



# International Union of Operating Engineers Local 4 Annuity and Savings Plan

## Plan Enhancements

Your Annuity and Savings Plan is an important benefit. And starting July 1, 2008, your Plan will be more than a retirement savings program—it'll also help our participants who are confronting difficult financial situations right now.

### **NEW! BORROWING FROM YOUR ANNUITY AND SAVINGS PLAN**

The Trustees understand that many participants are experiencing financial hardships in the current economic climate. That's why they've added a new loan feature to the Plan.

### **HOW THE LOAN FEATURE WORKS**

Effective July 1, you will be eligible to borrow up to 50% of your account balance, to a maximum of \$50,000. Here are some important details about the new loan feature:

- The minimum amount that you may borrow from your account is \$1,000.
- You may have no more than three outstanding loans at one time.
- You must repay all loans, except for the purchase of a new primary residence, within no more than five years. A residential home loan can be repaid in up to 30 years.
- You will repay your loan through a monthly debit from your checking or savings account.
- You will have the option to refinance your loan(s) for a charge of \$50.00.
- The interest rate on loans taken from July 1 – December 31, 2008 will be 5%. This rate will be reviewed once a year, but if the rate changes it will only apply to new loans.

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We'll help you get there.™

- Interest that you pay on your loan is credited directly to your Annuity and Savings Plan account.
- You will be able to calculate a sample loan payment based on the interest rate for loans initiated through the Plan by visiting MassMutual's Internet site, The Journey<sup>SM</sup>.
- The Plan's hardship withdrawal provision, initiated in 2004, will remain in place in addition to the loan option.

### APPLYING FOR A LOAN

Before you can apply for a loan, you are required to speak with a Financial Advisor (see box at right). While we recognize that a loan can serve as a quick fix, we want members to consider how borrowing from their account may affect their future retirement goals.

The Advisor will help you understand the short-term benefits of taking a loan, the affordability of your repayment schedule, and the tax implications of defaulting on your loan. Once you've spoken with the Advisor, you may submit an application for your loan. You are responsible for a \$100 charge to initiate the loan. This check should be made payable to "IUOE Local 4 Annuity & Savings Plan" and sent along with the completed loan request form.

### NEW CONTRIBUTION LIMIT

Effective July 1, 2008 participants are allowed to contribute even more per hour worked to the 401(k) Plan. Participants will be able to contribute from \$1.00 to \$6.00 per hour; an increase of \$1.00 per hour from the current \$5.00 per hour maximum. If you are currently participating in the 401(k) Plan and wish to change the amount of your contribution or if you are not participating and wish to do so, please complete the enclosed 401(k) Election Form. The completed form must then be given to your Employer for payroll processing. Please contact the Benefit Funds Office if you need additional forms.

### FOR MORE INFORMATION

The changes outlined above are part of our continuing effort to improve the Annuity and Savings Plan. If you have any questions about these new enhancements to the Plan, or to obtain an additional Loan Request Form, please contact the Benefit Funds Office at 508-533-1400, ext. 138 or call MassMutual at 1-800-74-FLASH<sup>SM</sup> (35274) and a Customer Service Representative will assist you.

Sincerely,  
Trustees of the International Union of Operating Engineers Local 4 Annuity and Savings Plan

### MEET WITH A FINANCIAL ADVISOR!

Whether you're taking a loan or just want some guidance on saving for retirement, call Cammack LaRhette Advisors (CLA) at 1-800-293-2291 to schedule an appointment. We've partnered with CLA to provide dedicated, in-person retirement planning services for Plan participants *at no out-of-pocket cost*. To get the most out of your appointment, we suggest you bring your most recent quarterly statement from MassMutual and your personalized retirement statement that was distributed during the fall of 2007.

*Cammack LaRhette Advisors is an independent, third party Registered Investment Advisory firm and is not affiliated with MassMutual.*

