



## IMPORTANT INFORMATION!

### Economic Conditions & Your Deseret Mutual Benefits

October 3, 2008

Dear Member of the Deseret Mutual Family:

As you know, our nation's economic system is currently volatile and unsettled. And naturally, our members have questions about how this affects the benefits they depend on for financial security. *I'm writing to assure you that Deseret Mutual and the funding for your employer-sponsored benefits are on a sound and solid foundation.* I also want to answer some of the questions many of you have asked.

#### ***How long will the uncertainty last and what should I do?***

Of course, when it comes to the financial markets, there are never any guarantees. But economic systems eventually absorb the excesses that have occurred and stabilize again — but not without some pain. As you evaluate your personal financial and investment positions, we encourage you to be wise and prudent in your approach while maintaining a long-term outlook.

You can rest assured your 401(k) and other investments handled by Deseret Mutual are expertly managed, with a long-term approach. The preset mixes are designed with appropriate risk constraints for a variety of investment time horizons, and are exceptional tools to make sure one has a well diversified investment position. But regardless of where your retirement funds are invested, we encourage you to use prudence in all of your financial decisions.

#### ***How is Deseret Mutual different than other financial institutions?***

We are not in the business of making money. In fact, Deseret Mutual is a non-profit organization that was established specifically to provide life security benefits to employees and retirees of our affiliated organizations. In other words, our core purpose is to improve your health and financial well-being — we exist only to serve your interests.

We're also different because we are not a bank, and your benefits are not administered by an insurance company. Rather, the assets that support your benefits are administered through trusts and must be used exclusively in the interests of our participants.

This does not mean we are immune from the turbulence in the market. But it does mean we have a different motivation than commercial institutions. And this motivation guides the way we manage our business — your exclusive interests are at the heart of everything we do, and your retirement security is very important to us.

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### **What about my retirement?**

Remember, you have three sources of retirement income: Deseret Mutual's Master Retirement Plan and Thrift Savings Plan, as well as Social Security. The Master Retirement Plan has a large pool of well diversified assets that back it up. And in addition, both the Master Retirement Plan and Social Security are what are known as defined benefit plans. That means your benefits from these sources are based on a set formula and are not affected by fluctuations in the market. This creates a basic retirement foundation that goes well beyond what most employers offer nationally.

Your Thrift 401(k) Plan is supplemental to these plans and is the only part of your retirement security that's subject to market fluctuations which can increase or decrease, depending on the asset mix you have chosen. But remember, you must focus on the long term and not on short-term fluctuations in the market.

### **What is Deseret Mutual doing?**

We have a sound investment philosophy which minimizes our exposure to risky investments, such as subprime securities. We also have a solid investment team supported by a very capable investment committee that helps us in implementing this philosophy. Our investment committee is made up of nine individuals with extraordinary credentials. Not only are they very technically capable, but they understand the core purpose of Deseret Mutual and the retirement security needs of our members.

### **How can we help?**

If you have any questions or concerns, ***I encourage you to call us at 1-801-578-5600 or toll free at 1-800-777-3622.*** Or you're welcome to visit our Web site at [www.dmba.com](http://www.dmba.com) where we have a ***Question & Answer*** document that specifically addresses issues related to the current financial and stock markets, as well as your retirement plans.

We consider it a privilege to serve as your benefits administrator. And we're anxious to help you achieve retirement security, as well as help you feel confident and secure in the stability of the benefits you have through Deseret Mutual.

Sincerely,



Michael J. Stapley  
President & CEO