

Highlights of Annuity Plan Changes Effective 1-1-2014

- Elimination of the Age 65 Force-Out. Participants who have attained age 65 with 12 months separation and an account balance in excess of \$5,000 will no longer be forced out of the Plan.
- New options for Participants, Beneficiaries and Alternate Payees who are eligible for a distribution:
 - Installment Option – Equal installment payments on a monthly, quarterly, annual, or semi-annual basis over a fixed period of time was added as an optional form of benefit.
 - Partial Distributions – Distribution of any portion of the Account Balance where the remainder stays in the Account.
- To qualify for a Plan loan a Participant no longer has to be in the Annuity Trust for five years. Participants will now be eligible for a Plan loan regardless of the length of time they have been a Participant in the Annuity Trust. The new requirement is a minimum Account Balance of \$2,000.
- The maximum Plan loan amount a Participant can borrow from their Individual Account is the *lessor of* 1) 50% (increased from 40%) of the amount in the Individual Account, or 2) \$50,000 minus the highest outstanding balance of any Plan loan during the 12 month period preceding the new loan.
- Interest rate assessed on Plan loans shall be the prime interest rate plus one point, as published on www.federalreserve.gov.
- The Plan currently allows for a Plan loan in the event of an imminent foreclosure. Effective January 1, 2014 the Plan will also allow for a Plan loan in the event of an imminent loss of residence through an eviction notice.
- Principal residence loans issued on or after January 1, 2014 have a maximum repayment period of twenty years (increased from ten years).

If you have questions concerning these changes, please contact Prudential Retirement toll free at 1-855-611-BNAT (2628).

- Automated system available 24 hours a day, seven days a week
- Representatives are available Monday through Friday 8 a.m. to 9 p.m. ET

To access your account online go to www.bnf-kc.com and click the "Check Your Annuity" link to access your individual account.