hand and one foot	$100,000
One hand and sight of one eye	$100,000
One foot and sight of one eye	$100,000
Voice or hearing of both ears	$100,000
One hand or one foot	$ 50,000
Sight of one eye	$ 50,000

OAD&D Insurance

To be eligible for benefits, the loss must be the direct result of an accidental injury, be independent of all causes other than the work-related accident, and occur within 90 days of the original accident. And claims must be filed within 90 days of the accident, even if you're hopeful you will regain the use of the limb or eye.

Receiving Benefits

If you suffer a loss listed previously, except losing your life, you receive Occupational Accidental Death & Dismemberment benefits.

If you die, life insurance benefits are paid to the beneficiary who is on file when the accident occurs. Be aware that Deseret Mutual can only release information to your designated beneficiary.

If you die without naming a beneficiary or if your beneficiary dies before you do and you have not named an alternate beneficiary or you do not name a new beneficiary, benefits are paid to your estate. Then you have two options:

- The court recognizes the personal representative you named in your estate plan. Or a family member, using an attorney, may be appointed as the personal representative through the court system. This personal representative files the necessary paperwork with Deseret Mutual and we release your funds to the personal representative on behalf of your estate.
- Or someone needs to do an affidavit for collection of personal property through the court system, in which case the funds are released directly to the person designated in the affidavit and probate can be avoided.

You may change your beneficiary at any time on our Web site or in writing. We suggest you always provide an alternate beneficiary. Make sure your beneficiaries are current. A named beneficiary may die or you may divorce and remarry. So you need to review and keep current your beneficiaries on a regular basis.

You may also consider a trust, which is a legal document in which an individual gives fiduciary control of property to a person (trustee) or an institution for the benefit of the beneficiaries. If you choose a trust, Deseret Mutual will request a full copy of the trust for legal review.

If your beneficiary is a minor and a trustee has not been named to receive the minor's share, a guardian must be appointed through a court proceeding, and a certificate of appointment and qualification must be sent to Deseret Mutual. If a guardian is not appointed, Deseret Mutual will hold the funds at simple interest until the minor is of age and requests the payment.

Exclusions

Occupational Accidental Death & Dismemberment benefits are not available for loss caused wholly or partly, directly or indirectly, by:

- War or act of war, or service in the military forces of any country at war, declared or undeclared. War includes hostilities made by force or arms by one country against another country, or between countries or factions within a country, either with or without a formal declaration of war.

  This exclusion does not apply while you are pursuing an assignment given and authorized by your employer that requires you either to reside outside of your country of residence or to travel, except for routine commuting to and from work

- Sickness, including mental or bodily infirmity, disease, hernia of any kind, bacterial infection (other than that caused in connection with an eligible accidental injury), or medical and/or surgical treatment for any illness or disease

- If you commit suicide or self-inflicted injuries, while sane or insane

- Accidents that occur while traveling to and from work are *not* considered occupational accidents

- Accidents that occur while *not* performing your duties of employment

Filing Claims

If an accident causes your death, your beneficiary should:

Step 1: Inform your employer.

Step 2: Once your employer notifies us, Deseret Mutual sends your beneficiary a letter of instructions requesting the following documents, as applicable:

— Police reports
— Eyewitness reports
— Coroner reports

Step 3: Obtain an original certified copy of the death certificate.

Step 4: Return the completed documents, and the original and *final* certified copy of the death certificate to Deseret Mutual.

OAD&D Insurance

To receive benefits for a dismemberment, you must:

Step 1: Inform your employer.

Step 2: Deseret Mutual sends you a letter of instructions requesting the following documents, as applicable:

- Police reports
- Eyewitness reports
- Medical notes from your doctor outlining the loss of use and injury

Step 3: Send all documents to Deseret Mutual.

SGTL Insurance

Eligibility

You may apply for Supplemental Group Term Life (SGTL) insurance if you're an eligible employee enrolled in Deseret Mutual's Group Term Life insurance plan.

As the employee, you must be enrolled in basic Group Term Life insurance to be eligible for Supplemental Group Term Life insurance. You may also apply for your spouse and eligible dependents whether you're enrolled in SGTL or not. Your spouse and eligible children do not have to be enrolled in basic life insurance to be eligible for this supplemental coverage (see *Spousal Coverage* on page 12 and *Coverage for Dependent Children* on page 13).

Remember, because this is supplemental insurance, you pay the entire monthly premium; your employer does not contribute. But you have the advantage of low group rates.

Please keep in mind, you must meet the health standards of the plan to be eligible for coverage.

Enrollment

To enroll, complete the *Supplemental Group Term Life Insurance Application* on our Web site, including the health questionnaire. If you're a new employee, you can do this as part of Online Enrollment. Or you can also go to *Manage Your Enrollment Online* from our home page at ***www.dmba.com***.

If you apply for your eligible dependents within 30 days of eligibility, they do not need to meet health standards for the minimum coverage, or guaranteed amounts. These amounts are $1,000 or $3,000 for your children and $3,000 for your spouse (see *Spousal Coverage* on page 12 and *Coverage for Dependent Children* on page 13).

If you want to enroll your dependents for more coverage than the guaranteed amounts, they must each meet Deseret Mutual's health standards.

Coverage

You can purchase up to $1,000,000 of supplemental coverage, based on a formula using your salary factor multiplied by your salary multiple (see page 12). Your coverage begins on the first day of the month after Deseret Mutual approves your application.

SGTL Insurance

Salary Factor

If your annual income is ...	Then your salary factor is ...
Less than $10,000	$10,000
$10,000 but less than $20,000	$20,000
$20,000 but less than $30,000	$30,000
And so on	plus $10,000

Note: The maximum salary factor available is $200,000.

Salary Multiple

Select a salary multiple of 1, 2, 3, 4, 5, or 6 times your salary factor.

For example, if your salary factor is $20,000, you may choose $20,000, $40,000, $60,000, $80,000, $100,000, or $120,000 of SGTL insurance.

As an active employee, your coverage increases as your salary increases. And then once you turn 60, your coverage decreases on April 1 following your birthday as your need for supplemental insurance also decreases. This is shown in the following schedule:

Age	Coverage reduces to ...
60 to 64	75 percent
65 to 69	50 percent
70 to 74	35 percent
75 and older	25 percent

(100 percent equals the coverage you have before age 60.)

Please note, you cannot increase your SGTL insurance coverage while you are receiving Deseret Mutual's Disability Plan benefits.

Spousal Coverage

Your spouse is eligible for up to $200,000 of coverage. If your spouse enrolls in SGTL insurance within 30 days of his/her eligibility date, $3,000 of coverage is available without meeting health standards. But your spouse must meet Deseret Mutual's health standards for higher coverage ($20,000 to $200,000, in $20,000 increments) or for any coverage if he/she enrolls after 30 days from the eligibility date.

Your spouse's coverage reduces according to the same schedule as your coverage, based on his/her age (see page 12).

Duplicate Coverage

You may enroll for SGTL insurance as both an employee and spouse, as long as you meet the plan's health standards. You may also enroll your dependent children under the policies of two eligible parents.

Unlike Group Term Life insurance, income taxes do not apply to SGTL coverage.

Benefits After Retirement

If you are eligible when you retire, you have the choice of four amounts of coverage: $5,000, $10,000, $15,000, or $25,000. You can continue $5,000 of coverage after you retire. But you must meet health standards for $10,000, $15,000, or $25,000 of coverage, or for all coverage if you are not enrolled in SGTL insurance as an active employee. If you are 75 or older, the maximum coverage is $15,000.

For information about the eligibility requirements, please see the General Information section of your Benefits Handbook.

Apply for coverage before you retire. After you retire, you *cannot* enroll or increase your coverage.

Spousal Coverage After Retirement

If you qualify to continue coverage at the time you retire, your spouse has the choice of $5,000, $10,000, $15,000, or $25,000 of coverage. Your spouse must meet health standards for $10,000, $15,000, or $25,000 of coverage, or for all coverage if your spouse was not enrolled in SGTL insurance before you retired. If your spouse is 75 or older, the maximum coverage is $15,000.

Your spouse must apply for coverage before you retire. After you retire, your spouse cannot enroll or increase coverage.

Remember, Group Term Life insurance for your spouse and dependent children does not continue after you retire or die.

SGTL Insurance

Coverage for Surviving Spouses

If your spouse's SGTL insurance is in force at the time of your death, your spouse does not need to meet health standards to continue $5,000 of SGTL insurance coverage as a surviving spouse.

If your surviving spouse is not enrolled in SGTL insurance at the time of your death and you are enrolled in Group Term Life, a maximum $5,000 SGTL insurance benefit is available. To qualify for this coverage, your spouse must meet health standards and must enroll within 60 days of your death.

Coverage for Dependent Children

You may choose between three coverage options for your eligible dependent children:

	Option 1	Option 2	Option 3
Birth to 6 months	$ 1,000		
6 months to 26 years	$ 3,000	$ 5,000	$ 10,000

If you enroll your dependent children in SGTL insurance within 30 days of their eligibility dates, or within 60 days for a newly-acquired dependent, option 1 is available without having to meet health standards.

After children reach six months of age, they are eligible for options 1, 2, or 3. But they must meet the plan's health standards for options 2 an 3. Also, dependents must meet health standards for all options if you enroll your children more than 30 days after their eligibility dates or more than 60 days after acquiring a new dependent.

These levels of coverage may continue when you retire. If your dependent children are not enrolled when you retire, they can enroll at that time but, again, they must meet health standards.

Coverage for Surviving Children

Your eligible surviving children may maintain $5,000 of SGTL insurance coverage.

If your surviving children are not enrolled in SGTL at the time of your death, a maximum $5,000 benefit is available. To qualify for this coverage, your children must meet the plan's health standards and must enroll within 60 days of your death.

For more information about benefits for surviving dependents, please contact your employer or Deseret Mutual.

Premiums

For you and your spouse, monthly premiums for SGTL insurance are based on the amount of coverage and the age of the insured person on the previous April 1.

Unless you make changes in your coverage, your premiums remain the same until April 1 of each year. Then your premium and coverage automatically adjust to the appropriate levels based on your income and age. (If your salary increases, the adjustment happens at the next April 1; if your salary decreases, the adjustment does not happen until the second year.)

Monthly Premiums for Active Employees and Spouses:

To determine the monthly premium for you and your spouse, see the Supplemental Group Term Life Premiums table below. Find the amounts per thousand opposite your age, or your spouse's age, as of last April 1. Then multiply these amounts by the number of thousands of coverage for which you or your spouse are applying.

Supplemental Group Term Life Premium Rates as of January 2008

Age Last April 1	Amount per $1,000	Age Last April 1	Amount per $1,000	Age Last April 1	Amount per $1,000
Younger than 35	.042	44	.088	54	.206
35	.044	45	.096	55	.230
36	.046	46	.104	56	.256
37	.048	47	.114	57	.286
38	.050	48	.124	58	.316
39	.054	49	.136	59	.352
40	.060	50	.148	60 to 64	.496
41	.066	51	.160	65 to 69	.840
42	.072	52	.172	70 to 74	1.400
43	.080	53	.186	75 or older	2.040

Monthly Premiums for Dependent Children:

These premiums apply to children of active or retired employees. The monthly premium covers all of your eligible children, regardless of how many children you have. If you have a child who has less coverage than the others, you pay the higher amount.

- $0.42 for $3,000 of coverage
- $0.62 for $5,000 of coverage
- $1.12 for $10,000 of coverage

Monthly Premiums for Surviving Spouses:

Monthly premiums for surviving spouses are based on the age of the surviving spouse. See the Surviving Spouse Supplemental Group Term Life Premiums table below. Find the amounts opposite the surviving spouse's age as of last April 1.

Surviving Spouse Supplemental Group Term Life Premium Rates as of January 2008

Age Last April 1	Amount for $5,000	Age Last April 1	Amount for $5,000	Age Last April 1	Amount for $5,000
Younger than 35	.20	44	.38	54	.98
35	.22	45	.40	55	1.10
36	.22	46	.44	56	1.22
37	.24	47	.48	57	1.36
38	.24	48	.52	58	1.52
39	.26	49	.58	59	1.68
40	.28	50	.64	60 to 64	2.36
41	.30	51	.72	65 to 69	4.30
42	.32	52	.80	70 to 74	6.90
43	.34	53	.88	75 to 79	11.06
				80 to 84	17.70
				85 and older	31.86

Monthly Premiums for Surviving Children:

For $5,000 of coverage, a $0.62 monthly premium covers all eligible children, regardless of how many children you have.

Receiving Benefits

If one of your insured dependents dies, benefits are paid to you.

If you die, the SGTL insurance benefits are paid to the beneficiary you named when you applied for this coverage. Please be aware that Deseret Mutual can only release information to your designated beneficiary.

If you die without naming a beneficiary or if your beneficiary dies before you do and you have not named an alternate beneficiary or you do not name a new beneficiary, benefits are paid to your estate. Then you have two options:

- The court recognizes the personal representative you named in your estate plan. Or a family member, using an attorney, may be appointed as the personal representative through the court system. This personal representative files the necessary paperwork with Deseret Mutual and we release your funds to the personal representative on behalf of your estate.

- Or someone needs to do an affidavit for collection of personal property through the court system, in which case the funds are released directly to the person designated in the affidavit and probate can be avoided.

You may change your beneficiary at any time on our Web site or in writing. We suggest you always provide an alternate beneficiary. Make sure your beneficiaries are current. A named beneficiary may die or you may divorce and remarry. So make sure you update your beneficiaries on a regular basis.

If your beneficiary is a minor and no trustee has been named to receive the minor's share, a guardian must be appointed through a court proceeding and a certificate of appointment and qualification must be sent to Deseret Mutual. If a guardian is not appointed, Deseret Mutual will hold the funds at simple interest until the minor is of age and requests the payment.

Benefits Before Death

Unlike Group Term Life insurance, you cannot receive SGTL benefits before your death.

Exclusions

Supplemental Group Term Life insurance benefits are not available for loss caused wholly or partly, directly or indirectly, by:

- Suicide, while sane or insane, for coverage in force less than two years. Deseret Mutual pays life insurance benefits in the case of suicide for supplemental coverage that was in force for at least two years before the suicide.

- War or act of war, or service in the military forces of any country at war, declared or undeclared. War includes hostilities made by force or arms by one country against another country, or between countries or factions within a country, either with or without a formal declaration of war. However, this exclusion does not apply while you are pursuing an assignment given and authorized by your employer that requires you either to reside outside of your country of residence or to travel, except for routine commuting to and from work. Your dependents are also exempt from this provision if they travel or reside with you while you are pursuing such an assignment.

SGTL Insurance

Filing Claims

To receive benefits, you or your beneficiary must:

Step 1: Inform your employer or Deseret Mutual.

Deseret Mutual sends you or your beneficiary a packet of applicable forms.

Step 2: Obtain an original certified copy of the death certificate.

Step 3: Complete the forms in the packet.

Step 4: Send the completed forms and the original and *final* certified copy of the death certificate to Deseret Mutual.

24-Hour AD&D Insurance

Applying for Coverage

If you're an eligible employee, you may apply for 24-Hour Accidental Death & Dismemberment (24-Hour AD&D) insurance. And this insurance is available even if you do not enroll in the core benefits. Also, coverage is available for your eligible dependents.

Remember, because this is supplemental coverage, you pay the entire monthly premium; your employer does not contribute.

Enrollment

To enroll, complete the *24-Hour Accidental Death & Dismemberment Insurance Application* available on our Web site. You may also enroll your spouse and dependent children.

Coverage

Your coverage begins the first of the month after Deseret Mutual approves your application.

You may choose coverage up to $400,000 (see the 24-Hour AD&D premium table on page 21). Your benefit is determined by the loss you suffer and the amount of coverage you have chosen.

If you choose one of the family plans, your dependents' coverage is based on a percentage of your coverage:

Family Plan without Children

Spouse . . . . 50 percent

Family Plan with Children

Spouse . . . . 40 percent

Each eligible child . . . . 5 percent

Family Plan without Spouse

Each eligible child . . . . 15 percent

Dependent children who are younger than 15 days are not eligible for coverage (see "Dependent" in the Definitions section of your Benefits Handbook).

24-Hour AD&D Insurance

Premiums

Your monthly premiums are determined by the coverage option and the coverage level you choose. See the monthly premiums in the 24-Hour AD&D premium table on page 21.

Eligibility for Benefits

To be eligible for benefits, the loss must be the direct result of an accidental injury, be independent of all causes other than the accident, and occur within 90 days of the date of the original accident. And claims must be filed within 90 days of the accident even if you are hopeful that you will regain the use of the limb or eye.

If you suffer any of the losses listed here, you are eligible for benefits:

Loss (or loss of use)	Amount payable
Life	Full benefit
Both hands, both feet, or sight of both eyes	Full benefit
One hand and one foot	Full benefit
One hand and sight of one eye	Full benefit
One foot and sight of one eye	Full benefit
Voice or hearing of both ears	Full benefit
One hand or one foot	One-half benefit
Sight of one eye	One-half benefit

No more than the full benefit is paid for all losses caused by one accident.

24-Hour Accidental Death & Dismemberment Premiums as of April 1, 2006

Single Employee Plan

Participant Coverage	Monthly Cost
$ 20,000	$ .60
30,000	.90
40,000	1.20
60,000	1.80
80,000	2.40
100,000	3.00
120,000	3.60
140,000	4.20
160,000	4.80
180,000	5.40
200,000	6.00
300,000	9.00
400,000	12.00

Family Plan with Children

Participant Coverage	Spouse Coverage	Coverage for Each Child	Monthly Cost
$ 20,000	$ 8,000	$ 1,000	$ .84
30,000	12,000	1,500	1.26
40,000	16,000	2,000	1.68
60,000	24,000	3,000	2.52
80,000	32,000	4,000	3.36
100,000	40,000	5,000	4.20
120,000	48,000	6,000	5.04
140,000	56,000	7,000	5.88
160,000	64,000	8,000	6.72
180,000	72,000	9,000	7.56
200,000	80,000	10,000	8.40
300,000	120,000	15,000	12.60
400,000	160,000	20,000	16.80

Family Plan without Children

Participant Coverage	Spouse Coverage	Monthly Cost
$ 20,000	$ 10,000	$ .84
30,000	15,000	1.26
40,000	20,000	1.68
60,000	30,000	2.52
80,000	40,000	3.36
100,000	50,000	4.20
120,000	60,000	5.04
140,000	70,000	5.88
160,000	80,000	6.72
180,000	90,000	7.56
200,000	100,000	8.40
300,000	150,000	12.60
400,000	200,000	16.80

Family Plan without Spouse

Participant Coverage	Coverage for Each Child	Monthly Cost
$ 20,000	$ 3,000	$ .80
30,000	4,500	1.20
40,000	6,000	1.60
60,000	9,000	2.40
80,000	12,000	3.20
100,000	15,000	4.00
120,000	18,000	4.80
140,000	21,000	5.60
160,000	24,000	6.40
180,000	27,000	7.20
200,000	30,000	8.00
300,000	45,000	12.00
400,000	60,000	16.00

24-Hour AD&D Insurance

Receiving Benefits

If you suffer a loss listed previously, except losing your life, benefits are paid to you.

If one of your insured dependents dies or suffers any of the losses listed previously, benefits are paid to you.

If you die, benefits are paid to the beneficiary who is on file when the accident occurs. Be aware that Deseret Mutual can only release information to your designated beneficiary.

If you die without naming a beneficiary or if your beneficiary dies before you do and you have not named an alternate beneficiary or you do not name a new beneficiary, benefits are paid to your estate. Then you have two options:

- The court recognizes the personal representative you named in your estate plan. Or a family member, using an attorney, may be appointed as the personal representative through the court system. This personal representative files the necessary paperwork with Deseret Mutual and we release your funds to the personal representative on behalf of your estate.

- Or someone needs to do an affidavit for collection of personal property through the court system, in which case the funds are released directly to the person designated in the affidavit and probate can be avoided.

You may change your beneficiary at any time on our Web site or in writing. We suggest you always provide an alternate beneficiary. Make sure your beneficiaries are current. A named beneficiary may die or you may divorce and remarry. So make sure you update your beneficiaries on a regular basis.

If your beneficiary is a minor and no trustee has been named to receive the minor's share, a guardian must be appointed through a court proceeding and a certificate of appointment and qualification must be sent to Deseret Mutual. If a guardian is not appointed, Deseret Mutual will hold the funds at simple interest until the minor is of age and requests the payment.

Exclusions

24-Hour Accidental Death & Dismemberment benefits are not available for loss caused wholly or partly, directly or indirectly, by:

- War or act of war, or service in the military forces of any country at war, declared or undeclared. War includes hostilities made by force or arms by one country against another country, or between countries or factions within a country, either with or without a formal declaration of war. This exclusion does not apply while you are pursuing an assignment given and authorized by your employer that requires you either to reside outside your country of residence or to travel, except for routine commuting to and from work.

- Sickness, including mental or bodily infirmity, sickness, disease, hernia of any kind, bacterial infection (other than caused in connection with an eligible accidental injury), or medical and/or surgical treatment for any illness or disease.
- Suicide or self-inflicted injuries, while sane or insane
- Committing or attempting to commit an assault or felony
- Travel or flight on any aircraft where the enrolled employee or dependent is a pilot or another member of the crew, has any duties relating to the aircraft or flight, or is flying in the course of any aviation training or instruction

Filing Claims

If an accident causes your death, your beneficiary should:

Step 1: Inform your employer.

Step 2: Once your employer notifies us, Deseret Mutual sends your beneficiary a letter of instructions requesting the following documents, as applicable:

— Police reports
— Eyewitness reports
— Coroner reports

Step 3: Obtain an original certified copy of the death certificate.

Step 4: Return the documents and the original and *final* certified copy of the death certificate to Deseret Mutual.

To receive benefits for a dismemberment, you must:

Step 1: Inform your employer.

24-Hour AD&D Insurance

Step 2: Deseret Mutual sends you a letter of instructions requesting the following documents, as applicable:

— Police reports

— Eyewitness reports

— Medical notes from your doctor outlining the loss of use and injury

Step 3: Send all documents to Deseret Mutual.

Notification of Discretionary Authority

Deseret Mutual has full discretionary authority to interpret the plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

Notification of Benefit Changes

Deseret Mutual is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and reserves the right to amend or terminate this plan at any time. If the benefit changes, we will notify you at least 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's life insurance plans. It is not the plans' legal document. If you would like a copy of the legal document, please contact your employer or Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600

Toll free. 1-800-777-3622

Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655

Toll free 1-800-333-9715

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Disability Insurance

Disability Insurance

If you become disabled, either temporarily or permanently, Deseret Mutual's Disability Plan provides valuable income protection for when you need it most. Of course, no one wants to think about the possibility of becoming disabled. But just knowing the benefit is available allows you to concentrate on what is most important — your health and financial security.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Disability Plan as of January 1, 2008.

Enrollment

If you are a full-time employee and you enroll in Deseret Mutual's core benefits program within 30 days of becoming eligible, you are enrolled in the Disability Plan without needing to meet health standards. Your coverage is effective on the date you enroll.

If you do not enroll within 30 days of becoming eligible and later want to enroll, you must meet the health standards determined by Deseret Mutual. Your coverage becomes effective the first day of the month after Deseret Mutual gives approval.

If you apply more than 30 days from when you are eligible and you do not meet Deseret Mutual's health standards, you'll not be eligible for Disability Plan coverage.

Coverage

The Disability Plan covers eligible employees only. It does not cover your spouse or dependent children.

Benefit

The Disability Plan benefit is equal to two-thirds of your predisability income. Exceptions are explained under *Benefit Reductions* on page 6 and under *Return-to-work Incentives* on page 7.

Eligibility

To be eligible for a Disability Plan benefit, you must be unable to perform at least 70 percent of regular job duties because of illness or injury as documented by objective medical evidence.

Disability Plan benefit payments begin after a waiting period, which is 45 consecutive calendar days after leaving employment as a result of a disability. During this waiting period, Disability Plan benefit payments are not available.

In special circumstances of permanent disability, you may work part time while you satisfy the 45-day waiting period requirement. However, both your employer and Deseret Mutual must approve this special arrangement in advance.

Disability Insurance

Applying for Benefits

If you know or expect you cannot work for 45 days or more, request a Disability Plan Application from your employer and submit it to Deseret Mutual.

Step 1: Get the Disability Plan Application from your employer or from Deseret Mutual.

Step 2: Complete the employee statement.

Step 3: Give the physician's part of the application to your physician. Ask your physician to be thorough in answering all questions in this section. Incomplete answers can cause delays in evaluating your application and in receiving your benefit payments.

Ask the physician to return this part of the application to Deseret Mutual.

Step 4: Return your statement to Deseret Mutual or your employer

Your employer will forward the completed application, both the employee, if applicable, and the employer sections, to Deseret Mutual.

Deseret Mutual then evaluates your eligibility to receive a Disability Plan benefit.

To meet your request for your Disability Plan benefit payment in a timely manner, please complete and submit your application within 30 days from your last day at work. Keep in mind that if we need more information, we may contact you.

Benefits are paid on the first day of each month following the 45-day waiting period. Weekly payments are made for past due benefits.

You will not be eligible for a benefit if we receive your application one year or more from your last day worked.

Seek and Follow Medical Recommendations

You must seek and follow reasonable medical treatment and/or procedures recommended by your physician. If you do not follow these recommendations to get relief from your disabling condition, the benefit will be denied or discontinued.

Please note: You are responsible for paying medical costs to document you are or continue to be eligible for a Disability Plan benefit. Some of these costs may be paid by your medical insurance. In addition, Deseret Mutual has the right to require independent medical exams during your disability to determine eligibility. In this case, Deseret Mutual pays for the exams.

End of Coverage

Coverage automatically ends on the earliest of these dates:

- The day your employment ends, either voluntarily or involuntarily, such as retirement or termination
- The day you die
- The day you enter active duty in the armed forces of any country
- The termination date of the plan

Definition of "Disability"

First Six Months of Benefit Payments

During the first six months of disability, your benefit eligibility is determined by your inability to work in **your own** occupation. To qualify for disability benefit payments, you must have a disabling injury or illness that prevents you from performing at least 70 percent of the duties of your regular occupation.

Seven Months or Longer of Benefit Payments

After the first six months, your benefit eligibility is determined by your ability to work in **any** occupation. This means to qualify for disability benefit payments, your disability must prevent you from holding a *comparable job* (such as any job in the national economy in which you have the ability to earn 70 percent of your regular monthly income that was in effect on the last day you worked before you became disabled, or your *predisability income*).

Mental Illness Benefit

To receive a benefit for disability because of a mental illness, you must have a diagnosed, manifest psychiatric disorder, as defined in the *Diagnostic and Statistical Manual of Mental Disorders (DSM IV)*. A health-care professional who is licensed to treat mental illness must submit a psychiatric evaluation and a written treatment plan to Deseret Mutual.

To determine continued eligibility, your mental health-care professional must submit written treatment documentation every three months to Deseret Mutual, which includes a report of your progress and compliance with your treatment plan. You are responsible for paying expenses for the treatment plan and periodic reports.

Disability Insurance

Benefit payments may continue for up to 24 months from the end of your 45-day waiting period, unless you are committed to an institution licensed for the continuous care and treatment of people with mental illnesses. During a personalized treatment plan administered by an institution, Deseret Mutual considers each case on an individual basis to determine continued eligibility.

Chronic Pain and Fatigue-related Illness Benefit

If you have chronic pain or a fatigue-related illness, you may be eligible for a Disability Plan benefit as long as you are actively trying to find a diagnosis and your symptoms include all of the following:

- Are primarily pain and/or fatigue
- Significantly interfere with your ability to work
- Are medically documented
- Do not have an identified, correlating cause

If you are diagnosed with either chronic fatigue syndrome or fibromyalgia, you may be eligible for benefit payments for up to 12 months, including any time you received benefit payments before your diagnosis.

If you have a disabling diagnosis in addition to chronic pain or a fatigue-related illness, you may be eligible for additional Disability Plan benefit payments beyond the 12-month limit. You must qualify based on plan guidelines.

Concurrent Disabling Conditions

You can only be eligible for one Disability Plan benefit at one time. If you have more than one disabling condition, your benefit payments and the time of the Disability Plan benefit run concurrently.

For example, if you receive benefit payments for chronic fatigue and several months later the chronic fatigue is determined to be the result of a mental illness, then the maximum benefit you can receive is up to 24 months. You cannot receive a one-year benefit for chronic fatigue and then a two-year benefit for mental illness.

Tax Information

The part of your benefit provided by the employer-paid premium is always taxable.

If you pay your part of the premium with before-tax dollars, your entire benefit is taxable. In other words, if you are enrolled in the Premium Only Plan, your part of the premium is paid with before-tax dollars and so your benefit payments are 100 percent taxable.

If you are not enrolled in the Premium Only Plan, you pay your part of the premium with after-tax dollars and so the part of the benefit you paid for is not taxable (see the Flexible Benefits section in your Benefits Handbook for more information).

Insurance Premiums

While you're receiving Disability Plan benefit payments, your core benefits (Medical, Dental, Group Term Life, and Disability) continue. Your employer pays your entire monthly premium.

If you are eligible for Deseret Secure and you select Deseret Secure Plus, you'll be responsible for paying the difference between the two plan premiums.

Your premiums for supplemental benefits (Supplemental Group Term Life and 24-Hour Accidental Death & Dismemberment) are waived and your coverage continues at the same level as when you were working.

You continue to pay for any value-added benefits, such as long-term care, auto and home owners insurance (see the General Information section of your Benefits Handbook).

Thrift Plan

If you are receiving Disability Plan benefit payments and not a salary, sick pay, or paid leave, you cannot contribute to the Thrift Plan (see the Thrift Plan section of your Benefits Handbook). If you are earning some salary, sick pay, or paid leave while receiving Disability Plan payments, then you can continue to make Thrift Plan contributions on those earnings.

In any event, your prior Thrift Plan account continues to be active.

Flexible Spending

If you are receiving Disability Plan benefit payments but no salary, sick pay, or paid leave, you cannot contribute to the Flexible Spending Account (FSA) program (see the Flexible Benefits section of your Benefits Handbook). However you can make on-going contributions to your

FSA account on any salary, sick pay, or paid leave you may earn from a participating employer while receiving your Disability Plan payments.

Your FSA coverage stops at the end of the month in which you stop making contributions to your FSA account. However, you can continue to submit expenses that were incurred prior to that time. The deadline for submitting expenses for the calendar year is April 30 of the following calendar year.

Benefit Reductions

Your benefit payments are reduced, or offset dollar-for-dollar, by the amount of compensation you receive, or could receive, from these sources:

- Social Security old age and disability insurance benefits for you, your spouse, and/or children
- Workers' compensation benefit
- Money you recover from a third party or the insurer of a third party who caused your disabling injury or illness
- Lost-wages benefit provided by uninsured and underinsured or no-fault auto insurance programs
- Any other federal or state required disability or medical retirement benefit provided by your employer

If you are eligible for benefits from any of these sources, you must maintain eligibility in these programs and apply for the compensation they offer. If you do not, Deseret Mutual estimates the offset and deducts it from your Disability Plan benefit payments.

The minimum monthly benefit payment you can receive from Deseret Mutual is $100.

Rehabilitation

To be eligible for a Disability Plan benefit, you are not able to earn 70 percent or more of your predisability income but you may be able to perform some work. If so, you must participate in a rehabilitation program, which means participating in an approved program that may result in employment.

Your rehabilitation program could include physical, occupational, and speech therapy, workplace modification, job placement, or part-time employment. It may take place in colleges, trade or technical schools, rehabilitation centers, or for another employer. We'll provide information about resources that are available, as well as provide other help that's needed on a case-by-case basis. However, it is your responsibility to create a program and to obtain approval for that program from Deseret Mutual.

Please remember that you're responsible for all costs associated with the rehabilitation. If you choose *not* to participate in an approved rehabilitation program, *you'll forfeit your Disability Plan benefit*.

You may receive Disability Plan benefit payments for a maximum of 24 months from the date you first had the ability to become involved in a rehabilitation program if:

- You participate in an approved training program and
- You continue to meet disability eligibility requirements. (Once you have the ability to earn at least 70 percent of your predisability income, you'll no longer be eligible for a Disability Plan benefit.)

Return-to-work Incentives

For the first twelve months of Disability Plan payment status, you may retain all of your Disability Plan benefit as long as the amount you earn from part-time employment plus the Disability Plan benefit payment do not exceed your predisability income. If this amount exceeds your predisability income, your benefit payment will be reduced, dollar-for-dollar.

However, after 12 months of part-time employment, your Disability Plan benefit will be recalculated. For example, if your predisability monthly earnings were $3,000 and in the second twelve months you are able to earn $2,000 a month, then your new lost earnings are $1,000 and your benefit payment would be two-thirds of the $1,000.

End of Benefit Payments

Benefit payments end on the earliest of these dates:

- The day you die
- The day you are no longer eligible for the benefit
- The day you request benefit payments to end
- The day your employment terminates
- The day you retire

Disability Insurance

If you are receiving a Disability Plan benefit, payments may continue up to the maximum time specified below or until you recover, whichever is sooner:

Age when disabled	Eligible benefit continues . . .
61 or younger	To 65
62	3½ years
63	3 years
64	2½ years
65	2 years
66	1¾ years
67	1½ years
68	1¼ years
69 and older	1 year

If you are receiving a limited benefit, payments may end sooner.

Later Periods of Disability

If you return to work with a participating employer after receiving a Disability Plan benefit and then have another period of disability for the same cause within six months of your claim closure, the second period is considered a continuation of the preceding period of disability. Therefore, with proper documentation, your benefit payments resume without having to satisfy another 45-day waiting period.

If you return to work and you have another disability for the same condition that occurs more than six months after your claim closure, you must apply for disability benefit payments again, as well as meet the 45-day waiting period.

Master Retirement Plan Benefit

You receive Master Retirement Plan benefit credit as long as you continue to receive a Disability Plan benefit (for more information, see the Master Retirement Plan section in your Benefits Handbook).

Generally, the income you made before you were disabled is used to calculate your final average salary.

Exclusions

You cannot receive more than one Disability Plan benefit from Deseret Mutual at one time, regardless of the number of disabling conditions you have. Also, disabilities that result from these causes are not eligible for a benefit:

- War or act of war or service in the military forces of any country at war, declared or undeclared. War includes hostilities conducted by force or arms by one country against another country or between countries or factions within a country, either with or without a formal declaration of war, except when the employee is actively pursuing a specific assignment given and authorized by your employer
- Injury or illness contracted while in the military
- Injury or illness resulting from participation in or attempt at committing an assault or felony
- Injury or illness that is a direct result of an ongoing problem with alcoholism or drug abuse, or that occurred while intoxicated or under the influence of nonprescription drugs, except for secondary illness or illnesses resulting from alcoholism or drug abuse
- A pre-existing condition, which is an illness or injury that is treated, diagnosed, or shows notable signs or symptoms within 90 days before you enroll in the plan. Disabilities caused by pre-existing conditions are excluded for one year after you enroll in the plan. However, if you remain treatment-free for 90 days after enrolling, this exclusion is waived
- Attempted suicide or self-inflicted injuries, while sane or insane

Appeal Process

If you are not satisfied with a decision about your Disability Plan benefit, you may appeal. Deseret Mutual must receive your appeal within 15 months of when Deseret Mutual sent you the notification of the benefit decision. To appeal, submit a written statement detailing the complaint to:

Deseret Mutual
Appeals Coordinator
Disability Claims
P.O. Box 45530
Salt Lake City, UT 84145

Deseret Mutual will respond to you within 45 days.

Disability Insurance

Notification of Discretionary Authority

Deseret Mutual has full discretionary authority to interpret the plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

Notification of Benefit Changes

Deseret Mutual is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and reserves the right to amend or terminate this plan at any time. If the benefit changes, we'll notify you at least 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Disability Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact your employer or Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600

Toll free. 1-800-777-3622

Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655

Toll free 1-800-333-9715

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Flexible Benefits

Flexible Spending Account (FSA) Program

Premium Only Plan (POP)

Flexible Benefits

Flexible Benefits General Information

Flexible Spending

The Flexible Spending Account program allows you to pay, with tax-free income, some expenses not covered by your employee benefit program. You have your tax-free money withheld from your paycheck and deposited into your account and then you're reimbursed for medical/dental expenses and/or qualified dependent-care expenses with your tax-free money.

For most people, using Flexible Spending reduces federal and state income taxes and FICA (Social Security and Medicare) taxes (see *Advantages of Using FSA* on page 2). Deseret Mutual administers the FSA program according to Section 125 of the Internal Revenue Code.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Flexible Spending Account program as of January 1, 2008.

Enrollment Eligibility

You are eligible to enroll in Flexible Spending if you're a full-time employee and you meet the eligibility requirements of your employer.

How Flexible Spending Works

Your Flexible Spending Account is like a personal account that is held for specific purposes. But this account is unique in the following ways:

- You decide during open enrollment how much your total withholding will be for the year.
- The money you deposit into your account is deducted from your paycheck before it is taxed, giving you the benefit of some immediate tax relief.
- You use your tax-free money to pay for eligible medical/dental expenses not covered by insurance, as well as eligible day-care expenses.

In FSA, you can have two accounts. In one account, you can be reimbursed with your tax-free money for eligible medical/dental expenses such as copayments, coinsurance, deductibles, glasses, and contact lenses. Also, FSA covers over-the-counter drugs (see *Eligible Expenses* on page 3).

In another account, you can be reimbursed with your tax-free money for a qualifying dependent's eligible day-care expenses while you are at work (see *Eligible Expenses* on page 3). To qualify to use this account, both parents must be gainfully employed (unless you are a single parent). If your spouse is a full-time student, looking for work, or disabled, you may also qualify. For more information, call the Membership Team.

Flexible Spending

In summary, before each plan year, you anticipate the eligible expenses that are not covered by insurance. You then enroll in the program and allocate money, through tax-free payroll deductions, to your FSA. When you have eligible expenses, you submit your claims and get reimbursed (or paid) by the FSA program with *your* tax-free income.

Please note, the medical/dental and dependent-care portions of FSA are two separate accounts. For example, you cannot use money from your dependent-care account for medical/dental expenses, even if the medical expenses are for a dependent. The two accounts must remain separate. For clarity, you may want to think of the dependent-care account as a day-care account.

Advantages of Using Flexible Spending

On the money you allocate to FSA, you may save:

- FICA withholding tax
- Federal income tax
- State income tax in states where applicable

  Note: Some states do not have state income taxes. And New Jersey has state income taxes but does not recognize FSAs.

The example on page 3 shows the tax advantage of enrolling in FSA. It compares an employee enrolled in FSA with one who is not enrolled. Each employee is assumed to be living in Utah, married, earning $40,000 annually, and depositing $1,800 into FSA (spending $1,800 on eligible expenses).

In this example, the FSA participant has $504 more after-tax take-home pay per calendar year than the employee not enrolled in an FSA program. Of course, this varies depending on your FSA election (the amount you allocate to be withheld from your paycheck).

You can estimate your personal savings by going to our Web site and selecting Financial Planning Tools and then Paycheck Calculator (see *Planning Your FSA Election* on page 5). If you have questions about your individual savings, contact your human resources department or your payroll office.

Employee Enrolled in Flexible Spending		Employee **Not** Enrolled in Flexible Spending	
Gross pay	$ 40,000.00	Gross pay	$ 40,000.00
FSA election	–1,800.00	Federal income taxes	–5,163.00
Taxable pay	$ 38,200.00		$ 34,837.00
Federal income taxes	–4,893.00	FICA taxes	–3,060.00
	$ 33,307.00		$ 31,777.00
FICA taxes	–2,922.30	State income taxes (UT)	–2,140.00
	$ 30,384.70	After-tax pay	$ 29,637.00
State income taxes (UT)	–2,043.70	FSA-eligible expenses	–1,800.00
Take-home pay	$ 28,341.00	Take-home pay	$ 27,837.00

Eligible Expenses

Medical / Dental Expenses

Generally, services or items that the Internal Revenue Service (IRS) allows as itemized medical/dental deductions are eligible for reimbursement from FSA (for more information, visit www.irs.gov and see publication 502).

Examples of eligible services include:

- Coinsurance, copayments, and deductibles for medical/dental coverage
- Medical/dental expenses that exceed maximum allowable limits
- Dental expenses that exceed the annual maximum benefit
- Prescription drug expenses
- Vision services, including prescription glasses, contact lenses, contact lens supplies, and corrective surgery
- Hearing services, including hearing aids and implants
- Medical expenses for custodial care
- Medical-related travel expenses, including mileage for distances you travel
- Weight loss program fees if for a specific, diagnosed illness
- Over-the-counter medications

Examples of excluded services include:

- Cosmetic dentistry such as teeth whitening
- Cosmetic procedures such as liposuction
- Foods and drugs associated with weight loss programs
- Health club dues
- Vitamins and dietary supplements
- Smoking cessation programs

Caution: According to the U.S. Food and Drug Administration and IRS regulations, medications and drugs imported by or for individual consumers from other countries, such as Canada, violate the Federal Food, Drug, and Cosmetic Act and thus federal law. If a medication or drug is obtained in violation of federal law, you cannot be reimbursed through FSA.

Dependent Care Expenses

The dependent-care (day-care) account covers expenses if you claim the person being cared for as a dependent on your income tax return and the person is either:

- Younger than 13
- Physically or mentally incapable of self-care and regularly spends at least eight hours a day in your household (regularly does not mean daily, but frequently, on a regular basis)

  Persons providing the dependent care cannot be:

- Claimed as a dependent on your income tax return
- Claimed as a dependent on your spouse's income tax return
- Your child or stepchild younger than 19
- Your spouse

Examples of excluded services include baby-sitting services, unless such services allow both you and your spouse to be gainfully employed, if you are married. (For more information, visit www.irs.gov and see publication 503.)

Limits on Flexible Spending Allocations

For your medical/dental account, the maximum election is $5,000 per calendar year.

For your dependent-care account, these maximums apply:

- Married couple filing separate tax returns: $2,500 each
- Others: $5,000

Elections for the dependent-care account cannot be more than your earned income or your spouse's earned income, whichever is less.

Availability of Funds

With medical/dental expenses, you are eligible to be reimbursed for all of your election as soon as you have incurred the expenses, regardless of how much is currently in your account. For example, if your annual election is $1,200, and if in January you have $600 in dental expenses, you are still reimbursed after the $600 dental work is done and you submit your claim.

In other words, medical/dental account funds are available before they have been withheld from your paycheck. However, medical/dental expenses must be incurred before you can be reimbursed.

In contrast, you can only be reimbursed from your existing funds for day-care expense claims. For example, if your claim exceeds your existing funds in the account, you cannot be reimbursed for the claim until more funds are withheld from your paycheck and deposited into your dependent-care account. Then when the funds are in your account, Deseret Mutual automatically reimburses you for the claim(s) you have already submitted.

Planning Your FSA Election

Calculate your total annual election amounts carefully and conservatively because you forfeit (lose) all money in your FSA that is not used for services received within the plan year. Planning wisely helps ensure you can use your entire election for the plan year.

Please remember that money deposited into your account for medical/dental expenses always remains separate from money allocated for day-care expenses. Because of tax regulations, you cannot transfer money or claims between the two accounts.

If you have been enrolled in Deseret Mutual's FSA program, use the information on our Web site as a resource for your personal FSA history and activity to plan your election. To access your personal information, you need your Deseret Mutual identification numbers.

- To see a summary of your year-to-date approved FSA expenses, select Flex Spending and then Review FSA Claims History. This history includes your claims history from your Deseret Mutual plan and may help you determine what expenses are likely to be approved going forward.

Flexible Spending

- To see your current and past FSA annual elections and claims, select Flex Spending / Submit FSA Claims, and then *review your FSA elections and eligible expense history*. You can also review your Deseret Mutual copayments, coinsurance, and deductibles that you could have been reimbursed through your FSA.

  Next, on our Web site under Flex Spending / Contribution Worksheet, is the *Flexible Spending Worksheet*. This worksheet includes important facts and helps you estimate the following:

- Medical and dental expenses for the coming plan year that are eligible for reimbursement. You can use your online FSA Claims History and your financial records from previous years to estimate amounts for your worksheet. And remember to plan for preventive care such as dental checkups and routine eye exams.

- Qualified day care expenses for the next plan year. The worksheet helps you determine whether FSA or the dependent-care credit on your federal income tax return saves you the most money. If you have questions, check with a tax consultant before making your decision.

Please note, all expenses are subject to review by Deseret Mutual. As the plan administrator, Deseret Mutual takes reasonable measures to ensure FSA claims meet IRS guidelines.

How to Participate

Step 1: Enroll

Eligible employees can enroll in FSA during open enrollment for the following year. If you are a newly hired employee, you can enroll within 30 days of your eligibility date.

During open enrollment, enroll in one of two ways:

- Visit our Web site and enroll online
- Call Deseret Mutual and select open enrollment from the phone menu

Remember to use the individual *Flexible Spending Worksheet* to carefully and conservatively estimate these amounts, especially for your first year of participation (see *Planning Your FSA Election* on page 5).

After you enroll in the FSA program and the plan year begins, you cannot stop or change the amount elected for that year, unless you have a qualified change in family status (see *Making Mid-year Changes* on page 10).

Step 2: Manage your FSA

At the beginning of the plan year, the tax-free money begins to accrue in your FSA. By the end of the calendar year, your total election has been withheld from your paychecks and deposited into your account.

It is your responsibility to make sure your election is being withheld from your paycheck. If you notice that money is not being withheld for FSA, contact your human resources department or your payroll office immediately.

Step 3: File Claims

When you have bills for eligible medical/dental and/or day-care expenses, submit your claim(s) to Deseret Mutual.

Deseret Mutual processes your claim and sends you a check with an explanation of what has been reimbursed. The check represents a withdrawal from your FSA. If your FSA claim is denied, we send you a written explanation of the denial.

Submit all claims to Deseret Mutual no later than April 30 of the following year for services received the previous plan year. All claims received after April 30 are not eligible.

Please note: Because you are paying for eligible expenses with tax-free money, do not claim expenses as itemized deductions on your individual tax return that are reimbursed through your FSA.

Online Claims

You can conveniently submit all copayments, deductibles, and coinsurance balances from Deseret Mutual's medical plans, and all Medco pharmacy claims, on our Web site. Claim information from these sources is on record with Deseret Mutual.

To submit claims on our Web site, select Flex Spending, then Submit FSA Claims, and follow the instructions.

Be aware that claim expenses that are not eligible for coverage from Deseret Mutual, such as eyewear or over-the-counter medications do not appear here. Also, information from health maintenance organizations (HMOs) or medical plans other than Deseret Choice, Deseret Premier, Deseret Select, and Deseret Value is not submitted to Deseret Mutual and, therefore, does not appear here.

Paper Claims

Submit a signed *Flexible Spending Account Claim Form* to Deseret Mutual for all other expenses including medical expenses processed by HMOs (where your claim payments are made by someone other than Deseret Mutual), dependent or day-care expenses, and other expenses not covered by insurance.

Also, you must submit a paper claim for all charges that exceed the annual maximum benefit and for expenses that are not eligible for coverage from Deseret Mutual.

In addition to the signed claim form, which is available in the Forms Library on our Web site, include your Explanation of Benefits (EOB) and other appropriate documentation such as itemized bills (see *Medical / Dental Claim Documentation* below).

Do not submit a cancelled check as proof of payment unless it is accompanied by other required documentation. And please do not send bank or credit card statements.

Medical / Dental Claims Documentation

According to IRS rules, you must properly document your medical/dental expenses to receive reimbursement. Provide a completed *Flexible Spending Account Claim Form* with appropriate documents (the form is on our Web site).

The required documents include:

- The EOB provided to you from Deseret Mutual, or other insurance payer, showing expenses for which you are responsible.

  EOBs show your medical/dental insurance has considered the expense and it tells what part of the bill is your responsibility. It also provides the patient's name, service date, and charges.
- An itemized bill (including name, service date, procedure, etc.) from a medical/dental provider for expenses not covered by insurance.
- Dated, detailed receipts including the name of the item(s) such as contact lens supplies and over-the-counter medications.
- Payment receipts or cancelled checks for orthodontic services.

Because orthodontic treatment is ongoing and can take longer than a calender year, orthodontia documentation is different from other medical/dental documentation. You must provide actual payment dates as shown on receipts or cancelled checks.

For prescription drug claims, you may submit a dated receipt from your pharmacy. Do not submit bank or credit card statements or cash register receipts; we cannot accept them.

Dependent Care Claim Documentation

According to IRS rules, you must properly document your day-care expenses to receive reimbursement. Documents include itemized bills, receipts, or contracts. Provide a completed *Flexible Spending Account Claim Form* with appropriate documents (the form is available on our Web site).

This documentation must include the following information:

- Dependent's name
- Service date
- Name, address, and tax identification number (or Social Security number) of the organization or individual providing services
- Description of the services provided

Leftover FSA Funds

The FSA plan year runs from January 1 (or your hire date) to December 31. A two-and-a-half month "grace period" follows each plan year. That means, to make sure you use all of your money, you have until March 15 of the following year to receive services and spend your FSA money. You then have until April 30 to submit all claims for the previous plan year.

Based on federal regulations, you forfeit all money you deposit into your FSA but do not use for services provided within the plan year or during the grace period. Any unused money is returned to your employer to cover their risk and administrative expenses.

Remember, when you plan your account election, estimate your upcoming expenses carefully. Be conservative. Use your FSA for items and services you can anticipate, such as preventive care, eyewear, orthodontia, and medications you take regularly.

Yearly Re-enrollment

Enrollment does not carry over from one plan year to the next. Therefore, you must determine a new election and enroll in FSA for the following plan year during each open enrollment.

Ending Employment Mid-year

If you end employment during the plan year for any reason, your FSA contributions stop.

However, you can submit claims for services received on or before the end of your last month of employment.

A second option if you end employment is to continue participating in FSA through the end of the year by enrolling in a COBRA continuation plan. With a COBRA plan, your FSA contributions are made with after-tax money.

If you transfer employment to another Deseret Mutual participating employer, your FSA funds transfer with you. Generally, you continue participating with your new employer until the end of the plan year. If you become disabled or go on an unpaid leave of absence, call Deseret Mutual

Remember, if you are no longer employed with a participating employer and you do not wish to continue participating, you forfeit all your FSA money not spent by the end of your last month of employment.

Note: Claims for services you receive after the end of the month your employment ends are not eligible for reimbursement, even if you are re-employed by the same employer or another participating employer before the end of the plan year.

Making Mid-year Changes

You may stop participating or change elections after the plan year begins only if you have a qualified change in family status and you notify Deseret Mutual within 60 days of the change. You can get a *Flexible Spending Account Change in Family Status Form* in the Forms Library on our Web site. Changes that may qualify include:

- Marriage, divorce, or legal separation
- Birth or adoption of a dependent
- Death of a dependent
- Your spouse beginning or ending employment
- You or your spouse going from full-time to part-time work, or vice versa
- Beginning or ending an unpaid leave of absence
- Beginning or ending disability benefits

The change in your annual election must be consistent with the change in your family status. For example, the birth of a child is consistent with increasing your annual medical/dental account election, not decreasing it.

Premium Only Plan

The Premium Only Plan (POP) allows you to decrease your taxable income and increase your take-home pay. That's because POP allows you to pay for your core insurance benefits with before-tax money.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Premium Only Plan as of January 1, 2008.

How POP Affects Tax Withholdings

As you know, you pay a portion of the monthly premium for your core benefits (medical, dental, Group Term Life, Occupational Accidental Death & Dismemberment, and Disability insurance).

With POP, you reduce your taxable income by your share of the monthly premiums because you pay your premiums with tax-free money. Therefore, you have more take-home pay and you reduce your tax withholdings on both state, if applicable, and federal income tax.

How POP Works

This example shows how POP works and the tax advantage of enrolling in the program. It compares an employee enrolled in POP with one who is not enrolled in POP:

Employee Enrolled in POP			Employee Not Enrolled in POP		
Gross pay	$	40,000.00	Gross pay	$	40,000.00
Core benefits premiums		–2,757.60	Federal income taxes		–5,163.00
Taxable pay	$	37,242.40		$	34,837.00
Federal income taxes		–4,749.00	FICA taxes		–3,060.00
	$	32,493.40		$	31,777.00
FICA taxes		–2,849.04	State income taxes (UT)		–2,140.00
	$	29,644.36	After-tax pay	$	29,637.00
State income taxes (UT)		–1,992.47	Core benefits premiums		–2,757.60
Take-home pay	$	27,651.89	Take-home pay	$	26,879.40

Premium Only Plan

In this example, each employee is assumed to be living in Utah, married with family coverage, earning $40,000 annually, and paying $2,757.60 annually in core benefit premiums.

This POP participant takes home $772.49 more per calendar year. Of course, the increase in take-home pay varies depending on your situation. You can estimate your personal savings by going to our Web site and selecting Financial Planning Tools and then Paycheck Calculator.

Enrolling in POP

Enrollment in POP is automatic. However, as a new employee you can decline participation in writing through your human resources department.

If you want to cancel your POP participation after you are enrolled, you can do so during open enrollment of each year. The change becomes effective the following January 1.

If you have a qualified change in family status, you can change your participation at that time by submitting your request in writing. Changes that may qualify include:

- Marriage, divorce, or legal separation
- Birth or adoption of a dependent
- Death of a dependent
- Your spouse beginning or ending employment
- You or your spouse going from full-time to part-time work, or vice versa
- Significant mid-year changes in your medical insurance coverage
- Unpaid leave of absence
- Receiving disability benefits

The change in your participation must be consistent with the change in family status.

Flexible Benefits General Information

How FSA and POP Affect Employee Benefits

Workers' compensation benefits are based on your taxable income. The amount you contribute to FSA or POP is not included in this calculation.

However, other employee benefits are calculated on your gross income. Therefore, FSA and POP amounts are included in these calculations:

- Income increases
- Master Retirement Plan benefits
- Thrift Plan contributions
- Disability Plan benefits
- Life insurance benefits

If you are enrolled in POP, you cannot drop your core benefits mid-year unless you have a qualifying change in family status. If you participate in POP and then become disabled, 100 percent of your Disability Plan benefit is taxable according to federal regulations. If you choose not to participate in POP and then become disabled, only a portion of your benefit is taxable.

How FSA and POP Affect Social Security Benefits

Because you do not pay taxes on the money that goes into FSA or POP, a lower salary is reported and both you and your employer contribute less FICA taxes toward your retirement benefits. This may slightly reduce your Social Security benefits after you retire.

However, most experts agree that the tax savings more than offset a minor reduction in future Social Security benefits.

Notification of Discretionary Authority

Deseret Mutual has full discretionary authority to interpret the plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

Flexible Benefits General Information

Notification of Benefit Changes

Deseret Mutual reserves the right to amend or terminate the plan at any time. If benefits change, we will notify you at least 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Flexible Spending Account program and Premium Only Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600
Toll free. 1-800-777-3622
Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655
Toll free 1-800-333-9715

Thrift Plan

Thrift Plan

Thrift Plan

Deseret Mutual's Thrift Plan is a long-term, defined contribution, retirement savings program to help you prepare for your future. It's designed to work with your Social Security benefits, personal savings, and employer-funded Master Retirement Plan benefits (if you're eligible).

The Thrift Plan provides you with a separate account in which you defer, or contribute, a percentage of your eligible gross income (see *Considered Earnings* in the Definitions section of your Benefits Handbook) for your retirement. Your employer, on your behalf, matches a percentage of your contributions. With the Thrift Plan, you are always 100 percent vested in the value of the contributions and earnings made by both you and your employer (you own the value of the funds in your account).

Investing in your future takes time. So he sooner you begin to participate in the Thrift Plan, the better your opportunity to grow your retirement fund.

The Thrift Plan qualifies under Section 401(k) of the Internal Revenue Code for before-tax and Roth after-tax contributions and it qualifies under Section 401(a) for after-tax contributions. It complies with the Employee Retirement Income Security Act of 1974 (ERISA) and 404(c), permitting you to make independent investment decisions about the allocation of the assets in your account, within the available funds.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Thrift Plan as of January 1, 2008.

Plan Features

The Thrift Plan can be important in your financial planning because it allows you to save money, take advantage of employer contributions, and enjoy tax advantages:

- You decide what percentage of your income, within the plan guidelines, to contribute (see *Your Account* on page 4)
- You control how contributions are invested, choosing from Deseret Mutual's preset mixes or from among the mutual funds offered in the plan (see *Investment Funds* on page 9)
- You may choose to save in before-tax and/or after-tax options
- You have Social Security and Medicare taxes withheld on all of your contributions so your Social Security benefit is not reduced by participating in the plan
- You may borrow funds from your Thrift Plan account with a plan loan (see *Plan Loans* on page 14)

Thrift Plan

- You may withdraw funds from your Thrift Plan account, based on plan guidelines (see *Plan Withdrawals* on page 17)
- You determine how to receive payments at retirement or the end of employment (see *Distribution Options After Employment Ends* on page 19)

Plan Options

The Thrift Plan includes three options: 401(k) before-tax, Roth 401(k) after-tax, and 401(a) after-tax. The table below shows how funds for each of these options are taxed. For more information about how each option works, see pages 2 to 3.

	401(k) Before-tax	Roth 401(k) After-tax	401(a) After-tax
Employee Contributions	Taxed when withdrawn	Taxed **before** contribution	Taxed **before** contribution
Employee Contribution Earnings	Taxed when withdrawn	**Tax free**	Taxed when withdrawn
Employer Matches	Taxed when withdrawn	Taxed when withdrawn	Taxed when withdrawn
Employer Match Earnings	Taxed when withdrawn	Taxed when withdrawn	Taxed when withdrawn

401(k) Before-tax Option

- You don't pay taxes on the portion of your income being contributed to the Thrift Plan until the time you withdraw money from the plan, thereby lowering your income tax today. (This is tax-deferred income.)
- Employer-matching contributions are not taxed until you withdraw the money
- Investment earnings are not taxed on either your contributions or your employer-matching contributions until you withdraw the money
- The before-tax option offers significant tax advantages. However, if you are younger than 59½ and employed by a participating employer, then government regulations restrict withdrawals from this option to cases of specific financial hardship.

Roth 401(k) After-tax Option

- Taxes are paid on these contributions at the time they are deducted from your paycheck
- Employer-matching contributions are not taxed until you withdraw the money
- Investment earnings on your contributions are tax free, as long as you meet the withdrawal requirements to take a qualified withdrawal of Roth 401(k) money. The requirements are that your account must be open for at least five years and you must be 59½ or older.
- Withdrawals made when you are younger than 59½ or before you end employment are subject to hardship provisions

401(a) After-tax Option

- Taxes are paid on these contributions at the time they are deducted from your paycheck
- Employer-matching contributions are not taxed until you withdraw the money
- Investment earnings on your contribution are not taxed until you withdraw the money
- To withdraw after-tax contributions made after December 31, 2003, you may be subject to requirements of specific financial hardship by federal regulation. All 401(a) after-tax contributions made before January 1, 2004 are more readily available for withdrawal.

Thrift Plan Enrollment

You are eligible to participate in the Thrift Plan if you meet all of these requirements:

- You are employed by a participating employer
- You are 21 or older
- You are regularly scheduled to work at least 1,000 hours a year. Even if your hours drop under 1,000, after you meet this requirement, you are always eligible unless you are moved to an excluded class of employment, which is defined by the participating employer.
- You are not in an excluded class of employment as defined by your employer

To enroll, go to Deseret Mutual's Web site and follow the links to your Thrift Plan account or call Deseret Mutual and select the savings program phone system. You must know your Deseret Mutual identification number and your personal identification number (PIN) before you can enroll.

Thrift Plan

Your Account

When you enroll in the Thrift Plan, Deseret Mutual sets up an account in your name. Your account reflects:

- Your contributions to all of the Thrift Plan options and their investment earnings and/or losses
- Employer-matching contributions and their investment earnings and/or losses
- The breakdown of balances in the mutual fund(s) you have chosen
- Any transactions you have made such as contributions, loans, and withdrawals

We update the value of your mutual funds each business day with the current day's closing values.

For information about the value of your account balance, go to Deseret Mutual's Web site and follow the links to your Thrift Plan account or call Deseret Mutual and select the savings program phone system.

Mutual Funds

Deseret Mutual has chosen mutual funds (a fund with a predetermined investment objective operated by an investment company that allows a group of investors to pool their money together) to provide investment opportunities in all the significant segments of the stock and bond markets. You invest your Thrift Plan contributions among a selection of these mutual funds.

For more information, see *Investment Funds* on page 9. If you want a fund prospectus (a legal document that describes the securities or mutual fund shares available), go to Deseret Mutual's Web site and follow the links to your Thrift Plan account or contact Deseret Mutual.

Account Information

Deseret Mutual provides information on your Thrift Plan account in four ways. You can:

- Access information on your account through Deseret Mutual's Web site
- Get information through our savings program phone system
- Use the detailed, quarterly statement showing the value of your account and your personalized rate of return. We send it out within 30 days of the end of each calendar quarter.

  Please check your statement carefully. Statements are considered correct if you do not notify Deseret Mutual of errors within 60 days of mailing.
- Call Deseret Mutual and talk to a savings plan representative for account information

Contributions to Your Account

Your annual maximum Thrift Plan contributions, including 401(k) before-tax, Roth 401(k) after-tax, 401(a) after-tax, and employer-matching contributions, are determined by law to be 100 percent of your eligible income or $46,000, whichever is less. This annual maximum contribution limit may be adjusted, as prescribed by law.

Employee Contributions

As a Thrift Plan participant, you can contribute up to the maximum amount allowed by law. Your contributions to the Thrift Plan may range from 1 to 96 percent, in whole percentages, of your eligible income, not including taxes and other deductions, per pay period. However, because of administration needs, your deferral contribution will be limited to 75 percent unless you get approval from Deseret Mutual. If you have any questions, check with your payroll department to make sure your paycheck can cover your contribution.

Your options allow for several contribution choices. You can:

- Split your contributions between the three options
- Contribute up to $15,500 in the before-tax and Roth after-tax options combined, in 2008. The federal government indexes this amount each year. Any contributions you make beyond this $15,500 amount must be in the 401(a) after-tax option.
- Change your contribution percentage at any time. To make a change, go to Deseret Mutual's Web site and follow the links to your Thrift Plan account by selecting the Savings pull-down menu and then selecting the Access to Your Thrift Account option. Or you can call Deseret Mutual and select the savings program phone system.

  Depending on your employer's payroll cycle, it may take one or two pay periods before the change is effective.

Employer-matching Contributions

When you contribute to the Thrift Plan, your employer makes a matching contribution to your account.

Your Contribution: Before-tax and After-tax, including Roth 401(k), Combined	Your Employer's Contribution	Total Contribution
1%	1%	2%
2%	2%	4%
3%	3%	6%
4%	3.5%	7.5%
5% to 96%	4%	9% to 100%

Thrift Plan

The maximum employer-matching contribution is 4 percent of your eligible income per pay period. The employer-matching contribution is calculated on a per payroll basis and not on an annual basis. This means that to get a full employer match, you must make Thrift Plan contributions each pay period throughout the year.

Please note: Only money you contribute to Deseret Mutual's Thrift Plan is eligible for a matching contribution from your employer. For example, if you work for an educational institution such as one of the Brigham Young Universities and contribute only to TIAA-CREF, your employer does not match this contribution.

Contributing with SMarT

The SMarT option, or Save Money for Tomorrow, allows you to continually and automatically increase your contributions each year by 1 percent. With this program, you don't have to remember to increase your contributions; SMarT does it for you. And you can choose the date to start, perhaps to correspond with your annual salary increase before you're used to spending the increase.

To activate SMarT, go to Deseret Mutual's Web site and follow the links to your Thrift Plan account or call Deseret Mutual and select the savings program phone system.

Catch-up Contributions

If you will be 50 or older by the end of the year and will reach the $15,500 maximum Thrift Plan 401(k) before-tax and Roth 401(k) after-tax limit, you can make a catch-up contribution of $5,000. So you can contribute up to $20,500 in your 401(k) plan, including before-tax and Roth after-tax in 2008. The federal government indexes this amount each year.

Catch-up contributions are made by payroll deduction. Just change your contribution percentage to include your catch-up contribution amount.

The amount above 5 percent, which counts toward the catch-up contribution, does not qualify for an additional employer match. And you cannot contribute with a lump sum.

Make-up Contributions

If you are an active employee and you have not contributed the annual maximum amount permitted, you can deposit make-up contributions to the 401(a) after-tax option of the Thrift Plan.

- At your request, Deseret Mutual calculates the maximum amount you are eligible to contribute as a make-up contribution
- The maximum amount calculated determines the percentage you can contribute from your paycheck for the remainder of the calendar year
- You can send lump sum make-up contributions in personal checks to Deseret Mutual in amounts of $100 or more as often as you want, up to the maximum amount calculated for the calendar year
- To be included for the year, send make-up contributions to Deseret Mutual by the third week of December
- Make-up contributions are invested based on your current Future Fund Election (see *Investment Funds* on page 9)
- Make-up contributions are not eligible for employer-matching contributions. In addition, you can only make up contributions if you are receiving an income from a participating employer.
- You cannot put in make-up contributions while on an unpaid leave of absence, while receiving Deseret Mutual's Disability Plan benefit, while in an excluded class of employment, or if you have ended employment with a participating employer
- Be aware that if you are classified as a highly-compensated employee, your make-up contributions along with your earnings may be subject to refund, as required by law

Rollovers into the Thrift Plan

If you have savings in previous employer-sponsored plans, you may be eligible to roll over your account balances into your Thrift Plan account.

Deseret Mutual may accept before-tax and after-tax rollovers from:

- 401(a) plans
- 401(k) plans
- 403(b) plans
- 457 governmental plans
- Cash Balance plans
- Keoghs — Profit Sharing and Money Purchase
- SEP (Simplified Employee Pension) IRAs
- SIMPLE IRAs
- Rollover or conduit IRAs
- Target Benefit plans
- Trusteed Money Purchase plans
- Trusteed Profit Sharing plans
- SIMPLE (Savings Incentive Match Plan for Employees) 401(k) plans

This rollover provision is subject to Internal Revenue Service guidelines. Before you begin to roll over your account balances, contact Deseret Mutual for information on possible restrictions.

Thrift Plan

If you are actively employed, 59½ or older, and have a Deseret Mutual Tax Sheltered Annuity (TSA) account, you can roll over your Deseret Mutual TSA into the Thrift Plan.

If you are no longer employed and have a Thrift Plan balance, you may roll over your TSA account or any outside account into the Thrift Plan.

Remember, when any money is deposited into your Thrift Plan, it becomes subject to the Thrift Plan rules. For more information about rollovers, see *Tax Considerations* on page 34.

Beneficiaries

Designate a primary and an alternate beneficiary for your Thrift Plan so that if you die before receiving your benefit, your Thrift Plan balance is paid according to your wishes. Please regularly verify that your beneficiary designation with Deseret Mutual is current.

For your beneficiary, you can name:

- Your current spouse
- Any other person or persons
- A trust (some limitations apply)
- Any other entity, such as a charitable organization. However, you cannot name your employer or your estate as your primary or alternate beneficiary.

You can name your beneficiary in one of two ways:

- Go to Deseret Mutual's Web site, select the Savings pull-down menu, and then *Access Your Thrift Plan Account*. After you have accessed your account, select the Account pull-down menu and then *Personal Information* and then *Beneficiaries*.
- Complete and submit a Deseret Mutual *Savings Plans Beneficiary Designation* form

Married participants must adhere to some requirements.

If you choose to name a beneficiary other than your spouse, including a trust, we need your spouse's written, notarized consent (for more information, see *Spousal Consent* on page 18). You and your spouse must sign the *Waiver Election* form.

If you name a trust as your beneficiary, Deseret Mutual will need a completed copy of the trust document at your death. Always complete the *Savings Plans Beneficiary Designation* form and return all forms to Deseret Mutual. If you change your trust, you must check to make sure your beneficiary designations are still valid.

If your marital status changes, your previous beneficiary election may become invalid.

And if you are an active employee when you reach age 35 and you and your spouse had signed a *Waiver Election* form and selected a different beneficiary, then law requires that if you still want a different beneficiary and the waiver to be active, you must execute another waiver form.

You are responsible to submit valid and up-to-date primary and alternate beneficiary designations to Deseret Mutual. (For your convenience, your current beneficiary designations are shown on your quarterly statements.)

Note: Also remember to keep your life insurance beneficiaries up to date.

Investment Funds

When you participate in the Thrift Plan, you have several mutual funds from which to choose. Each has a different investment objective, and each offers a different level of potential investment return and risk.

Because each fund holds different investments, individual funds can be expected to perform differently during the same economic conditions. So you can reduce your overall risk by putting your money in a variety of investments. This is called diversification.

The Thrift Plan offers two approaches to investing: Create your own investment mix by choosing from among the individual mutual funds or choose one of the preset mixes developed by Deseret Mutual.

Mutual Funds

These general categories, or asset classes, of mutual funds are available, as of January 1, 2008, in the Thrift Plan:

- Money Market
- Short-term Bond
- Intermediate-term Bond
- Inflation-protected Bond
- Large-company Index
- Mid-company Value Stock
- Mid-company Growth Stock
- Small-company Value Stock
- Small-company Growth Stock
- International Value Stock
- International Growth Stock

The table on the following page summarizes the Thrift Plan's mutual fund categories including objectives, primary investments, potential rewards, and risk factors. Deseret Mutual will probably always offer these asset classes. However, the individual funds may change.

If you create your own investment mix, you must invest 100 percent of your contributions among the funds in whole percentages. The Future Fund Election percentages apply to all of your contributions including your employer-matching contribution (see *Changing Your Investment Direction* on page 12).

Thrift Plan

Categories	Objectives	Primary Investments	Potential Rewards	Risk Factors
Money Market	Provide current income consistent with the preservation of capital and liquidity. Provide a stable share price.	Short-term U.S. government, agency, and corporate obligations with an average maturity of 90 days or less	Capital preservation and low returns from very short-term money market securities	Very low risk. Any risk is primarily because of lower income from falling interest rates. *
Short-term Bond	Provide a higher rate of return than the Money Market Fund, with only modest changes in the value of the principal	Investment grade bonds of major corporations with a maturity of between one and three years	Principal preservation and fairly low returns from short-term debt securities	Moderate fluctuation in value of investments. Fairly low risk. Any risk is primarily because of lower income.
Intermediate-term Bond	Provide total return with consistent preservation of capital and prudent investment management	U.S government securities, corporate bonds, mortgage or asset-backed securities. Many use derivative instruments for hedging purposes or as part of investment strategy. The average maturity is 3 to 10 years.	Moderate returns over time based on interest payments, sales of debt securities, and changes on bond values	Moderate risk because of changes in interest rates (bond values and interest rates generally move in opposite directions)
Inflation-Protected Bond	Provide a long-term rate of return that outpaces inflation	Treasury Inflation Protected Securities with an average maturity between 7 and 20 years	Protection against inflation	Moderate risk because of changes in interest rates and inflation. In an environment where inflation is decreasing, the fund will typically underperform U.S. Treasuries of similar maturity.
Large-company Index	Match the investment performance of the Standard & Poors 500 Stock Index	Equities included in the Standard & Poors Stock Index. The index includes stocks from most of the larger corporations in the United States.	Moderate to high returns over time based on changes in stock values and stock dividends	Moderately high risk because of changes in the market value of stock in the fund
Mid-company Value Stock	Provide capital apprecia-tion from sound, mid-sized companies whose stock is believed to be undervalued	Stocks in mid-sized companies that trade at a substantial discount to the private market value of the company	Capital appreciation and fairly high returns over time based on changes in stock values and stock dividends	Moderately high risk because of changes in the market value of stocks in the fund
Mid-company Growth Stock	Provides capital apprecia-tion from mid-sized com-panies that are believed to grow their earnings rapidly	Stocks of mid-sized companies that are growing very rapidly	Capital appreciation and fairly high returns over time based on changes in stock values	Higher risk because of changes in market value of stocks in the fund
Small-company Value Stock	Provide capital apprecia-tion from stocks of smaller companies believed to be undervalued	Stocks of small companies whose stock price to asset value per share is low when compared to other small companies	Capital appreciation and high returns over time based on changes in stock values	High risk because of changes in market value of stocks in the fund
Small-company Growth Stock	Provide capital apprecia-tion from small companies believed to have rapid growth potential	Stock of small companies that have the ability to grow their earnings rapidly	Capital appreciation and high returns over time based on changes in stock values	High risk because of changes in market value of stocks in the fund
International Value Stock	Provide capital apprecia-tion from stocks of companies based outside the United States that are believed to be undervalued	Stocks in large and mid-sized companies based outside the United States. At least 80% of the fund is invested in developed countries	Capital appreciation and high returns over time based on changes in stock values	High risk because of changes in market value of stocks in the fund and changes in the value of foreign currencies and political changes
International Growth Stock	Provide capital apprecia-tion from stocks of companies based outside of the United States that are believed to have potential for rapid growth	Stock of large and mid-sized companies based outside the United States that have the potential to grow their earnings rapidly	Capital appreciation and high returns over time based on changes in stock values	High risk because of changes in market value of stocks in the fund and changes in the value of foreign currencies and political changes

Preset Mixes

To make it easier for you, the Thrift Plan offers four preset investment mixes. These preset mixes are comprised of the plan's individual mutual funds. They are designed to match your general investment horizon, which is the time a sum of money is expected to be invested before it is needed for retirement, and your individual risk tolerance (see the table below). ***Please realize that your investment horizon usually goes way beyond your retirement date; it goes through all your retirement years.***

If you have a longer investment horizon, investments such as stocks can have long-term gains that outweigh short-term dips in value. However, as your investment horizon becomes shorter, more conservative investments may be appropriate.

The investment default is the intermediate-term preset mix. So if you do not tell us how you want your money and your employer's matching contributions invested, we will invest your money in the intermediate preset mix.

Naturally, some mutual funds outperform others. These funds then make up a larger percentage of your total account than originally invested. For your convenience, the preset mixes are rebalanced (set to the original investment mix) at the end of each quarter. This brings your account back to the original Future Fund Election percentages so your account stays diversified and balanced (see *Changing Your Investment Direction* on page 12).

A preset mix is a Future Fund Election selected by investment professionals. In fact, since their inception our preset mixes have substantially outperformed other investment strategies.

Preset Mixes				
Categories	Short-term (0 to 4 years)	Intermediate-term (5 to 11 years)	Long-term (12+ years)	Stock-only (12+ years)
Money Market	10%	0%	0%	0%
Short-term Bond	20%	10%	0%	0%
Intermediate-term Bond	25%	20%	15%	0%
Inflation-protected Bond	15%	10%	5%	0%
Large-company Index	14%	20%	28%	34%
Mid-company Value Stock	5%	8%	10%	13%
Mid-company Growth Stock	3%	8%	10%	13%
Small-company Value Stock	0%	6%	8%	10%
Small-company Growth Stock	0%	3%	4%	5%
International Value Stock	3%	6%	8%	10%
International Growth Stock	5%	9%	12%	15%

Investment Education and Risk

Each person's financial situation and objectives vary. Deseret Mutual provides information to help you understand some basic principles of saving and investing. Your employers, through Deseret Mutual, provide financial planners who offer workshops and consultations at no charge to you. These planners are available to offer general objective financial counsel to help you plan for your future. They can help you to clarify goals, gather information, analyze your situation, develop solutions, and take action. However, we do not provide specific investment advice.

Each mutual fund carries its own objective and degree of risk. We cannot assure that the investment objective of any mutual fund is achieved. Please be aware that neither Deseret Mutual, our financial planners, the fund managers, nor your employer can guarantee the value of the contributions and/or fund earnings in any of the mutual funds.

Deseret Mutual's Thrift Plan requires you to make personal investment decisions about the investment and Future Fund Election of the money in your account, within the available funds. If you want, you may consult an independent retirement or financial planner in making your investment decisions. (See *Fiduciary Duties and Conflict of Interest* on page 37.)

Changing Your Investment Direction

When you enroll in the Thrift Plan, you choose how to invest your money among the available funds. However, there may be times when you want to change the funds in which your account balance is currently invested.

You may choose an election for your future fund contributions and/or you may do a balance transfer of your current account balances. However, you cannot choose a preset mix for a *Future Fund Election* and then choose a different investment mix for a *Current Balance Transfer*, or vice versa. Preset mixes always affect existing and future funds in the same way.

To change your investment direction, go to Deseret Mutual's Web site and follow the links to your Thrift Plan account or call Deseret Mutual and select the savings program phone system.

Please be advised that problems beyond Deseret Mutual's control can occur at any time and could delay your change request. Deseret Mutual cannot be responsible for these delays.

The phone system is at peak capacity from about 1 to 2 p.m., Mountain Time, on most business days. If you want to change how your future contributions are invested among the mutual funds or transfer your current investments, we encourage you to call before 1 p.m., Mountain Time.

Future Fund Elections (formerly called Allocations)

Future Fund Elections affect how the future contributions to your Thrift Plan account are invested:

- Future Fund Elections are in whole percentages
- The Future Fund Election you choose applies to both your contributions and your employer-matching contributions in all plans at Deseret Mutual
- Future Fund Elections apply only to future contributions, not your current balance unless you choose a preset mix
- When you choose a preset mix, your future contributions are invested according to the preset mix. And the Current Balance Transfer on your existing balance occurs at the closing market price on the day your election becomes effective.
- Changes confirmed before 2 p.m., Mountain Time, are effective that business day. Changes confirmed after 2 p.m., Mountain Time, or on weekends or holidays are effective the next business day.

Current Balance Transfers (formerly called Redistributions)

Current Balance Transfers affect existing account balances:

- Current Balance Transfers are in whole percentages
- Current Balance Transfers apply to your total account balance (employee contributions, employer-matching contributions, and earnings) in all plans at Deseret Mutual
- You can choose to:
  - Do a Current Balance Transfer for your entire account balance among any or all of the individual funds
  - Select one of the four preset mixes. When you choose a preset mix, a Current Balance Transfer of your existing balances occurs and a Future Fund Election is created for your future contributions.
- In keeping with Deseret Mutual's action to prevent improper trading, we have a 15-day restriction on mutual fund trades. In other words, only one trade is permitted every 15 calendar days after the effective date of trade. This is because qualified plans like the Thrift Plan are not intended to be used as short-term trading vehicles.

- When you request a Current Balance Transfer, the money in your existing funds is valued at the closing asset value for that business day. When the Current Balance Transfer occurs, your money is moved into the new fund(s) at the current asset value of the new fund(s). The 15-day restriction begins the day after your Current Balance Transfer is valued.
- Changes confirmed before 2 p.m., Mountain Time, are effective that business day. Changes confirmed after 2 p.m., Mountain Time, or on weekends or holidays are effective the next business day. All Current Balance Transfers must be confirmed by the time the New York Stock Exchange closes.

Rebalancing

Because of fluctuations in fund performance and to maintain your investment diversification, it is important to rebalance and bring your account back to the original Future Fund Election percentages, or investment mix, you selected.

- If you are currently investing in a preset mix, rebalancing automatically occurs every quarter
- If you are using your own customized investment mix, you can request to automatically rebalance your account to your own mix on a quarterly basis. With your customized investment mix, rebalancing is not required but it is a good idea.
- You can rebalance your account based on your Future Fund Elections only
- Each time you request a Future Fund Election or a Current Balance Transfer, you must choose whether or not to automatically rebalance based on your customized Future Fund Election mix
- You can discontinue your rebalance election on a customized investment mix at any time, except at the time it is actually rebalancing your account, which is the last business day of each calendar quarter
- If you are no longer employed and therefore no longer contributing to the Thrift Plan, rebalancing continues to be based on your Future Fund Election

Plan Loans

The Thrift Plan is designed to supplement your retirement income. Your should invest your money in the Thrift Plan and then leave it alone. However, sometimes you may need access to the money in your Thrift Plan account while you are actively employed. At these times, you may be eligible to borrow a portion of your account balance. Remember, a plan loan is a financial obligation you are required by law to repay.

With a Thrift Plan loan:

- You can borrow up to 50 percent of your Thrift Plan account balance. The minimum you can borrow is $500 and the maximum amount you can borrow is determined by your account balance and cannot exceed $50,000 in a 12-month period, including loans from other plans sponsored by your employer. Other guidelines may apply. (See Loan Amounts on page 17.)
- The interest you pay on the loan is credited back to your account
- You avoid a hardship withdrawal that would incur income taxes and possible penalties
- You can have a maximum of two regular loans and one residential loan from all Deseret Mutual savings plans outstanding at the same time
- You must be debt-free from at least one regular loan during the last 90 days to qualify for a new regular loan. So if you still have an outstanding loan after you pay off a loan, you'll be restricted from taking another loan for at least 90 days.
  - — If you have two outstanding loans and you pay one off, you cannot take out another loan for 90 days.
  - — If you have two outstanding loans and you pay them both off, again you cannot take out another loan for 90 days.
  - — If during the last 90 days you have had only one loan and you pay it off, you may take another loan immediately.
  - — The 90-day restriction applies whether you pay off your loan through payroll deductions or with a lump sum.
  - — This loan policy becomes effective on January 1, 2008. At that time, you will only be able to take a loan if you did not have a loan or paid one off before October 2,2007.
  - — Residential loans are not restricted to this 90-day policy.

Eligibility

You are eligible to apply for a loan if:

- You are an active employee receiving regular paychecks from a participating employer, including employees on paid leaves of absence or those receiving Deseret Mutual's Disability Plan benefit
- You have a Thrift Plan account balance of at least $1,000
- Loan payments from all plans sponsored by your employer would not exceed 50 percent of your net take-home pay from your participating employer or your Disability Plan benefit check
- You are currently in a class of employment that allows you to contribute to the Thrift Plan

General Loan Provisions

- The money taken from the plan to make loan proceeds available does not continue to earn investment income. The interest you pay on your loan is credited to your account and is your sole investment income on the money you borrow.

- Loan proceeds are taken proportionally from each investment fund according to the plan option (see *Plan Options* on page 2)

- Loan origination and annual administrative fees apply to each outstanding individual loan

- The promissory note you sign is a legally-binding contract. Your employer withholds loan payments from your paycheck.

- Normal loan payments are made by regular payroll deduction. However, it is your responsibility to ensure payments are deducted by your employer. We advise you to check your pay stub each pay period. Send missed payments directly to Deseret Mutual to ensure that your loan does not default.

- You can continue contributing to the Thrift Plan while repaying your loan

- You can pay off your loan early without being penalized as long as you are making your normal loan payments. However, you must pay interest to the date of the payoff.

- Loan payments are credited to your account based on your current Future Fund Election

- Loan payments are credited back proportionally to each investment fund according to the plan option

- Depending upon the net asset value (NAV), which is the dollar value per share calculated on a daily basis, your loan payments may buy more or fewer shares than were sold to fund your original loan

- If you end employment before retirement age, then you must repay the lump sum of the loan or take it as a distribution (withdrawal or payment from your account) with the associated tax consequences

- If you have an outstanding loan at the time of your death, your beneficiary may pay the loan in a lump sum within 60 days of your death. If the loan is not paid in full, the unpaid loan is treated as taxable to the estate.

- You pay taxes on the interest portion of your loan payments when you later withdraw those amounts from the plan

Loan Amounts

The minimum loan amount is $500. Larger loan amounts are in $100 increments. The maximum loan amount is the lesser of:

- $50,000
- 50 percent of your Thrift Plan account balance

The $50,000 maximum amount is reduced by your highest outstanding loan balance during the previous 12 months, even though you may have repaid the loan.

When the $50,000 amount is calculated, we combine existing loans, previously repaid loans, and newly requested loans from all plans including those outside of Deseret Mutual, in which you participate. If you exceed the amount specified by law, you are subject to additional taxes and possible penalties.

Your loan will be reduced by the loan origination fee.

Plan Withdrawals

The Thrift Plan is designed to help ensure your financial security after you retire. However, in some cases, you may need money from your Thrift Plan account while still employed. Therefore, in very limited circumstances, withdrawals (distributions) are available based on plan guidelines.

General Withdrawal Provisions

- When you are older than 59½, end employment, retire, become permanently disabled, or are a beneficiary or alternate payee, you may be able to withdraw all or part of the money in your account as often as every three months
- If you don't meet these requirements, you may need to prove financial hardship, as defined by federal regulations
- Based on federal regulations, you may be required to take a loan rather than a hardship withdrawal
- Outstanding plan loans may affect the availability of funds for withdrawal
- If you are married, your spouse must consent to your withdrawal in writing (see *Spousal Consent* on page 18)

- Taxes and possible tax penalties apply to the taxable portion of all withdrawals (see Tax Considerations on page 34)
- There is a minimum three-month waiting period between withdrawals. This may be waived if you are closing your account after the date your employment ends or you retire.
- If you formerly qualified for Thrift Plan participation and are actively employed by a participating employer, but do not currently qualify, withdrawals from your account may be limited
- If you are receiving benefits from Deseret Mutual's Disability Plan, you may qualify for hardship withdrawals
- Employer-matching contributions made after January 1, 2001, and all employer earnings are *not* available for hardship withdrawals
- You need to prove financial hardship to withdraw from your Roth 401(k) after-tax or 401(a) after-tax contributions deposited into your account after January 1, 2004. And then you may withdraw your Roth 401(k) after-tax contributions prorated with earnings once every three months or your 401(a) after-tax contributions prorated with earnings once per calendar year. Other restrictions may also apply.
- Investment earnings on 401(k) before-tax and Roth 401(k) after-tax contributions are not generally available for hardship withdrawal. However, some Roth 401(k) after-tax contributions and earnings are available in some circumstances. Contract Deseret Mutual for information.
- Your withdrawal amount may be limited to 95 percent, from each source, of the total of all the money in your account
- A qualified reservist distribution is not subject to the additional 10 percent tax on early distributions (see Tax Considerations on page 34). The call to duty must have been after September 11, 2001 and before December 31, 2007. And it must be for 180 days or more. Please contact Deseret Mutual for specific information.

Spousal Consent

If you are married, your spouse must provide written, notarized consent if you:

- Take a loan of any amount (see Plan Loans on page 14)
- Withdraw any amount (see Plan Withdrawals on page 17)
- Do a direct rollover of any amount (see Direct Rollovers on page 32)

- Waive the Qualified Preretirement Survivor Annuity (see *Distribution Options after Your Death* on page 27)

- Choose a primary beneficiary other than, or in addition to, your spouse, including a trust (see *Beneficiaries* on page 8)

- Select any payment option except the Qualified Joint & Survivor Annuity or the Qualified Optional Survivor Annuity (see *Spousal Protection at Retirement — Qualified Joint & Survivor Annuity and Qualified Optional Survivor Annuity* on page 20)

- Are younger than 65 when you choose to begin any payment option (see *Payment Options at Retirement* on page 20)

Your spouse's signature must be notarized by a notary public or witnessed by an authorized Deseret Mutual representative. The spousal consent must be dated within 180 days before the date of the first payment, distribution, or other financial transaction. An additional waiver may be required.

The notary's signature and your spouse's signature must have the same date. Photo identification is required. You are responsible for any cost incurred for this service.

Distribution Options after Employment Ends

First, leave your account alone. **You don't have to close your account. You don't even have to take money from your account.** When you end employment with all participating employers, you can leave your account balance in the Thrift Plan until you reach your required beginning date (see *Required Minimum Distribution* on page 27). At that time, you must choose a payment option. Until then you can take out only what is necessary.

Second, between age 55 and your required beginning date, select a payment option—either an annuity or another payment option (see these options beginning on page 20).

You may do a direct rollover to another qualified plan.

Also, anytime after you end employment, you can receive your entire Thrift Plan account balance as a lump sum distribution, which is the payment option that pays your account balance or accrued benefit in one taxable year. Or you can choose to withdraw a portion of your account balance without proving financial hardship, based on plan guidelines.

For the Thrift Plan, going to part-time, temporary, or on-call status with your employer does not constitute ending employment. Regular withdrawal provisions apply until you actually end employment with any participating employer.

Spousal Protection at Retirement — Qualified Joint & Survivor Annuity and Qualified Optional Survivor Annuity

Federal law protects your spouse's rights to your Thrift Plan benefit. The Qualified Joint & Survivor Annuity (QJSA) payment option is an annuity for your life that also provides a 50 percent survivor annuity to your spouse after your death. And the Qualified Optional Survival Annuity (QOSA) payment option is an annuity for life that also provides a 75 percent survivor annuity to your spouse after your death. When both you and your spouse die, the benefit payments on either of these options do *not* continue to anyone.

If you are married, the law permits Deseret Mutual to offer you several payment options. However, federal law requires that your Thrift Plan benefit be paid as a QJSA or a QOSA unless you and your spouse waive that right. Your spouse is required to give written, notarized consent to your waiver.

- ### Waiver Election

  If you want an option other than the QJSA or the QOSA, you and your spouse must complete the *QJSA and/or QOSA Waiver and Spousal Consent* section of the benefit application (see Spousal Consent on page 18). You and your spouse must sign these forms within 180 days before the date of your first benefit payment or effective date. Your benefit cannot be paid unless you choose the QJSA or the QOSA or you and your spouse complete the *QJSA and/or QOSA Waiver and Spousal Consent* section of the benefit application.

  Your spouse cannot revoke consent. If you change your mind and you want the QJSA or the QOSA, you may revoke your waiver any time before you receive your first payment. You do not need your spouse's consent. If you again decide to waive the QJSA or QOSA, your spouse must consent to the new waiver election. After payments begin, you may not revoke your waiver.

  If you and your spouse waive the QJSA or the QOSA, you may receive your benefit in any other form the plan provides. Benefit amounts and eligibility requirements for other payment options differ.

Payment Options at Retirement

If you are at least age 55 and your employment has ended, you may receive your account balance in one of several ways. Or you may leave your money in the account and do nothing until your required beginning date or until you need money for your retirement, whichever comes first.

Annuity Payment Options

An annuity is regular income paid at fixed intervals. Annuity payment guidelines are as follows:

- If your account balance is at least $3,500, you can close your account and purchase an annuity from Deseret Mutual
- An annuity pays equal monthly payments for the amount of time specified in the annuity option you choose
- Several annuity options are available, some of which extend a portion of the payments to your spouse (joint annuitant) or designated beneficiary after your death
- You can change your annuity option by written request before you receive your first payment. *After you receive your first payment, you cannot make any changes.*
- A combination of payment options may be available
- If you are older than 70, IRS regulations may limit the payment options available to you
- The joint and survivor annuity payment options are intended for married participants and provide payments to your joint annuitant when you die. (Your joint annuitant is your spouse at the time you purchase your annuity. *You cannot change* your joint annuitant, even if you later divorce, become widowed, or remarry. However, you can change your beneficiary.)
- Be aware that fees are associated with the annuity payment options.

These annuities and options are available from Deseret Mutual:

- **Joint & Survivor 100 Percent Annuity (10-year Term Certain)**

  This payment option provides equal monthly payments for as long as you live. If you die before your joint annuitant, your joint annuitant receives 100 percent of the monthly payments you were receiving until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your annuity starting date (the date the annuity payments begin), the payments continue to your designated beneficiary for the remainder of the 10 years.

- **Joint & Survivor 75 Percent Annuity (10-year Term Certain)**

  This payment option provides equal monthly payments for as long as you live. If you die before your joint annuitant, your joint annuitant receives 75 percent of the monthly payments you were receiving until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your annuity starting date, reduced payments continue to your designated beneficiary for the remainder of the 10 years.

- **Joint & Survivor 50 Percent Annuity (10-year Term Certain)**

  This payment option provides equal monthly payments for as long as you live. If you die before your joint annuitant, your joint annuitant receives 50 percent of the monthly payments you were receiving until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your annuity starting date, reduced payments continue to your designated beneficiary for the remainder of the 10 years.

- **Special Joint & Survivor Two-thirds Annuity (10-year Term Certain)**

  This option provides a monthly payment that is reduced to two-thirds at the time either you or your joint annuitant dies. This reduced payment continues for the remainder of the survivor's life.

  If both you and your joint annuitant die before 10 years from your annuity starting date, reduced payments continue to your designated beneficiary for the remainder of the 10 years.

- **Qualified Joint & Survivor Annuity (QJSA) (No Term Certain)**

  This payment option provides equal monthly payments for as long as you live. If you die before your joint annuitant, it provides a 50 percent survivor annuity for the remainder of your joint annuitant's life.

  Unlike most other joint and survivor annuity options, the QJSA does not have a 10-year term certain. The payments stop when both you and your joint annuitant die. Compare this option to the Joint and Survivor 50 Percent Annuity (10-year Term Certain).

- **Qualified Optional Survivor Annuity (QOSA) (No Term Certain)**

  This payment option provides equal monthly payments for as long as you live. If you die before your joint annuitant, it provides a 75 percent survivor annuity for the remainder of your joint annuitant's life.

  Unlike most other joint and survivor annuity options, the QOSA does not have a 10-year term certain. The payments stop when both you and your joint annuitant die. Compare this option to the Joint and Survivor 75 Percent Annuity (10-year Term Certain).

- **Life Annuity**

  The Life Annuity provides equal monthly payments for as long as you live. Payments do not continue to a beneficiary after your death.

- **10-year Term Certain & Life Annuity**

  This payment option provides a life annuity with equal monthly payments for as long as you live. If you die before 10 years from your annuity starting date, payments continue to your designated beneficiary for the remainder of the 10 years.

- **Term Certain Annuity Options**

  You can choose to receive your benefit in monthly payments for 2½, 5, 7½, 10, 15, or 20 years. If you die before the end of the selected time period, payments continue to your designated beneficiary for the remainder of that period.

  Based on your age, the term certain annuity options may be limited because of your life expectancy.

Relative Value of Annuity Payment Options

The amount we expect your payments to add up to over your life expectancy is called the relative value. It is based on the value of your account balance, the age when your payments begin, and the interest rates in effect at the time the annuity is purchased.

Below is an example to help you better understand the relative value of your payment options. In this example, the account balance is $65,000, the age when payments begin is 65, and the joint annuitant's age is 72. Note that interest rates change month to month, but are locked in when annuity payments begin.

Relative Values				
Annuity Options	Interest Rates	Monthly Payments		
		Participant	Joint Annuitant	Term Certain Beneficiary
Joint & Survivor 100 Percent (10-year Term Certain)	4.70%	$ 315	$ 315	$ 315
Joint & Survivor 75 Percent (10-year Term Certain)	4.70%	$ 325	$ 244	$ 244
Joint & Survivor 50 Percent (10-year Term Certain)	4.70%	$ 336	$ 168	$ 168
Special Joint & Survivor Two-thirds (10-year Term Certain)	4.70%	$ 343	$ 229	$ 229
Qualified Joint & Survivor Annuity (QJSA) — No Term Certain	4.70%	$ 336	$ 168	
Qualified Optional Survivor Annuity (QOSA) — No Term Certain	4.70%	$ 325	$ 244	
Life Annuity	4.49%	$ 352		
10-year Term Certain & Life Annuity	4.49%	$ 346		$ 346
2½-year Term Certain	1.99%	$2,182		$2,182
5-year Term Certain	3.00%	$1,144		$1,144
7½-year Term Certain	3.55%	$ 805		$ 805
10-year Term Certain	3.93%	$ 640		$ 640
15-year Term Certain	4.33%	$ 478		$ 478
20-year Term Certain	4.43%	$ 396		$ 396

Fixed Dollar Installment Distribution Option

If your account balance is at least $3,500, you can choose the Fixed Dollar Installment Distribution Option.

- You can select a payment of only what you need, $100 being the minimum. And you may change the dollar amount once per calendar year.

- You can make partial withdrawals as often as once every three months or you can close your account at any time, based on plan guidelines.

- You may change to another payment option, based on plan guidelines. For example, at age 70½, you may change to the Annual Payment option.

- While you are receiving monthly payments, your remaining balance generates investment earnings or losses, even though you're no longer making contributions to your account

- You can transfer your account balance among the various mutual funds according to the plan guidelines (see *Changing Your Investment Direction* on page 12)

- You can choose one of two methods to receive your funds:

  — Fund Preference Method: This method is the least risky if the investment markets are flat or going through a down cycle. Payments are taken from each source of money one fund at a time in the ascending order of risk associated with each fund. For example, all 401(a) after-tax sources from the Money Market first, then Fixed Income, Bond Index, Stock Index, and so on. When that money is gone, the 401(k) before-tax money will be taken in order and then the Roth 401(k) after-tax money in order and so on.

  — Prorata Method: With this method, payments are taken proportionately from all investment funds in your account

- The 20 percent federal tax withholding is mandatory. State taxes can also be withheld. (See *20 Percent Withholding Requirement* on page 34.) Withheld taxes will reduce the amount you receive each month. So if you want to receive a specific amount, you'll need to increase the requested dollar amount to cover the withheld taxes. Deseret Mutual can help you calculate the payment you need to request.

If you are required to receive a minimum distribution, you may need an extra payment at the end of the year to meet that requirement. We will make sure this payment satisfies the requirement.

If you are an active employee when you reach age 69½, you are still eligible to set up the Fixed Dollar Installment Distribution Option.

Monthly Flexible Distribution Option

If your account balance is at least $3,500, you can choose the Monthly Flexible Distribution Option.

- You can specify the number of whole years for which you want to receive payments, from two years to the maximum allowed by law. Your account balance is divided into monthly payments during that period of time.
- The maximum number of years you can receive Monthly Flexible Distribution Option payments is limited by IRS regulations according to your life expectancy
- The maximum years allowed depends on you and your beneficiary's ages. Deseret Mutual calculates the maximum number of years for each situation.
- While you are receiving monthly payments, your remaining balance generates investment earnings or losses, even though you're no longer making contributions to your account
- You can make partial withdrawals or close your account at any time, based on plan guidelines. If you make the request in writing and receive approval from Deseret Mutual, at any time you can change the time period during which you have chosen to receive payments.
- You can transfer your account balance among the various mutual funds according to the plan guidelines (see *Changing Your Investment Direction* on page 12)
- You can choose one of two methods to receive your funds:
  - Fund Preference Method: This method is the least risky if the investment markets are flat or going through a down cycle. Payments are taken from each source of money one fund at a time in the ascending order of risk associated with each fund. For example, all 401(a) after-tax sources from the Money Market first, then Fixed Income, Bond Index, Stock Index, and so on. When that money is gone, the 401(k) before-tax money will be taken in order and then the Roth 401(k) after-tax money in order and so on.
  - Prorata Method: With this method, payments are taken proportionately from all investment funds in your account

If you are required to receive a minimum distribution, you may need an extra payment at the end of the year to meet that requirement. We will make sure this payment satisfies the requirement.

If you are an active employee when you reach age 69½, you are still eligible to set up the Monthly Flexible Distribution Option.

Annual Payment Option

This option provides an annual payment equal to the required minimum distribution amount (see *Required Minimum Distribution* on page 27).

- You are eligible to choose the Annual Payment Option if you have:
  - — Ended employment
  - — Reached your required beginning date, and
  - — At least $3,500 in your Thrift Plan account
- The annual payment is paid in December of each calendar year
- This option allows you to keep the funds in your Thrift Plan fully invested during the calendar year
- With this option, you can make partial withdrawals or close your account at any time, based on plan guidelines. Withdrawals do not reduce the amount you will receive from the Annual Payment Option in December.
- You can choose one of two methods to receive your funds:
  - — Fund Preference Method: This method is the least risky if the investment markets are flat or going through a down cycle. Payments are taken from each source of money one fund at a time in the ascending order of risk associated with each fund. For example, all 401(a) after-tax sources from the Money Market first, then Fixed Income, Bond Index, Stock Index, and so on. When that money is gone, the 401(k) before-tax money will be taken in order and then the Roth 401(k) after-tax money in order and so on.
  - — Prorata Method: With this method, payments are taken proportionately from all investment funds in your account

Automatic Payment Options (Default)

If you have ended employment and you do not choose a permanent payment option by your required beginning date, Deseret Mutual is required to set up one of the automatic payment options described below:

- If your account balance is less than $3,500, the amount is automatically paid to you and your account is closed

- If you have at least $3,500 in your account and you are:
  - Single, your account balance is paid to you as a Life Annuity
  - Married, your account balance is paid as a QJSA
- After the automatic payment option begins, you cannot change it to another payment option. Therefore, it is important to choose a payment option by your required beginning date.

Required Minimum Distribution

A required minimum distribution is a payment to you from your Thrift Plan account balance that's required by federal law. It must be paid to you by your required beginning date, which is the later of:

- April 1 of the year following the calendar year in which you reach age 70½ or
- April 1 of the year following the calendar year in which you end employment

When you reach your required beginning date, you must select a permanent payment option or close your account.

If you have ended employment and have reached your required beginning date, Deseret Mutual must send you a required minimum distribution. The required minimum distribution amount is not eligible for rollover.

Distribution Options After Your Death

If you are receiving a payment option, the guidelines of that payment option will be followed.

If you die before choosing a payment option, your account balance will be paid to your designated beneficiary or to your estate. In some cases the estate may be small enough that an affidavit of small estate can be submitted.

The court will either recognize the personal representative you named in your estate plan or appoint a personal representative. This person files the necessary paperwork with Deseret Mutual and we release your funds to the personal representative on behalf of your estate and probate can be avoided.

Thrift Plan

If you are single and do not designate a beneficiary before your death, 100 percent of your account balance will be paid to your estate.

If you are married at the time of your death and have not designated a beneficiary or have named a beneficiary other than your spouse without your spouse's written, notarized consent, your account will be distributed as follows:

— 50 percent to your spouse, even if your spouse is not your named beneficiary, and

— 50 percent to your designated beneficiary. If you did not name a beneficiary, the remaining 50 percent will be paid to your estate.

Spousal Protection — Qualified Preretirement Survivor Annuity

Federal law protects your spouse's rights to your Thrift Plan benefit in the event of your death. The Thrift Plan pays an automatic benefit to your spouse if:

- You are married when you die
- You die before your payments begin
- Your spouse is still alive, and
- You have not designated a beneficiary or your beneficiary designation is not valid

This is called a Qualified Preretirement Survivor Annuity (QPSA). If you name someone other than your spouse, and your spouse doesn't sign a valid waiver, then the QPSA provides that your spouse is the automatic beneficiary of at least 50 percent of your account balance at the time of your death.

For example, if your account balance is $80,000 when you die and the beneficiary you have named is:

- Your spouse, then your spouse receives the entire $80,000
- Your sister without your spouse's written, notarized consent, then your spouse receives $40,000 and your sister receives $40,000
- Your sister with your spouse's written, notarized consent, then your sister receives the entire $80,000
- No one, then your spouse receives $40,000 and your estate receives $40,000

The right to a QPSA is only effective until you begin receiving your selected payment option. At that time, the death benefit provisions of the payment option you choose supercede the QPSA.

- Waiver Election

  Federal law allows you to waive your right to the automatic QPSA if both you and your spouse agree to name a primary beneficiary other than, or in addition to, your spouse. This waiver is required even if you name a trust as your primary beneficiary.

  You and your spouse may change or revoke the QPSA waiver election as often as you wish. Also, if your marital status changes, you must complete a new beneficiary form. The waiver election is valid only for the spouse consenting to the waiver.

  And if you are an active employee when you reach age 35 and you and your spouse had signed a *Waiver Election* form and selected a different beneficiary, then law requires that if you still want a different beneficiary and the waiver to be active, you must complete and execute another waiver form.

Payments to Beneficiary

After your death, Deseret Mutual transfers your account balance into a new account established for your beneficiary. Your beneficiary can withdraw some or all of the funds in the new account, based on plan guidelines, without needing to prove financial hardship. Your beneficiary is responsible for paying all taxes due after making withdrawals from the account.

If you select a payment option and you die after payments begin, the payment option you selected determines the method of payment to your beneficiary or joint annuitant. Plan guidelines apply.

If you die before receiving payments, payments are made based on your current beneficiary designation.

- If your beneficiary is your spouse, your spouse may:
  - — Take a lump sum payment
  - — Set up monthly payments if the account balance is at least $3,500 and your spouse is at least age 55. Your surviving spouse can choose an annuity, the Monthly Flexible Distribution Option, or the Fixed Dollar Installment Distribution Option any time before your required beginning date. However, your surviving spouse cannot choose a joint and survivor annuity payment option, even if your spouse remarries.
  - — Leave the account open until your required beginning date. Your surviving spouse may still make withdrawals and Current Balance Transfers, based on plan guidelines. Your surviving spouse may also be eligible for the Annual Payment Option.
  - — Request a direct rollover from the Thrift Plan into an IRA or other qualified plan. The 20 percent mandatory tax withholding rules will not apply. (The withholding rules do apply to withdrawals.)

- If your beneficiary is someone other than your spouse, your beneficiary may:
  - Take a lump sum payment
  - Roll over to an inherited IRA. The 20 percent mandatory tax withholding rules will not apply. However other federal guidelines apply, so contact a tax advisor.
  - Set up monthly payments if the account balance is at least $3,500 and the beneficiary is at least age 55. Your beneficiary may choose a monthly annuity payment option, the Monthly Flexible Distribution Option, or the Fixed Dollar Installment Distribution Option for up to five years. Federal guidelines apply. The payments must begin by December 31 of the year following your death.
  - Leave the account open until December 31 of the fifth year following your death. Until that time, your non-spouse beneficiary can still make withdrawals and Current Balance Transfers, based on plan guidelines. At the end of the fifth year, your beneficiary must close the account.
- If your beneficiary is a trust, or if your account defaults to your estate, your trustee or executor may choose:
  - A lump sum payment
  - A direct rollover to an inherited IRA, if a trust. However, an estate cannot do a direct rollover. The 20 percent mandatory tax withholding rules will not apply. However other federal guidelines apply so contact a tax advisor.
  - A monthly annuity option (subject to federal limits or plan guidelines), the Monthly Flexible Distribution Option, or the Fixed Dollar Installment Distribution Option for up to five years if you were 55 or older at the time of your death and your account balance is at least $3,500. The payments must begin by December 31 of the year following your death.
  - To leave the account open until December 31 of the fifth year following your death. Until that time, your trustee or executor can make withdrawals and Current Balance Transfers, based on plan guidelines. At the end of the fifth year, your trustee or executor must close the account and take the remaining account balance.

Divorce and Qualified Domestic Relations Orders

Deseret Mutual pays the benefit according to the provisions of the divorce decree or Qualified Domestic Relations Order (QDRO), as applicable.

Divorce

If you divorce after beginning employment with a participating employer, you must provide Deseret Mutual with this documentation:

- A court-certified copy of the divorce decree. This includes the clerk's or judge's stamp and signature certifying the decree's completeness and authenticity. If the document is missing pages or information, it is not court-certified.
- Court-certified copies of any settlements, agreements, exhibits, or attachments that are part of the divorce decree

Orders

A Domestic Relations Order (DRO) includes any judgment, decree, or order made according to state domestic relations laws pertaining to child support, alimony, or marital property rights awarded to an alternate payee (such as a spouse, former spouse, child, or another dependent).

Deseret Mutual pays benefits to an alternate payee according to the provisions of a Qualified Domestic Relations Order (QDRO). A QDRO is a DRO that has been qualified by Deseret Mutual and that creates an alternate payee's right to receive all or a portion of the payable retirement benefit. A QDRO can't, however, provide a benefit that isn't available under the plan.

Procedures

Federal law requires that Deseret Mutual follow established procedures to determine when a DRO is a QDRO and how benefits are distributed. Before submitting a QDRO to a judge, you may send us a draft to determine if it meets the terms of our plan. This saves time and helps lower your court costs for repeated filings (and you are responsible for all costs required to obtain a QDRO). Please note that Deseret Mutual must receive a court-certified QDRO that meets all of the plan requirements before we can divide the benefit.

Your QDRO must specify a dollar amount or a percentage of your current account balance to be put into an account for your alternate payee. We will not perform the calculations needed to determine the dollar amount or percentage of the current balance.

If you have a pending divorce and are an active participant ready to begin receiving your savings plan benefit, then Deseret Mutual won't be able to process your benefit until the alternate payee's rights are determined.

If you have separated and started any legal action, Deseret Mutual is required to freeze your account. Until the divorce is finalized, we cannot approve requests for loans, withdrawals, or changes to your beneficiaries.

Thrift Plan

The administrative cost to set up a QDRO will be paid from your account. The cost ranges from $100 to $500.

Direct Rollovers

A direct rollover is a distribution from a qualified pension plan, such as a 401(k) plan, that is paid directly to the trustee, custodian, or issuer of the receiving IRA or qualified plan and is reported to the IRS as a rollover.

- 401(k) before-tax contributions, plan earnings, and employer-matching contributions may qualify to be rolled over into an IRA or another qualified employer plan
- You can roll over your Roth 401(k) after-tax or 401(a) after-tax contributions to a qualified employer plan or an IRA. However, some plans are not required to accept these after-tax contributions. Or you can request that these after-tax contributions be sent directly to you.
- The Roth 401(k) after-tax money can only be rolled to a Roth IRA plan or another Roth 401(k) plan
- Installment payments (fixed dollar and monthly payment options) are not eligible to be rolled over
- As an active employee, once you reach age 59½, you may roll Deseret Mutual's Tax-sheltered Annuity (TSA) Plan into your Thrift Plan account
- If you are no longer employed and have a balance in the Thrift Plan, you may roll money into the Thrift Plan from other qualified plans including Deseret Mutual's TSA Plan
- Rollovers may be limited by federal regulations
- Please check carefully with the other plan before rolling over your money. When you roll your money to another plan, it becomes subject to the rules of the new plan. You should understand the withdrawal rules, hardship rules, tax penalties, and so on of the new plan. You may not be able to roll the money back into the Thrift Plan after you roll it out.

Employment Status Changes

Termination of Employment

If you end employment for any reason, including retirement, you cannot make further Thrift Plan contributions. However you may be able to roll over other employer-sponsored plan money into your Thrift Plan.

When your employment ends or you retire, you can:

- Leave your account open. You can make withdrawals and Current Balance Transfers, based on plan guidelines. However, you must choose a payment option by your required beginning date.
- Choose a payment option, if eligible (see *Distribution Options After Employment Ends* on page 19)
- Close your account and either
  - — Receive a lump sum distribution, or
  - — Have the eligible portion of your account balance sent as a direct rollover from Deseret Mutual to a qualified plan or an IRA of your choice (see *Tax Considerations* on page 34)

Transfer of Employment

If you transfer employment from one participating employer to another, usually the status of your account is not affected. However, if you are not eligible to contribute in the Thrift Plan with your new employer, your payroll-deducted loan payments will stop. You are responsible to continue your loan payments directly to Deseret Mutual.

If you are eligible to contribute to the Thrift Plan with your new employer, please be certain your contributions and loan payments continue to be taken from your paychecks.

Disability

If you become disabled, you can leave your Thrift Plan account open. You can make withdrawals and Current Balance Transfers, based on plan guidelines.

You cannot make further contributions to the Thrift Plan while you are disabled if you do not receive any income from a participating employer while you are receiving Deseret Mutual's Disability Plan benefit.

If you are permanently disabled you may:

- Leave your account open
- Close your account and receive a lump sum distribution, or
- Close your account and have the eligible portion of your account balance sent as a direct rollover from Deseret Mutual to a qualified plan or an IRA of your choice

Thrift Plan

You may be eligible for a Thrift Plan loan. Loan payments are deducted from Deseret Mutual's Disability Plan benefit check, but cannot exceed 50 percent of your net Disability Plan benefit.

Tax Considerations

The following tax considerations are intended as summaries. Federal tax laws are complex and subject to change. To help explain tax considerations, the federal government has issued a *Special Tax Notice Regarding Plan Payments* that includes more information. You can get this notice from Deseret Mutual.

Before you make decisions about receiving money from your Thrift Plan account, you may want to consult a qualified tax advisor. Deseret Mutual representatives are not tax advisors. To avoid some of the tax consequences, see *Direct Rollovers* on page 32.

As long as your money remains in the Thrift Plan, you do not pay income taxes on your 401(k) before-tax contributions, employer-matching contributions, or investment earnings, including those earnings on the after-tax contributions. You are taxed on these amounts when you withdraw the money (when the money is distributed to you).

Because you already paid taxes on your after-tax contributions, both the Roth 401(k) and the 401(a), before they were deposited into your account, you are not required to pay income taxes on this money when it is withdrawn from the Thrift Plan. However, the earnings on after-tax money is taxable when withdrawn.

Qualified withdrawals of Roth 401(k) after-tax contributions and the earnings are tax free. However, the earnings on non-qualified withdrawals of Roth 401(k) after-tax money are subject to regular taxes and possible tax penalties.

Remember, to avoid being taxed on a withdrawal, you must roll over your distribution to another qualified plan within 60 days of receipt of your check. If you are going to roll over your distribution, do a direct rollover to avoid tax complications.

20 Percent Withholding Requirement

The taxable portion of a Thrift Plan withdrawal may be subject to a federally mandatory 20 percent withholding for federal income tax.

- Unless you choose to have Deseret Mutual transfer your funds directly into another qualified plan or IRA, we withhold 20 percent of the taxable portion of your distribution and send it to the IRS. This amount is credited toward your federal tax for the calendar year. Your final tax obligation may be more or less than the mandatory 20 percent withholding.

- This mandatory withholding does not apply to certain distributions and the monthly annuity payment options

- The date of your check determines the calendar year in which the funds are taxable. We mail a tax statement to you by January 31 of the following year indicating the taxable amount withdrawn and the taxes withheld, if any.

- Hardship withdrawals are subject to federal income taxes. In addition, hardship withdrawals are generally subject to the additional 10 percent tax on withdrawals made if you are younger than 59½. You may want to contact your tax advisor about the tax consequences of your hardship withdrawal and the amount of withholding to request.

- Federal law states that hardship withdrawals and required minimum distributions are not eligible to be rolled over into IRAs or other qualified plans. Therefore they are not subject to the 20 percent mandatory withholding. Unless requested, Deseret Mutual does not withhold 20 percent from hardship withdrawals and required minimum distributions.

State Income Taxes

You may choose whether or not you want state taxes withheld, unless you live in a state with mandatory withholding.

Additional 10 Percent Tax

An additional 10 percent tax (early withdrawal penalty) may apply to the taxable portion of your distribution. This 10 percent federal tax is in addition to the income tax you pay on the taxable portion of your distribution.

Exceptions include:

- Participants older than 59½, beneficiaries, people with certain disability statuses, or retirees

- Withdrawals of your Roth 401(k) after-tax or 401(a) after-tax contributions

- Distributions to an alternate payee resulting from a QDRO

- Some withdrawals made between ages 55 and 59½

Taxes on Death Benefits

If your account balance is paid to your beneficiary including your trust, your beneficiary is responsible for paying all taxes when the money is withdrawn.

Estate Taxes

Distributions may be subject to estate taxes. This is true regardless of where the distribution goes.

Lump Sum Distributions and Income Averaging

Income averaging is available one time for participants born before January 2, 1936. If you receive your entire account balance in one calendar year, it is called a lump sum distribution and may qualify for income averaging. The rules are complex. Therefore, seek the advice of a qualified tax advisor before you decide how to receive your Thrift Plan account balance.

Income averaging may not be available if you previously rolled over part of your account to another plan or rolled over money into the Thrift Plan from another plan or IRA.

Planning Tools

Deseret Mutual provides a number of tools to help you with your investing and retirement planning, such as online tools and booklets.

- For an estimate of the impact of your savings contributions on your paychecks, go to Deseret Mutual's Web site, select Savings, Financial Planning Tools, and then the Paycheck Calculator
- For an estimate of the future value of your contributions, go to our Web site, select Savings, Financial Planning Tools, and then the Thrift Plan Savings Calculator
- For an estimate of your annuity amount if you are 55 or older, go to our Web site, select Savings, Financial Planning Tools, and then the Savings Annuity Estimator
- For information on payment options and the required minimum distribution, call Deseret Mutual and ask for the booklet *Decisions for the Future*

- For investment and mutual fund information, go to our Web site, and select the Savings pull-down menu. The third-party links found here provide a wealth of information.

  You get direct access to all of Deseret Mutual's investment fund performances, the Net Asset Value and related information for the mutual funds that are part of the Thrift Plan, and a Yahoo site where you can track your own portfolio returns.

- For information about taxes, go to the IRS Web site at www.irs.gov

Through Deseret Mutual, your employers provide financial planners who offer workshops and consultations at no charge to you. These planners are available to offer general objective financial counsel to help you plan for your future. They can help you to clarify goals, gather information, analyze your situation, develop solutions, and take action. However, our financial planners do not provide specific investment advice.

Fiduciary Duties

Pursuant to section 404 of ERISA, the Thrift Plan provides for individual accounts and permits you, as a participant, or your beneficiary to make independent investment decisions about the investments and Future Fund Election of the assets in your account within the available funds.

The Thrift Plan is administered according to Section 404 of ERISA and in accordance with its plan document. It is for the exclusive purpose of providing benefits to participants at reasonable administrative expenses.

Deseret Mutual and its employees use the care, skill, prudence, and diligence required under the circumstances in administering the Thrift Plan. Best efforts are used to select and monitor appropriate investments and investment managers and to take all other action necessary to fulfill our fiduciary duties as prescribed by ERISA.

You (not the Thrift Plan, Deseret Mutual, nor any of the participating employers) are solely responsible for investment loss that is the direct and necessary result of your decisions regarding the investment and Future Fund Election of the assets in your Thrift Plan account.

Conflict of Interest

Department of Labor (DOL) regulations require Deseret Mutual to have you certify that there is no conflict of interest for a withdrawal. A conflict of interest occurs when an independent investment advisor, who has been paid for advising you in investing your assets in the Deseret Mutual savings plans, advises you to withdraw funds from the Deseret Mutual plans and then manages those funds outside of our plans.

Thrift Plan

Assignment

Your rights as a participant of the Thrift Plan may not be assigned. This means funds in your account may not be used as collateral for loans or assigned to creditors.

Notification of Discretionary Authority / Appeal Information

Deseret Mutual has full discretionary authority to interpret the Thrift Plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

Report any errors you may find on your quarterly statements within 30 days of the statement date. At 30 days, the statements will be considered correct.

If you have questions concerning this authority or how this plan is managed or you wish to appeal a benefit decision, you may contact our Plan Administrator:

Victor N. Gibb
General Counsel/Secretary
Deseret Mutual Benefit Administrators
60 East South Temple, #670
Salt Lake City, Utah 84111

Notification of Benefit Changes

The Thrift Plan is administered according to federal regulations. Deseret Mutual reserves the right to amend or terminate the plan at any time. If benefit changes are made, we will notify you as required by law.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Thrift Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact your employer or Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600

Toll free. 1-800-777-3622

Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area 1-801-578-5655

Toll free 1-800-333-9715

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Master Retirement Plan

Master Retirement Plan

Deseret Mutual's Master Retirement Plan is designed to work hand-in-hand with other programs such as Social Security, Deseret Mutual's Thrift Plan, and your personal savings. It is a defined benefit pension plan that is 100 percent employer-funded.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Master Retirement Plan as of January 1, 2008.

Eligibility

You are eligible to participate in Deseret Mutual's Master Retirement Plan if you:

- are 21 or older,
- are in an eligible class of employment as defined by your employer, and
- have one year of employment with a participating employer (worked at least 1,000 hours in your first year of employment or any calendar year).

Factors that Affect Your Master Retirement Plan Benefit

Your Master Retirement Plan benefit is determined by the following:

- ***Months of Vesting Credit:*** Your employment as an eligible employee for a participating employer, beginning at the later of age 18 or your hire date, that is not forfeited by a break in service (see Break in Service on page 4).
- ***Months of Benefit Credit:*** Your eligible service, beginning at the later of age 21 or your hire date, usually to a maximum of 396 months (33 years). Some exceptions apply (see Benefit Credit on page 2).
- ***Final Average Salary:*** Your average monthly salary for the highest five years of the last 10 years of eligible employment with a participating employer (see Final Average Salary on page 3).
- ***Age:*** Your age when you begin receiving your benefit.

Special rules apply if you work for more than one participating employer at the same time.

Master Retirement Plan

Vesting Credit

When you are vested, you own your benefit. In the Master Retirement Plan, you are either 100 percent vested or you are not vested. With 60 months (five years) of vesting credit, you are 100 percent vested.

You may earn vesting credit during an employer-approved leave of absence (interruption in service) based on plan limitations and guidelines (see *Interruption in Service* on page 3). However, you forfeit all vesting credit if you have a break in service (see *Break in Service* on page 4).

You may earn vesting credit even if you are not earning benefit credit.

Benefit Credit

When you participate in the Master Retirement Plan, you earn benefit credit, which is the eligible service you earn as a participant. This is used to calculate your Master Retirement Plan benefit. Benefit credit:

- begins to accrue at age 21 or your hire date, whichever is later
- begins the first day of the month following your hire date, unless you were hired on the first day of the month, in which case it begins that day
- is earned on a monthly basis while you work in an eligible class of employment for a participating employer (contact your employer for specific information)
- has a maximum of 33 years (396 months)

  If your years of benefit credit plus your age equaled 75 on December 31, 2000, you are eligible to accrue up to 40 years (480 months) of benefit credit.

Special rules apply if you:

- did not work at least 1,000 hours in your first year of employment with a participating employer but you did in a subsequent year
- were hired on the first day of a month and ended employment on the first day of a month
- were hired before January 1, 1988 and you were 60 or older

Final Average Salary

Your final average salary is calculated from the eligible portion of your gross income (considered earnings). Considered earnings include all FICA reportable income, including earned non-severance compensation paid after the termination of your employment. It excludes severance pay at termination, nonqualified plan payments, and lump sum payments for paid and sick leave.

Your final average salary is based on your income during your five highest-paid years out of the last 10 years before you end employment. Three methods may be used to calculate your final average salary. The benefit you receive at retirement is based on the method that produces the highest final average salary for you.

- The personal fiscal year can be used for all participants. For example, if your employment ends at the end of March 2009, your last personal fiscal year is based on the complete 12-month period from your last month worked (April 2008 to March 2009).
- The academic year may be used if you are employed by some employers. An academic year is a complete year from September 1 through August 31.
- The calendar year is used by other employers. A calendar year is a complete year from January 1 through December 31.

Your final average salary may be affected if you retire while you are on an employer-approved leave of absence or if you are receiving workers' compensation or Deseret Mutual's Disability Plan benefit.

Interruption in Service

An interruption in service occurs if you have a break in employment with a participating employer that does not cause you to lose your previous vesting and benefit credit.

An interruption in service is when you fail to return to work:

- within one year after you end employment for any reason, including a layoff
- after an employer-approved leave of absence within the time specified by your employer
- after an absence caused by illness or accident in which you have been declared fit for work by either your doctor or a doctor designated by your employer
- within three months of discharge, resignation, or release from armed forces or full-time ministerial service (if you are on active duty, the Uniformed Services Employment and Re-employment Rights Act (USERRA) gives you special rights)

Master Retirement Plan

The beginning date of an interruption in service is the first day of the month following the date you end employment with a participating employer.

In specific situations, special rules may delay the start of an interruption in service. This includes absence caused by pregnancy, birth, or adoption of a child.

Break in Service

A break in service is an interruption in service that is long enough to cause you to lose all your previous vesting and benefit credit.

Based on government regulations, the rules governing breaks in service have changed over time. Since 1985, a break in service occurs if you:

- have an interruption in service that lasts five or more consecutive years, or longer than your previous service, whichever is greater, and
- are not vested in your Master Retirement Plan benefit

If you need information on break in service rules before 1985, please contact Deseret Mutual.

Retirement Status

You are eligible for a Master Retirement Plan benefit if you are a participant with at least 60 months of vesting credit and at least one month of benefit credit. You must complete the *Master Retirement Plan Benefit Application*.

Normal Retirement

Your normal retirement date is the first day of the month following either your 65th birthday or the date your employment ends, whichever is later. If your birthday is on the first day of the month, your normal retirement date is that day.

Early Retirement

You may elect early retirement at any time after you end employment as long as you are at least age 55, but not yet 65. In addition, if you are eligible for a benefit but are working in an excluded class of employment as defined by the participating employer, you may choose to receive benefit payments before you end employment, even as young as 55.

Early Master Retirement Plan benefit payments are less than normal benefit payments because:

- your benefit payments are likely to be spread out for a longer period of time
- you have fewer months of benefit credit than if you had continued to work until age 65
- you may have a lower final average salary

Vested Terminated Participant

If your employment ends before you reach age 55 and you are eligible for a Master Retirement Plan benefit, you are considered a vested terminated participant. You may begin receiving your benefit at 55 or older. Remember, you must complete the *Master Retirement Plan Benefit Application*.

Note: If you end employment before age 65, your monthly benefit payments must begin no later than your normal retirement date. If the lump sum value of your benefit is less than $1,000 when you end employment, you must receive your benefit as a lump sum at that time.

Benefit Calculations

The amount of your benefit is based on your age at the time you begin receiving your benefit, your final average salary, and the amount of benefit credit you have earned at the time you end employment. Remember, you must have at least 60 months of vesting credit and one month of benefit credit to qualify for a Master Retirement Plan benefit.

The Standard Benefit is the 10-year Certain & Life payment option. All other payment options are calculated based on this option (see *Payment Options* starting on page 10).

Your monthly benefit payment option is calculated using these steps:

Step 1: Add your annual salaries for your five highest personal fiscal (or academic or calendar) years out of the last 10 years (see *Final Average Salary* on page 3).

Step 2: Divide the result by 60 (months) to get your monthly final average salary.

Step 3: Multiply your monthly final average salary by 1.5 percent.

Step 4: Multiply the result in Step 3 by the number of months of benefit credit you have earned.

Step 5: Divide the result in Step 4 by 12 (months) to get your monthly Master Retirement Plan benefit payment.

For help in calculating your benefit, see *Planning Tools* on page 24.

Master Retirement Plan

Normal Retirement

Examples of monthly benefit payments at age 65 using the Standard Benefit are shown below. This table provides estimated amounts of your monthly benefit payments if they were to begin on the first day of the month after your 65th birthday.

Examples of Monthly Benefit Payments

Benefit Credit Months	Monthly Final Average Salary $1,500	$2,000	$2,500	$3,000	$3,500	$4,000	$4,500
60	113	150	188	225	263	300	338
120	225	300	375	450	525	600	675
180	338	450	563	675	788	900	1,013
240	450	600	750	900	1,050	1,200	1,350
300	563	750	938	1,125	1,313	1,500	1,688
360	675	900	1,125	1,350	1,575	1,800	2,025
396	743	990	1,238	1,485	1,733	1,980	2,228

Early Retirement

When you end employment, Deseret Mutual calculates the amount of the Standard Benefit available to you at age 65, based on the benefit credit and final average salary you earned through the date your employment ends, not through 65. However, if you choose to begin receiving your benefit before you are 65, to make it possible to spread the payments over more years, the amount of your monthly benefit payment is reduced.

The following two tables show the early retirement reductions on the Standard Benefit. Other payment options are then calculated on this reduced amount.

Your monthly Standard Benefit is *not* reduced if you end employment and begin receiving Master Retirement Plan payments at:

- 62 or older with at least 30 years of benefit credit
- 61 or older with at least 40 years of benefit credit, available to those whose age plus years of benefit credit equaled 75 on December 31, 2000

If you are 55 or older when you end employment, or if you die as an active participant, you or your surviving spouse use this first table:

If you start your benefit payments on ...	The amount of each monthly benefit payment is ...
Your 64th birthday	97% of the benefit at 65
Your 63rd birthday	94% of the benefit at 65
Your 62nd birthday	91% of the benefit at 65
Your 61st birthday	87% of the benefit at 65
Your 60th birthday	83% of the benefit at 65
Your 59th birthday	79% of the benefit at 65
Your 58th birthday	75% of the benefit at 65
Your 57th birthday	71% of the benefit at 65
Your 56th birthday	67% of the benefit at 65
Your 55th birthday	63% of the benefit at 65

If you are younger than 55 when you end employment, use this table:

If you start your benefit payments on ...	The amount of each monthly benefit payment is ...
Your 64th birthday	92% of the benefit at 65
Your 63rd birthday	84% of the benefit at 65
Your 62nd birthday	76% of the benefit at 65
Your 61st birthday	68% of the benefit at 65
Your 60th birthday	60% of the benefit at 65
Your 59th birthday	56% of the benefit at 65
Your 58th birthday	52% of the benefit at 65
Your 57th birthday	48% of the benefit at 65
Your 56th birthday	44% of the benefit at 65
Your 55th birthday	40% of the benefit at 65

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Minimum Normal Master Retirement Plan Benefit

If your Standard Benefit at age 65 is less than $75 per month when you begin receiving the Master Retirement Plan benefit and you have at least 60 months of benefit credit, your benefit payments increase to $75 per month.

However, if you are vested when you begin receiving the benefit but have less than 60 months of benefit credit, the minimum benefit payment ($75 per month) is prorated according to your actual months of benefit credit.

Payment Options

Several payment options are available from your Master Retirement Plan. Each is paid monthly (called an annuity, which is regular income paid at fixed intervals) from your retirement date for the rest of your life, except for the lump sum, which is paid just one time. And some options allow payments to continue to your spouse or beneficiary after you die.

First you choose whether you want to receive level payments or increasing payments (see *Level Payment Method* on page 9 and *Increasing Payment Method* on page 10). Then you choose one of the payment options (see *Payment Options* beginning on page 10). If you qualify, you may also select a lump sum distribution (see *Lump Sum Distributions* on page 12).

If you are married, you can select any of the payment options. The joint and survivor annuity payment options provide benefit payments to you and then to your joint annuitant when you die. *Your joint annuitant is your spouse at the time you retire*, which is at the time you begin receiving the Master Retirement Plan benefit.

If you are single, you cannot select any joint and survivor annuity options.

Spousal Protection at Retirement — Qualified Joint & Survivor Annuity and Qualified Optional Survivor Annuity

Federal law protects your spouse's rights to your retirement benefit. The Qualified Joint & Survivor Annuity (QJSA) payment option is an annuity for your life that also provides a 50 percent survivor annuity to your spouse after your death. And the Qualified Optional Survivor Annuity (QOSA) payment option is an annuity for your life that also provides a 75 percent survivor annuity to your spouse after your death. For either of these options, when both you and your spouse die, the benefit payments do not continue to anyone.

If you are married, the law permits Deseret Mutual to offer you several payment options. However, federal law requires that your Master Retirement Plan benefit be paid as a QJSA or a QOSA unless you and your spouse waive that right. Your spouse is required to give written, notarized consent to your waiver.

- ***Retiree Election***

  If you choose an option other than the QJSA or the QOSA, you and your spouse must complete the *Retiree Election and Spousal Consent* section of the benefit application (see *Spousal Consent* on page 17). You and your spouse must sign these forms within 180 days before the date of your first benefit payment. Your benefit cannot be paid unless you choose the QJSA or the QOSA or you and your spouse complete the *Election Waiver and Spousal Consent* section of the benefit application.

  Your spouse cannot revoke consent. If you change your mind and you want the QJSA or the QOSA, you may revoke your waiver any time before you receive your first payment. You do not need your spouse's consent. If you again decide to waive the QJSA or the QOSA, your spouse must consent to the new retiree election. After payments begin, you may not revoke your waiver.

- ***Consequences of Waiving the QJSA and the QOSA***

  If you and your spouse waive the QJSA and the QOSA, you may receive your benefit in any other form the plan provides. Benefit payment amounts for other payment options differ.

  The amount we expect your payments to add up to over your life expectancy is called the relative value. It is based on your final average salary, benefit credit, and your age at your retirement date. The relative value of all payment options is approximately the same value as that of the life annuity payment option (for more information on relative values and for detailed descriptions of the payment options, see pages 9 through 15).

  After you begin receiving benefit payments, you cannot change your payment option. You cannot change your joint annuitant, even if you later divorce, become widowed, or remarry. If your marital status changes after you begin receiving benefit payments, your benefit continues to be paid according to the payment option you selected at that time.

Payment Methods

Unless you qualify for and want a lump sum distribution, you first select from one of two payment methods.

Level Payment Method

The Level Payment Method provides a monthly benefit payment that remains the same, from month to month and year to year.

Increasing Payment Method

The Increasing Payment Method provides a monthly benefit payment that is designed to help you manage inflation by starting at a lower payment and then increasing at 4 percent annually.

The table below shows how the Level Payment Method payment remains constant while the Increasing Payment Method payment starts lower and may end significantly higher.

Age	Level Payments	Increasing Payments
65	$715	$500
80 (15 years)	$715	$900
95 (30 years)	$715	$1,621

Here you see an example of payment methods based on an employee retiring on January 1, 2008, with a monthly payment of $715. With the Increasing Payments, the first benefit payment increase occurs on January 1, 2009, and then each January 1 thereafter. (We prorate the increase the first year you begin receiving benefit payments.)

The relative value, or the total worth of one method compared to the other, is the same. In the beginning, payments from the Increasing Payment Method are about one-third less than the level method. But the payments continue to increase at 4 percent annually until the benefit ends.

The estimated break-even point is 18 to 20 years after the benefit payments begin. (That's when the cumulative payments under the Increasing Payment Method are the same as the cumulative payments under the Level Payment Method.)

Of course, it's up to you to decide which payment method is right for you. Generally, you may be best suited for the Increasing Payment Method if you are:

- a young retiree or surviving spouse or alternate payee (longer exposure to inflation)
- a married retiree (greater chance that at least one spouse will live significantly longer)
- a well-positioned retiree (can supplement needed income from the Thrift Plan or other sources in the early years)
- an optimistic retiree (anticipate significant longevity for yourself and/or your spouse)

Payment Options

These two payment methods apply to all payment options. After you select a payment method, you need to select a payment option.

- ***10-year Certain & Life (Standard Benefit)***

  This Standard Benefit provides monthly payments to you for as long as you live. If you die before 10 years from your retirement date, payments continue to your designated beneficiary for the remainder of the 10 years.

- ***15-year Certain & Life***

  This option provides monthly payments to you for as long as you live. If you die before 15 years from your retirement date, payments continue to your designated beneficiary for the remainder of the 15 years.

- ***20-year Certain & Life***

  This option provides monthly payments to you for as long as you live. If you die before 20 years from your retirement date, payments continue to your designated beneficiary for the remainder of the 20 years.

- ***Life Annuity (No Term Certain)***

  The Life Annuity option provides monthly payments to you for as long as you live. Payments end when you die.

- ***Joint & Survivor 100 Percent Annuity (10-year Certain)***

  This option provides monthly payments to you for as long as you live. If you die before your joint annuitant, your joint annuitant receives 100 percent of that amount until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your retirement date, payments continue to your designated beneficiary for the remainder of the 10 years.

- ***Joint & Survivor 75 Percent Annuity (10-year Certain)***

  This option provides monthly payments to you for as long as you live. If you die before your joint annuitant, your joint annuitant receives 75 percent of that amount until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your retirement date, these reduced payments continue to your designated beneficiary for the remainder of the 10 years.

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- ***Joint & Survivor 50 Percent Annuity (10-year Certain)***

  This option provides monthly payments to you for as long as you live. If you die before your joint annuitant, your joint annuitant receives 50 percent of that amount until your joint annuitant's death.

  If both you and your joint annuitant die before 10 years from your retirement date, these reduced payments continue to your designated beneficiary for the remainder of the 10 years.

- ***Special Joint & Survivor Two-thirds Annuity (10-year Certain)***

  This option provides monthly benefit payments that reduce to two-thirds at the time either you or your joint annuitant dies. The two-thirds payment continues for the remainder of the survivor's life.

  If both you and your joint annuitant die before 10 years from your retirement date, the two-thirds payments continue to your designated beneficiary for the remainder of the 10 years.

- ***Qualified Joint & Survivor Annuity (No Term Certain)***

  The QJSA option provides monthly payments to you for as long as you live. After you die, it also provides a 50 percent survivor benefit for the remainder of your joint annuitant's life.

  Unlike most other joint and survivor annuity options, payment option does not have a 10-year term certain. The benefit payments stop when both you and your joint annuitant die. Compare this option to the Joint & Survivor 50 Percent Annuity (10-year Certain) option.

- ***Qualified Optional Survivor Annuity (QOSA) (No Term Certain)***

  The QOSA option provides monthly payments to you for as long as you live. After you die, it also provides a 75 percent survivor benefit for the remainder of your joint annuitant's life.

  Unlike most other joint and survivor annuity options, this option does not have a 10-year term certain. The benefit payments stop when both you and your joint annuitant die. Compare this option to the Joint & Survivor 75 Percent Annuity (10-year Certain) option.

For help in calculating your benefit options, see *Planning Tools* on page 24.

Lump Sum Distributions

If you are eligible, your entire Master Retirement Plan benefit can be paid to you in one payment. A lump sum may be rolled into your Thrift Plan account, an Individual Retirement Account (IRA), or another qualified retirement plan. Rollovers may be limited by federal regulations.

Please note: The amount you may be eligible to receive as a lump sum distribution changes from year to year. This is because of your age and the interest rate at the time your lump sum is calculated. The interest rate is governed by federal law and changes annually.

A lump sum may be mandatory or optional. Unlike other payment options, it may be paid to you if you are younger than 55.

- ***Mandatory Lump Sum Distribution:*** If the value of your benefit is less than $1,000 when you end employment, you must receive your benefit as a lump sum at that time.
- ***Optional Lump Sum Distribution:*** If the value of your benefit is between $1,000 and $15,000 when you end employment, you may receive your benefit as a lump sum, a QJSA, or a QOSA. You may also defer receiving your benefit to age 55 or older and then select any payment option.

  If you receive a lump sum, you are no longer eligible to receive any other benefit payment from your Master Retirement Plan for this period of service. The lump sum option is a one-time payment. Some exceptions exist (see Re-employment on page 20).

  A lump sum may be subject to a mandatory 20 percent withholding for federal income taxes. Also, if you begin receiving benefit payments when younger than 59½, you may have a 10 percent additional tax if you elect to have a lump sum paid directly to you rather than rolling the money into your Thrift Plan account, an IRA, or another qualified plan (see Tax Considerations on page 21).

  If you end employment and the present value of your plan benefit is more than $15,000, you cannot receive your Master Retirement Plan benefit as a lump sum. When you begin receiving benefit payments at 55 or older, you may choose one of the monthly payment options.

Limited Payment Options

If you are older than 65 when you begin receiving your benefit payments, because of your life expectancy the Internal Revenue Service (IRS) regulations may limit the payment options that are available to you. These options may not be available to you:

- 10-year Certain & Life (Standard Benefit)
- 15-year Certain & Life
- 20-year Certain & Life

Automatic Payment Options

If you have ended employment with a participating employer and have not selected a payment option by age 65, Deseret Mutual will automatically pay your benefit according to the following guidelines:

- If you are married, federal law requires that you receive the QJSA, unless your spouse consents to a different payment option.
- If you are single, you receive the Standard Benefit, unless you are limited to the Life Annuity payment option because of your age.

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Changing Your Payment Option

Remember, you may only change your Master Retirement Plan payment option by written request before the date of your first benefit payment. If you are married, you must include your spouse's written, notarized consent (see *Spousal Consent* on page 17). However, after your benefit payments begin, you ***cannot change*** your payment option.

Payment Option Amounts

When you are ready to begin receiving benefit payments, but not more than 180 days in advance, contact Deseret Mutual to calculate your benefit from the Master Retirement Plan.

Payment options are calculated by multiplying the Standard Benefit by an annuity factor. This annuity factor, which is determined using mortality tables (life expectancy tables), converts the Standard Benefit payment option to the other annuity payment options (see *Benefits Calculations* on page 5). These payment options and annuity factors are shown in the table on below.

Master Retirement Plan Annuity Conversion Factors		
Payment Options	Level Payment Method	Increasing Payment Method
10-year Certain & Life (Standard Benefit)	1.00	0.70
15-year Certain & Life	0.97	0.68
20-year Certain & Life	0.92	0.63
Life Annuity (No Term Certain)	1.02	0.72
Joint & Survivor 100 Percent (10-year Certain)	0.88	0.58
Joint & Survivor 75 Percent (10-year Certain)	0.91	0.61
Joint & Survivor 50 Percent (10-year Certain)	0.95	0.64
Special Joint & Survivor Two-thirds (10-year Certain)	0.95	0.64
QJSA (No Term Certain)	0.95	0.64
QOSA (No Term Certain)	0.91	0.61

Relative Value of Retirement Payment Options

The relative value of each payment option is based on your final average salary, your benefit credit, and your age when you begin receiving benefit payments. It is approximately the same value as that of the life annuity payment option.

In the example below, the final average salary is $3,569, the benefit credit is 387 months, and the age when the benefit payments begin is 65. The participant wants level payments rather than increasing payments.

Examples of Relative Values of Retirement Level Payment Options	Monthly Benefit Payments	
	Participant	Joint Annuitant* (Spouse)
10-year Certain & Life (Standard Benefit)	$1,726	N/A
15-year Certain & Life	$1,588	N/A
20-year Certain & Life	$1,450	N/A
Life Annuity (No Term Certain)	$1,864	N/A
Joint & Survivor 100 Percent (10-year Certain)	$1,459	$1,459
Joint & Survivor 75 Percent (10-year Certain)	$1,545	$1,158
Joint & Survivor 50 Percent (10-year Certain)	$1,631	$ 817
Special Joint & Survivor Two-thirds (10-year Certain)	$1,683	$1,122
QJSA (No Term Certain)	$1,631	$ 817
QOSA (No Term Certain)	$1,545	$1,158

* These payment amounts to your joint annuitant begin when you die. This is the death benefit provision of the payment option.

Spousal and Beneficiary Rights

When you apply for your Master Retirement Plan benefit and if you select a Certain & Life payment option, you must designate a beneficiary to receive plan benefit payments when you die. You may not designate a joint annuitant or beneficiary before you retire.

After you retire (begin receiving Master Retirement Plan benefit payments), you may change your beneficiary by submitting the appropriate form to Deseret Mutual. Forms are available from our Deseret Mutual Web site in the Forms Library or from your employer. Remember, your spouse's written, notarized consent is required if you choose someone other than your spouse as your beneficiary for the 10, 15, or 20-year Certain & Life payment options.

Please keep in mind that you cannot designate a joint annuitant or beneficiary until you are ready to begin receiving benefit payments and you have submitted the necessary paperwork.

If you do not designate a beneficiary at the time you apply for retirement, or if your designated beneficiary dies before you do and you do not designate a new beneficiary, a lump sum payment is made to your estate.

If You Die After You Begin Receiving Benefit Payments

Your benefit is paid according to the payment option you selected when you began receiving benefit payments. If you selected a Joint & Survivor payment option, benefit payments will continue to your joint annuitant. If you and your joint annuitant die, and assuming you both die before the 10-year period is over, benefit payments continue to your designated beneficiary for the remainder of the 10-year period.

If you selected another payment option and you live beyond the certain time period you chose, or if the payment option has no certain period, then the benefit ends.

Special provisions allow a non-spouse beneficiary to roll over retirement benefits to an Inherited IRA. Contact a tax advisor for more information.

Spousal Protection Before Retirement — Qualified Preretirement Survivor Annuity

Federal law protects your spouse's rights to your Master Retirement Plan benefit in the event of your death. This protection is a death benefit.

After you become vested in the plan and if you die before your benefit payments begin, then the Qualified Preretirement Survivor Annuity (QPSA) is payable to your surviving spouse. The QPSA protection is in effect until you begin receiving your benefit payments (which happens when you choose a payment option, your spouse agrees to it, and you begin receiving benefit payments). At that time, the QPSA is superceded by the death benefit provisions of the payment option you selected.

If Deseret Mutual receives your completed *Master Retirement Plan Benefit Application* and you live to your retirement date, we pay the benefit to your surviving spouse according to the payment option you selected. However, paying the benefit according to the payment option you selected does not apply if you die before your retirement date. And special provisions apply if you choose a Life Annuity or a 10, 15, or 20-year Certain Annuity and Life payment option.

The *Retiree Election and Spousal Consent* section of the benefit application acknowledges that you have been informed that QPSA protection ends when your first Master Retirement Plan benefit payment is received. It also acknowledges that your spouse agrees to the payment option you selected and the benefit payments that option provides, if any, when you die. The death benefit then is paid according to the payment option you are receiving, instead of the QPSA.

Note: If you are single before you begin receiving benefit payments, a death benefit is not available, unless you have unmarried, dependent children who have no surviving parent (see *Orphan Benefits* on page 18).

Spousal Consent

If you are married at the time you apply for your benefit, your spouse must provide written, notarized consent if you:

- choose a payment option other than the QJSA or the QOSA,
- choose a primary beneficiary other than or in addition to your spouse for a 10, 15, or 20-year Certain & Life payment option,
- begin receiving benefit payments younger than 65, or
- choose a direct rollover of your Master Retirement Plan benefit.

Your spouse's signature must be notarized by a notary public or witnessed by an authorized Deseret Mutual representative (not your employer).

Please note: The notary's signature and your spouse's signature must have the same date. Photo identification is required. You are responsible for any cost incurred for this service.

How the QPSA Benefit Is Paid

If you die before benefit payments begin, the QPSA (or the death benefit) is payable to your surviving spouse. It is based on your final average salary and benefit credit at the time of your death. The benefit is calculated at your normal retirement date (the first day of the month after you would have reached 65) and then the appropriate early retirement reduction factor is applied (for the later of your age 55 or your age at death).

The death benefit is paid as follows:

- If the present value of your QPSA is less than $1,000, your spouse must receive a lump sum immediately after your death.
- If the present value of your QPSA is between $1,000 and $15,000, your spouse may choose either a lump sum or a monthly benefit payment. For a lump sum, your spouse can receive the distribution immediately after your death.
- If the present value of your QPSA is more than $15,000, your spouse receives a monthly benefit payment:
  - If you are younger than 55 when you die, the monthly benefit payment cannot begin until you would have reached age 55, but must begin no later than when you would have reached age 65.
  - If you are between ages 55 and 65 when you die, your spouse's monthly benefit payments begin immediately, unless your spouse files a written waiver with Deseret Mutual. Your spouse may waive rights to begin receiving the benefit until when you would have reached age 65.
  - If you are older than 65 when you die, your spouse's benefit payments begin immediately.

* If your spouse agrees to defer payments until your normal retirement age of 65 by signing the QPSA Waiver Form and you pass away before the beginning date, no benefit will be payable unless you have unmarried children younger than 18 who do not have a surviving parent (see Orphan Benefits below).

Please note: If your spouse chooses to defer the surviving spouse benefit, your spouse must file the appropriate waiver form with Deseret Mutual.

Orphan Benefits

If you are vested when you die and you have unmarried dependent children who are younger than 18 without a surviving parent, an orphan benefit is available to your dependents until they no longer qualify as dependents. Contact Deseret Mutual for details.

The total orphan benefit is equal to the survivor amount of the QJSA payment option. This amount is divided equally among your children. Each child receives a portion of the monthly benefit payment until the child reaches age 18 or marriage, whichever comes first.

After a child who is receiving a monthly benefit payment becomes ineligible, that child's monthly benefit payment is divided equally among the remaining eligible children.

The orphan benefit is only paid as a monthly benefit and begins immediately after your death; your children do not need to wait until you would have reached age 55.

Divorce and Qualified Domestic Relations Orders

Deseret Mutual pays the benefit according to the provisions of the divorce decree or Qualified Domestic Relations Order (QDRO), as applicable.

Divorce

If you divorce after beginning employment with a participating employer, you must provide Deseret Mutual with this documentation:

- A court-certified copy of the divorce decree. This includes the clerk's or judge's stamp and signature certifying the decree's completeness and authenticity. If the document is missing pages or information, it is not court-certified.
- Court-certified copies of any settlements, agreements, exhibits, or attachments that are part of the divorce decree.

Orders

A Domestic Relations Order (DRO) includes any judgment, decree, or order made according to state domestic relations laws pertaining to child support, alimony, or marital property rights awarded to an alternate payee (such as a spouse, former spouse, child, or another dependent).

Deseret Mutual pays benefits to an alternate payee according to the provisions of a Qualified Domestic Relations Order (QDRO). A QDRO is a DRO that has been qualified by Deseret Mutual and that creates an alternate payee's right to receive all or a portion of the payable retirement benefit. A QDRO can't, however, provide a benefit that isn't available under the plan.

Procedures

Federal law requires that Deseret Mutual follow established procedures to determine when a DRO is qualified and how benefits are distributed. Before submitting a QDRO to a judge, you may send us a draft to determine if it meets the terms of our plan. This saves time and helps lower your court costs for repeated filings (and you are responsible for all costs required to obtain a QDRO). Then Deseret Mutual must receive a court-certified QDRO that meets all of the plan requirements before we can divide the benefit.

If you have a pending divorce and are an active participant ready to begin receiving your retirement benefit, then Deseret Mutual will be unable to process your benefit until the alternate payee's rights are determined.

If you have begun receiving your benefit and a portion has been awarded to an alternate payee, then the alternate payee's portion may be suspended from your benefit payments until Deseret Mutual receives a QDRO.

Changes in Employment Status

Transfer of Employment

If you transfer employment from one participating employer to another and are still eligible for vesting and benefit credit, your vesting and benefit credit continue without interruption.

Termination of Employment

If you are not vested at the time you end employment, you lose all of your previously earned benefit credit, unless you return to work before incurring a break in service (see Break in Service on page 4).

If you end employment with a participating employer after you are vested and you have at least one month of benefit credit, you are eligible to receive a Master Retirement Plan benefit.

If you are at least age 55 when you change to an excluded class of employment, as defined by your employer, but are otherwise eligible for a benefit, you may begin receiving your benefit.

Disability

If you are receiving worker's compensation or Deseret Mutual's Disability Plan benefit, you continue to accrue benefit credit.

Generally, your income before your disability is used to calculate your final average salary, which is used to calculate your Master Retirement Plan benefit.

Re-employment

If you retire and begin receiving your benefit payments from the Master Retirement Plan and then return to work for a participating employer, special rules apply.

And if you have a vested benefit in the Master Retirement Plan, but you will not immediately begin receiving benefit payments, then returning to active employment may increase or decrease your future benefit.

If you chose to receive a monthly benefit payment, then:

- you continue to receive your monthly benefit payments during your period of re-employment and

- when you terminate your re-employment, you may be eligible to receive an additional payment amount. Deseret Mutual will prepare a new retirement calculation using all service and income you have earned. The new payment amount will be adjusted based on the payment option you select at the second termination of your employment (unless your marital status changes), your age, and the payments you received under the Master Retirement Plan while you were re-employed.

  If the new payment amount is lower than your original payment, Deseret Mutual will continue to pay your original payment amount.

If you are eligible and initially chose to receive a lump sum distribution from the Master Retirement Plan, then:

- if it has been less than five years since you received the distribution, you may be eligible to repay your original lump sum distribution payment *with interest* and have your former service reinstated and

- Deseret Mutual must receive your repayment within one year of your re-employment to have your former service reinstated.

If you die during your period of re-employment and if you are eligible for any additional benefit, then they will be paid according to the payment option you had selected. Note that if your marital status changes, then your payments will be paid using the same payment option but with a different joint annuitant.

If you are receiving benefit payments and are considering re-employment, please contact Deseret Mutual for more information.

Tax Considerations

This information on tax considerations is intended as a summary only. Federal tax laws are complex and subject to change. To help explain tax considerations, the federal government has issued a *Special Tax Notice Regarding Plan Payments* that includes more information. This notice is available on Deseret Mutual's Web site or by calling us.

Master Retirement Plan

Before you make decisions about receiving your benefit from the Master Retirement Plan, you may want to consult a qualified tax advisor. Deseret Mutual representatives are not tax advisors.

Because your employer pays the entire cost of your Master Retirement Plan, your benefit payment is taxed as you receive it. Each January, Deseret Mutual sends you an IRS Form 1099-R indicating the taxable amount of the Master Retirement Plan benefit payments you received for the previous year.

Lump Sum Distributions and Income Averaging

Income averaging is available one time for participants born before January 1, 1936. A lump sum may qualify for income averaging. The rules are complex. Deseret Mutual encourages you to seek the advice of a qualified tax advisor before you decide how to receive your benefit.

20 Percent Withholding Requirement

A lump sum distribution of your Master Retirement Plan benefit is subject to a mandatory 20 percent withholding for federal income tax.

Therefore, unless you have Deseret Mutual transfer your lump sum directly into your Thrift Plan account, an IRA, or another qualified retirement plan, we withhold 20 percent of your distribution and send it to the IRS. This amount is credited to you when you file your tax return for the calendar year. The date of your check determines the calendar year in which the funds are taxable.

This mandatory withholding does not apply to certain distributions or monthly benefit payment options.

Lump Sum Distributions and Additional 10 Percent Tax

An additional 10 percent federal tax (an early withdrawal penalty) may apply to a lump sum distribution of your Master Retirement Plan benefit before you are age 59½. This 10 percent tax is in addition to the regular income tax you pay on your benefit.

If you end employment before the calendar year in which you reach age 55 and you receive a lump sum before you reach age 59½, the additional 10 percent tax applies.

If you end employment during the calendar year in which you reach 55 or older, the additional 10 percent tax does not apply to your lump sum, even if you receive the distribution when younger than 59½.

If your surviving spouse receives a lump sum at the time of your death, your spouse is not subject to this additional 10 percent tax.

To avoid the 10 percent tax, a lump sum distribution may qualify to be rolled over into your Thrift Plan account, an IRA, or another qualified retirement plan. Rollovers may be limited by federal regulations (see *Lump Sum Distributions* on page 12).

Taxes on Death Benefits

If your Master Retirement Plan benefit is paid to your beneficiary, either a spouse or an alternate payee, after your death your beneficiary is responsible for paying taxes when they receive the benefit payments.

Estate Taxes

Distributions may be subject to federal estate taxes.

Master Retirement Plan Benefit Application

To apply for your Master Retirement Plan benefit, follow these steps:

Step 1: Request a calculation of your benefit:

Active and vested terminated participants: Contact Deseret Mutual about 90 days before you plan to begin receiving benefit payments.

Surviving spouses or dependent children: Your spouse should contact Deseret Mutual or your former employer immediately after your death.

Deseret Mutual sends a benefit calculation and a *Master Retirement Plan Benefit Application* packet with necessary forms. The calculation shows the estimated amounts that may be received from the various payment options.

Step 2: Complete the required forms and gather copies of certified birth, marriage, divorce, and/or death certificates. Copies of the certificates must show the appropriate government seals.

Step 3: Return the completed benefit application packet to Deseret Mutual, your employer, or your former employer.

Payment Arrangements

We strongly encourage you to take advantage of direct deposit of your checks.

- Direct deposit provides extra safety. Your check cannot be stolen or lost in the mail.
- Your check is deposited in the bank by the first business day of each month.
- Direct deposit saves you trips to the bank.

To have your your checks deposited directly into your account at your financial institution, complete an authorization form. The form is available on our Web site in the Forms Library or you can contact Deseret Mutual for a form.

If you do not use direct deposit, your retirement check is mailed to your home address on the last business day of each month. It is your responsibility to inform Deseret Mutual if your address changes.

Planning Tools

Deseret Mutual provides a number of tools, such as online tools and booklets, to help you with your retirement planning.

- For an estimate of your Master Retirement Plan benefit payments based on the date you expect to end employment, go to our Web site, select the Financial Planning Tools, and then the Master Retirement Plan Calculator.
- If you are an active employee, to find your personal benefit statement, which contains a projection of your Master Retirement Plan benefit, go to our Web site. This information is updated monthly.
- For information on benefit calculations, payment options, taxation, and beneficiary rights, call Deseret Mutual and ask for the booklet *Master Retirement Plan — Your Income Choices*.
- For information about Social Security rights, go to the Social Security Web site at www.ssa.gov.

Your employers, through Deseret Mutual, provide financial planners who offer workshops and consultations at no charge to you. These planners are available to offer general objective financial counsel to help you plan for your future. They can help you to clarify goals, gather information, analyze your situation, develop solutions, and take action. However, our financial planners do not provide specific investment advice.

Assignment

Your rights as a participant in the Master Retirement Plan may not be assigned, or transferred to another person. This means your benefit may not be used as collateral for loans or assigned to creditors.

Notification of Discretionary Authority / Appeal Information

Deseret Mutual has full discretionary authority to interpret the Master Retirement Plan and to determine eligibility. Deseret Mutual also has the sole right to construe plan terms. All Deseret Mutual decisions relating to plan terms or eligibility are binding and conclusive.

If you have questions concerning this authority or how this plan is managed or you wish to appeal a benefit decision, you may contact our Plan Administrator:

Victor N. Gibb
General Counsel/Secretary
Deseret Mutual Benefit Administrators
60 East South Temple, #670
Salt Lake City, Utah 84111

Notification of Benefit Changes

Deseret Mutual reserves the right to amend or terminate the Master Retirement Plan at any time. If benefits change, we will notify you at least 30 days before the effective date of change.

This section of your Benefits Handbook outlines the major provisions of Deseret Mutual's Master Retirement Plan. It is not the plan legal document. If you would like a copy of the plan legal document, please contact Deseret Mutual.

If you have any questions, please call your Deseret Mutual Benefits Team or visit our Web site. Our telephone numbers and Web site address are:

Salt Lake City area 1-801-578-5600
Toll free. 1-800-777-3622
Web site. . . . . www.dmba.com

If your hearing is impaired, we also have lines to accommodate Telecommunications Devices for the Deaf (TDD). Our telephone numbers for this service are:

Salt Lake City area	1-801-578-5655
Toll free	1-800-333-9715

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Accelerated Death Benefit: A Group Term Life insurance benefit available before you die, if you are an active or disabled employee with a life expectancy of six months or less.

Accident: An unpremeditated event of violent and external means that happens suddenly, without intent or design, is unexpected, unusual, unforeseen, is identifiable as to time and place, and is not the result of illness.

Active Employee: A person currently employed by a participating employer.

Acute: Having rapid onset, severe symptoms, and a short course; opposite of chronic.

Affidavit: A statement written and sworn to in the presence of someone authorized to administer an oath, such as a notary public.

Allocation: See *Future Fund Election*.

Alternative Care: Outpatient treatment for mental illness in lieu of inpatient care if you qualify for inpatient care and can be discharged from an inpatient acute care setting to a less expensive setting, such as day treatment or partial day treatment, without compromising the quality of care.

Alternate Payee: Your spouse, former spouse, child, or other dependent who is awarded benefits through a domestic relations order, including a divorce decree.

Annual Maximum Benefit: The maximum medical or dental benefit payable in a calendar year for you and each of your eligible dependents.

Annual Maximum Contribution Limit: Your annual maximum Thrift Plan contributions, including before-tax, after-tax, and employer matching contributions, determined by law to be 100 percent of your eligible income or $45,000, whichever is less. The annual maximum contribution limit may be adjusted, as prescribed by law.

Annual Salary: The amount of compensation you receive during the calendar year, as reported by your employer.

Annuity: A regular income paid at fixed intervals and produced by money invested in the Thrift Plan or the TSA Plan, or produced by your benefit in the Master Retirement Plan.

Annuity Conversion Factor: A mathematical factor used to convert the Master Retirement Plan Standard Benefit to other annuity options. It is calculated using mortality tables.

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Annuity Starting Date: The date annuity payments begin.

Appeal: A formal complaint you make when you want us to reconsider a benefit decision.

Appliance: A dental device, removable or fixed, used to provide function or therapeutic healing effect. A fixed appliance is cemented to the teeth or attached by adhesive materials. A prosthetic appliance is used to replace one or more missing teeth.

Asset Diversification: A strategy of putting your money in a variety of investment funds to optimize the risk and reward trade-off. Diversification reduces both the upside and downside potential and allows for more consistent performance under a wide range of economic conditions.

Audit Reimbursement: A reward for discovering, after a payment has been made, a provider or facility billing overcharge on any of your medical or dental bills that Deseret Mutual has not already discovered and corrected.

Basic Benefits Program: See *Core Insurance Benefits*.

Beneficiary: A person, persons, trust, or other entity you name in writing to receive benefits provided by the life insurance plan, Thrift Plan, TSA Plan, or Master Retirement Plan if you die. A beneficiary may be a primary beneficiary or an alternate beneficiary.

Benefit Credit: Your eligible service in months, beginning at the later of age 21 or your hire date, usually to a maximum of 396 months (33 years), that you earn in an eligible class of employment. Benefit credit is used in calculating your Master Retirement Plan benefit and your eligibility for Deseret Mutual's post-retirement medical insurance. See *Eligible Class of Employment* and *Excluded Class of Employment*.

Brain Death: Brain death is defined in detail according to criteria established by experts for use in U.S. hospitals. Criteria include, but are not limited to, bilateral absence of cerebral hemispheric and/or brain stem function documented by silent EEG and appropriate findings on detailed neurological exam. These findings must have occurred after excluding the possibility of reversible causes. Clinical evidence of brain death must be demonstrated on multiple exams over 12 to 24 hours or else absent blood flow to the brain must be shown by brain scan or angiography.

Brand-name Drug: A prescription drug that is originally researched and developed. Brand-name drugs have the same active-ingredient formula as the generic version of the drug. But generic drugs are manufactured and sold by other drug manufacturers and are not available until after the patent on the brand-name drug has expired.

Break in Service: A break in employment with a participating employer that is long enough to cause all previous Master Retirement Plan vesting and benefit credit to be lost.

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Case Management: A collaborative process that promotes quality health care, cost-effective outcomes, and provides a comprehensive plan of care and rehabilitation that enhances physical and psycho-social health.

Catastrophe Protection: Financial protection from devastating medical expenses. If your expenses reach a certain limit, then you may qualify for a higher level of benefit payments.

Catch-up Contribution: For participants 50 and older, additional money beyond the normal limits that can be contributed to the Thrift Plan 401(k) before-tax and Roth 401(k) after-tax options.

Certificate of Creditable Coverage: A document provided from your previous medical insurance plan that shows the beginning and ending dates of your last medical insurance coverage.

Children: See *Dependents*.

Chronic: Showing little change or slow progression and long continuance of symptoms; opposite of acute.

Claim: Notification to Deseret Mutual requesting a benefit payment.

COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985): A provision of federal law that gives employees and their families who lose their health benefits the right to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances.

Coinsurance: The percentage of eligible medical and dental expenses you are responsible for paying after you make the applicable copayments and your insurance plan benefits have been paid.

Comparable Job: Any position in the national economy in which you have the ability to earn 70 percent of your regular monthly income that was in effect on the last day you worked before you became disabled.

Conflict of Interest: Occurs when an independent investment advisor, who has been paid for advising you in investing your assets in the Deseret Mutual savings plans, then advises you to withdraw funds from the Deseret Mutual plans and manages those funds outside of our plans.

Considered Earnings: For the Master Retirement Plan, the amount of eligible gross income that is used to determine your final average salary. Considered earnings include all

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FICA reportable income, including earned non-severance compensation paid after the termination of your employment. It excludes severance pay at termination, nonqualified plan payments, and lump sum payments for paid and sick leave. Considered earnings for your Master Retirement Plan benefits won't be reduced by your participation in the FSA or POP programs (see the *Flexible Benefits* section of the Benefits Handbook).

For the Thrift Plan, the income that is used to calculate your contribution to the plan. Considered earnings include all W-2 reportable income (including bonuses, lump sum payments for paid and sick leave, and earned non-severance compensation paid after the termination of your employment). Also, considered earnings for your Thrift Plan contributions aren't reduced for FSA deferrals, welfare (health insurance) premiums, or POP. It excludes severance pay at termination and nonqualified plan payments.

Contracted Facilities: Hospitals, labs, and other health-care facilities that have contracted with Deseret Mutual to provide services to participants.

Contracted Providers: Physicians, specialists, and other providers of health-care services who have contracted with Deseret Mutual to provide services to participants.

Coordination of Benefits: The process of combining medical (or dental) benefits of two or more plans to assure maximum benefits without paying more in benefits than the actual charges incurred.

Copayment: The initial dollar amount you pay of the charges for eligible medical and dental services that you are responsible for paying.

Core Insurance Benefits: Deseret Mutual's insurance program that includes a medical plan, a dental plan, the Disability Plan, Group Term Life, and Occupational Accidental Death & Dismemberment insurances.

Current Balance Transfer: The process of changing the investment mix of your existing, or current, account balance to a new mix of available mutual funds from the previous mix of available funds.

Custodial Care: Maintaining a patient beyond the acute phase of injury or illness. Custodial care includes room, meals, bed, or skilled medical care in a hospital or extended care facility, or at home to help the patient with feeding, bowel and bladder care, respiratory support, physical therapy, administration of medications, bathing, dressing, ambulation, and so on.

Death Benefit: With the Master Retirement Plan, if you die while an active employee, your surviving spouse is eligible for a QPSA benefit. If you die while receiving benefit payments, the guidelines of that payment option are followed.

With the Thrift Plan, if you die while an active employee, your benefit will be paid to your valid, designated beneficiary, to your estate, or according to federal law. If you die while receiving benefit payments, the guidelines of that payment option are followed.

Deductible: An initial dollar amount you pay toward certain benefits in Deseret Premier and Deseret Value when you receive services from non-contracted providers. You must satisfy the deductible once each year before plan benefits begin. Also, it is the initial dollar amount you pay for obesity surgery in all Deseret Mutual medical plans, including Deseret Choice.

Defined Benefit Plan: A qualified retirement plan in which the benefit to be provided to each participant is defined by formula. The plan administrator figures the amount of funding needed to provide those benefits and then the participating employer contributes those funds. The Master Retirement Plan is a defined benefit plan.

Defined Contribution Plan: A qualified retirement plan that provides a separate account for each person in the plan and is defined by contributions to that account. The Thrift Plan is a defined contribution plan.

Dentist: A person licensed to practice dentistry pursuant to the laws and regulations in the locality where the services are rendered.

Dependents: Your spouse and children, as defined below:

Spouse: A person of the opposite sex who is a husband or a wife.

Children: Your unmarried children who are younger than 26 including:

- Natural children (including infants from the date of birth), legally adopted children, and children appointed by a court of law to the custody of the employee or employee's spouse
- A child placed with you under the direction of a licensed child-placement agency
- A grandchild who is the child of your covered, unmarried, dependent child. The unmarried dependent child and the grandchild reside in your home and depend primarily upon you for support. A direct lineal relationship must exist between you and the grandchild (or a direct line is created through adoption) for the grandchild to be covered.
- Your unmarried child who is 26 or older and incapable of self-support because of mental or physical incapacity that existed before the child reached 26, and who is wholly dependent upon you for support
- Your stepchildren (children of your spouse) younger than 26

The provisions of the Master Retirement Plan orphan benefit do not apply to all dependent children. If you need clarification, please call Deseret Mutual.

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Deseret Mutual Identification Number (DMID): A participant number that Deseret Mutual assigns to you as a secure means for accessing your benefit information.

Direct Rollover: A distribution from a qualified pension plan, such as a 401(k) plan, that is paid directly to the trustee, custodian, or issuer of the receiving IRA or qualified plan and is reported to the Internal Revenue Service (IRS) as a rollover.

Disabled Employee: A person who was employed by a participating employer but who is now receiving a disability benefit from Deseret Mutual's Disability Plan.

Distribution: A withdrawal or payment from your Thrift Plan, TSA Plan, or Master Retirement Plan.

Domestic Relations Order (DRO): A court order that includes any judgment, decree, or order made according to state domestic relations laws pertaining to child support, alimony, or marital property rights awarded to an alternate payee (such as a spouse, former spouse, child, or another dependent).

Durable Medical Equipment: Equipment needed for medical reasons to be used by a person who is ill or injured. A person normally needs this kind of equipment only when ill or injured. It can be used in the home. Examples of durable medical equipment include wheelchairs, hospital beds, or equipment that supplies a person with oxygen.

Early Retirement Date: The first day of the month that your Master Retirement Plan benefit payments begin, on or after the later of your 55th birthday or your termination date, but before your 65th birthday, subject to plan requirements.

Early Retirement Reduction: The amount your monthly Master Retirement Plan benefit payment is reduced if you choose early retirement before age 65.

Elective Surgery: Operations or surgical procedures for a condition that is not immediately life threatening and the timing is subject to the choice or decision of the patient and the physician.

Eligibility Date: The date you become eligible for benefits in an eligible class of employment. For a spouse, the eligibility date is the employee's eligibility date or the date of marriage, whichever is later. For a dependent child, the eligibility date is the employee's eligibility date or the date of birth, adoption, or placement in legal custody, whichever is later.

Eligible Charges / Expenses: Expenses incurred by you or a dependent for treatment of injury or illness that are:

- Medically necessary for the care and treatment of the injury or illness and are incurred on the recommendation and while under the continuous care of a physician
- Not in excess of the maximum allowable charges as defined by Deseret Mutual for the services performed or the materials furnished
- Not excluded from coverage or otherwise excluded by the terms of the plan
- Incurred for one or more of the services or materials specified in the plan
- Incurred during a period of active enrollment in the plan.

Eligible charges incur on the date the service is performed or the purchase is made.

Eligible Class of Employment: An employment category, defined by the participating employer, that qualifies you for benefits.

Eligible Employee: An employee who meets the conditions for participation in a plan. Plan participation requirements vary by plan.

Emergency Care: The care required in connection with a sudden and unexpected onset of a condition requiring medical or surgical care necessary to safeguard the patient's life immediately after the onset of the emergency. This includes heart attack, severe bleeding, loss of consciousness, convulsions, acute asthmatic attacks, or temperature of more than 104° Fahrenheit.

Covered services that are furnished by a provider qualified to furnish emergency services and needed to evaluate or stabilize an emergency medical condition.

Emergency Room: See *Hospital Emergency Room*.

Employee Contribution: The percentage of your eligible income, or considered earnings, that you invest in the Thrift Plan.

Employer Matching Contribution: Contributions your employer makes to your Thrift Plan account, matching a percentage of your Thrift Plan employee contribution.

ERISA (Employee Retirement Income Security Act of 1974): The federal law that establishes legal requirements for plan administration and investment practices of employee benefit plans.

Estate: All assets owned by an individual at death which are to be distributed according to the individual's will or by a court that determines the distribution of the assets between heirs and/or creditors.

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Excluded Class of Employment: An employment category, defined by the participating employer, that makes you ineligible for participation in the Thrift Plan and Master Retirement Plan even if you have previously met participation requirements.

Explanation of Benefits (EOB): A document that verifies how medical and/or dental benefit payments are applied to your claim.

Final Average Salary: Your average monthly salary, using considered earnings, for the highest five years of the last 10 years of eligible employment with a participating employer. The final average salary is used to calculate the Master Retirement Plan benefit.

Flexible Benefits: Programs that may provide tax advantages to you, such as the Flexible Spending Account program (FSA).

Formulary Medications: A preferred list of medications that have been reviewed by an independent pharmacy and therapeutics committee for safety and efficacy and are covered by the plan.

Future Fund Election: The process of changing the investment mix of your future Thrift Plan contributions to a new mix of the available mutual funds.

Generic Drug: A prescription drug that has the same active-ingredient formula as a brand-name drug. Generic drugs usually cost less than brand-name drugs and are rated by the Food and Drug Administration (FDA) to be as safe and effective as brand-name drugs.

High-risk Employee: An employee who applies for Group Term Life insurance or Disability Plan coverage after 30 days from the eligibility date and does not meet the health standards. Employees who are at high risk may be excluded from benefits or subject to benefit coverage limitations.

HIPAA (Health Insurance Portability and Accountability Act of 1996): A federal law that provides rights and protections for participants and beneficiaries in group health plans.

Hire Date: The date on which you perform your first hour of paid service for a participating employer.

Hospital: A facility that is licensed as a hospital and is operating within the scope of this license.

Hospital Emergency Room: Hospital facility that provides treatment for urgent medical needs that may or may not be life-threatening at that particular time.

Illness: A bodily disorder, disease, pregnancy, mental or emotional infirmity, or all sickness that is a result of the same cause or a related cause.

Income: Includes all sources of money (such as wages, salary, and bonuses) paid to you from your employer.

Increasing Payment Method: Provides a monthly Master Retirement Plan benefit payment that is designed to help you manage inflation by starting at a lower payment and then increasing at 4 percent annually.

Individual Retirement Account (IRA): A tax-deferred retirement account that permits individuals to save a limited amount of money per year, with earnings tax-deferred until withdrawals begin at 59½ or older (or younger with a 10 percent penalty). Deseret Mutual accepts rollovers from specific, qualified IRAs into Thrift Plan accounts.

Injury: Harm or hurt. It may be inflicted upon oneself (such as a hamstring injury) or by an external agent (such as frostbite). For benefit purposes, see the plan provisions and exclusions.

Inpatient Care: Health care that you get when you are admitted to a hospital, skilled nursing facility, or rehabilitation facility.

Inpatient Hospital for Mental Illness: A general acute-care hospital that has designated beds and is licensed by the state and certified by Medicare and/or Medicaid for the treatment of mental illness disorders, or a freestanding psychiatric hospital that is licensed by the state as a health-care facility and is certified by Medicare and/or Medicaid for the treatment of mental illness.

Interruption in Service: Either voluntary or involuntary termination of employment with a participating employer that does not cause you to lose your previous vesting and benefit credit.

Invalid Beneficiary: A beneficiary who the participant has named but without written. spousal consent.

Investment Horizon: The time a sum of money is expected to be invested before it is needed for retirement. Your investment horizon usually goes significantly beyond your retirement date.

Investment Mix: For your Thrift Plan account, the percentage contribution for each mutual fund you select. From the mutual funds offered, you may use a preset mix, or you may use one fund, all the funds, or any combination of the funds.

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Joint Annuitant: With the Thrift Plan, your spouse at the time you purchase your annuity, even if you later divorce, become widowed, or remarry.

With the Master Retirement Plan, your spouse at the time you retire, even if you later divorce, become widowed, or remarry.

Level Payment Method: Provides a monthly Master Retirement Plan benefit payment that remains the same, from month to month and year to year.

Lost Earnings: The difference between your predisability income and your new income after factoring in other income sources such as workers compensation.

Lump Sum Distribution: The Thrift Plan, TSA Plan, or Master Retirement Plan payment option that pays your account balance or accrued benefit in one taxable year.

Maintenance Drugs: Prescription medications for conditions that require ongoing, regular medication.

Make-up Contribution: Deposits to the 401(a) after-tax option of the Thrift Plan allowed for participants who have not contributed the annual maximum contribution limit.

Maximum Allowable Charge (Limit): The maximum dollar amount Deseret Mutual will pay for a defined medical or dental procedure as set forth under contract provisions and/or market practice.

Medically Necessary: Services or supplies that are proper and needed for a legitimate diagnosis or a cost-efficient treatment of your medical condition; are used for the diagnosis, direct care, and treatment of your medical condition; meet the standards of good medical practice in the local community; and are not mainly for the convenience of you or your doctor.

Member: See *Participant*.

Mental Illness: A diagnosed, manifest psychiatric disorder, as defined in the *Diagnostic and Statistical Manual of Medical Disorders* (DSM IV).

Minimum Normal Retirement Benefit: The minimum monthly Master Retirement Plan benefit payable to a vested participant based on the Standard Benefit (10-year Certain & Life) at 65 or older.

Mutual Fund: A fund operated by an investment company that allows a group of investors to pool their money together with a predetermined investment objective.

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Non-contracted Facilities: Hospitals, labs, and other health-care facilities that have not contracted with Deseret Mutual to provide services to participants.

Non-contracted Providers: Physicians, specialists, and other providers of health-care services who have not contracted with Deseret Mutual to provide services to participants.

Nonformulary Medications: Medications not on the list of formulary medications. For determining formulary or nonformulary status, medications are reviewed by an independent pharmacy and therapeutics committee for safety and efficacy.

Normal Retirement Date: The first day of the month following either your 65th birthday or the date your employment ends, whichever is later.

Orphan Benefit: A Master Retirement Plan benefit equal to the survivor amount of the QJSA payment option if you do not have a surviving spouse. It is for your unmarried, dependent children who are younger than 18 and do not have a surviving parent.

Participant: An eligible employee who fulfills the conditions of and participates in a Deseret Mutual benefit plan. Each plan has unique participation requirements.

Participating Employer: A company that adopts a Deseret Mutual benefit plan.

Participation Date: The date an eligible employee first becomes a plan participant in a Deseret Mutual benefit plan. The participation date varies by plan.

Payment Options: Options for receiving your Thrift Plan, TSA Plan, or Master Retirement Plan benefits.

Pension: A qualified retirement benefit paid to you by a former employer after you retire.

Personal Fiscal Years: Your yearly income based on 12-month periods from your last month worked. Personal fiscal years can be used to calculate the Master Retirement Plan benefit.

Personalized Rate of Return: Your individual investment performance that reflects your individual fund(s) selection and the impact of certain transactions, such as investment changes, loans, and withdrawals.

Physician: A person who has been educated, trained, and licensed as a physician to practice the art and science of medicine pursuant to the laws and regulations in the locality where the services are rendered.

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Plan Provider: "Provider" is a general term for doctors, health-care professionals, hospitals, and health-care facilities that are licensed or certified by Medicare and by the state to provide health-care services. A plan provider is a provider that is contracted with Deseret Mutual to provide services to plan participants.

Plan Representative: An authorized employee of Deseret Mutual, not your employer.

Plan Service Area: The geographic area where Deseret Mutual offers a specific benefit plan.

PPA (Pension Protection Act of 2006): An amendment to ERISA (Employee Retirement Income Security Act of 1974).

Preauthorization: A vital process in your making sure your care is medically appropriate. It is required for a number of benefit payments and gives you guidelines and tells you what services are eligible for benefit payments before you commit to the costs.

Predisability Income: Your regular monthly income, or earned income, from a participating employer that is in effect on the last day you worked before you became disabled.

Preferred Network Pharmacy: A network pharmacy that offers covered drugs to members of our plan at lower cost-sharing levels than apply at another network pharmacy.

Premium: A regular, periodic payment for an insurance plan.

Preset Mixes: Investment mixes Deseret Mutual has developed from the Thrift Plan's individual mutual funds, designed to match your general investment horizon and your individual risk tolerance.

Primary Care Physician (PCP): A physician under contract with Deseret Mutual to provide service and to coordinate health care for participants. PCP refers to the physician you chose from the list of participating physicians.

Primary Plan: When you are covered by two or more medical or dental insurance plans, the plan that first pays the allowable expenses, as if no other medical or dental plan were involved.

Prosthesis: An artificial replacement of a limb or other body part.

Qualified Change in Family Status / Qualifying Event: A major family event such as birth, marriage, adoption, divorce, or death.

Qualified Domestic Relations Order (QDRO): A domestic relations order that has been court-certified and has been qualified by Deseret Mutual. It creates an alternate payee's right to receive all or a portion of the payable retirement benefit. A QDRO can't, however, provide a benefit that isn't available under the plan guidelines (Thrift Plan, TSA Plan, or Master Retirement Plan).

Qualified Joint & Survivor Annuity (QJSA): A Thrift Plan, TSA Plan, or Master Retirement Plan payment option in the form of an annuity for your life that also provides a 50 percent survivor annuity for your spouse after your death.

Qualified Medical Child Support Order (QMCSO): A court or administrative order that requires an employee (or plan participant) to provide health insurance coverage for a dependent child. The order must comply with state domestic relations law. Deseret Mutual must also certify that the order complies with the terms of its health plan coverage.

Qualified Preretirement Survivor Annuity (QPSA): A benefit that is payable to your surviving spouse if you die before your Thrift Plan, TSA Plan, or Master Retirement Plan benefit payments begin.

Qualified Retirement Plan: A plan that meets the requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974 (ERISA) and is eligible for favorable tax treatment. A qualified retirement plan includes defined benefit plans (such as the Master Retirement Plan) and defined contribution plans (such as the Thrift Plan).

Rebalancing: Bringing your Thrift Plan account balance back to the original Future Fund Election percentages, or investment mix, you selected.

Redistribution: See *Current Balance Transfer*.

Regular Occupation: Your occupation before becoming disabled. This is the basis for determining your predisability income.

Rehabilitation: For a partially disabled person, participation in an approved program of vocational training or employment that provides less than 70 percent of your predisability income.

Relative Value: The total worth of one payment method or option compared to another. It is the amount we expect your payments to add up to over your life expectancy.

The relative value of the Master Retirement benefit is based on your final average salary, benefit credit, and your age at your retirement date. The relative value of the Thrift Plan is

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based on your account balance, the age when your payments begin, and the interest rates in effect at the time you purchase an annuity.

Required Beginning Date: The date you are required by law to receive your first retirement benefit payment for the Thrift Plan, TSA Plan, or Master Retirement Plan.

Required Minimum Distribution: A payment required by federal law from your qualified retirement plan that you must receive by your required beginning date.

Retire: When you begin receiving Master Retirement Plan benefit payments, not necessarily when you end employment with a participating employer.

Retirement Date: The date your Master Retirement Plan benefit payments begin.

Rollover: Moving money from one qualified plan to another. An eligible rollover distribution is the portion of a distribution that is eligible to be rolled over into an IRA or another qualified, tax-deferred plan.

Service: Time you are employed by one or more of the participating employers.

Service Date: The date medical or dental treatment begins.

Skilled Nursing Facility: An institution, or part of an institution, that is licensed pursuant to state or local law, and is operated primarily for the purpose of providing skilled nursing care and treatment for an individual convalescing from injury or illness as an inpatient.

SMarT: The SMarT option, or Save Money for Tomorrow, allows you to continually and automatically increase your Thrift Plan contributions each year by 1 percent.

Speciality Pharmacy: A pharmacy that covers some expensive medications that require special handling and are used to treat complex and/or rare conditions.

Spousal Consent: If you are married, written, notarized consent by your spouse for a number of your Thrift Plan and Master Retirement Plan financial options such as taking a Thrift Plan loan, waiving the QPSA, choosing a primary beneficiary other than or in addition to your spouse, or beginning to receive benefit payments when you are younger than 65.

Spouse: A person of the opposite sex who is a husband or a wife.

Standard Benefit: The 10-year Certain & Life payment option in the Master Retirement Plan.

Definitions of Terms

Supplemental Insurance Benefits: Benefits beyond the core insurance benefits, for which you pay the entire premium. These benefits include Supplemental Group Term Life and 24-Hour Accidental Death & Dismemberment insurance.

Tax-deferred Income: Income whose taxes can be postponed until a later date, such as with the Thrift Plan's 401(k) before-tax option.

Tax-free Income: Income never requiring taxes, such as a qualified distribution from the Thrift Plan's Roth 401(k) after-tax investment earnings.

Term Certain: With annuity payment options, a guaranteed, minimum payment period, such as ten years.

Termination Date: The date you end employment with a participating employer.

Transfer of Employment: Transferring from one participating employer to another participating employer within a 90 day period.

Treatment: Care provided under the direction of a physician in connection with an injury or illness.

Trust: A legal arrangement in which an individual gives fiduciary control of property to a person or institution for the benefit of beneficiaries.

TSA Plan (Tax Sheltered Annuity): Deseret Mutual's Tax Sheltered Annuity Plan (a before-tax plan that qualifies under Section 403(b) of the Internal Revenue Code) formerly available to employees of some of Deseret Mutual's participating employers.

Uniformed Services Employment and Re-employment Rights Act (USERRA): Congress enacted act to protect the rights of persons who voluntarily or involuntarily leave employment positions to undertake military service.

Urgent Care Facility: A facility or clinic, not a hospital emergency room or physician's office, that provides treatment for urgent medical needs that are not life-threatening at that particular time.

Value-added Benefits: Programs and discounts that add value to your benefit package and where you pay the entire cost if you use the benefit.

Vest, Vested, or Vesting: Ownership of Thrift Plan, TSA Plan, and/or Master Retirement Plan benefits. Vested benefits are not subject to forfeiture.

With the Thrift Plan, you are always 100 percent vested. With the Master Retirement

Plan, you are 100 percent vested with at least 60 months (five years) of vesting credit and one month of benefit credit.

Vested Terminated Participant: A participant who ends employment younger than 55 and who has at least 60 months (five years) of vesting credit and one month of benefit credit; a vested participant who ends employment before retirement age.

Vesting Credit: All months of eligible service with a participating employer after you turn 18. You may earn vesting credit even if you are not earning benefit credit.

Waiting Period: Forty-five calendar days after leaving employment as a result of a disability. The waiting period begins the day after your last day at work. No Disability Plan benefit is payable during this time.

For a complete description of all applicable definitions of terms, please refer to the various plan legal documents available from either your employer or Deseret Mutual.