

# Creating a New Century of Savings

Lockheed Martin Space Systems Company  
Michoud Operations  
P.O. Box 29304 New Orleans, LA 70189  
Telephone 504-257-3311



June 15, 2000

**Dennis R. Deel**  
President & General Manager

Dear Fellow Employee:

Last year many of our employees elected to begin or increase their allotments in the U.S. Savings Bonds payroll savings program. As a result, our employee participation rate increased to 94 percent, boosting Michoud Operations to #1 among major New Orleans-area companies and #1 among Lockheed Martin companies with over 25 employees

I am sure that many employees now find themselves with additional savings. This year's Savings Bonds campaign, which runs from June 19 to June 30, offers you the opportunity to begin or to increase your participation in the program. And, now there are even more incentives for participating in the U.S. Savings Bonds Payroll Program.

To complement the well-known EE Bond, the Treasury Department has introduced the inflation-indexed "I Bond", which provides all Americans the opportunity to protect the purchasing power of their savings from inflation. The bonds offer a fixed rate above inflation for up to thirty years. I Bonds are unique in that they honor eight great Americans for their contributions to the nation. Two prominent Americans whose portraits appear on the bonds are Dr. Martin Luther King, Jr. (\$100) and Helen Keller (\$50). We are pleased to offer both I Bonds and EE Bonds to our employees.

One of your coworkers will provide you with a brochure outlining the many advantages offered by today's Savings Bonds - including I Bonds. Or you can get more information from the Savings Bonds website [www.savingsbonds.gov](http://www.savingsbonds.gov). Please take a few minutes to familiarize yourself with the features and benefits of one of America's favorite investments.

Remember, Savings Bonds are an easy, affordable way to save for the future.

Sincerely,

A handwritten signature in black ink that reads "Dennis R. Deel".

Dennis R. Deel

**Michoud Operations' Savings Bonds Campaign**  
**June 19-30**

# New Bond helps savings grow at a faster pace

Through the years, Lockheed Martin employees have found that U. S. Savings Bonds are a great way to build personal savings. Bonds offer tax advantages, flexibility and security.

Now employees can take advantage of recent updates to the Savings Bonds program.

To date, the program has provided the opportunity to invest in Series EE Bonds. Employees now can also choose to buy **I Bonds** ("I" for "inflation"), a new type of U.S. Savings Bond.

I Bonds offer employees rates that are adjusted to inflation twice a year to help protect purchasing power.

I Bonds earn a higher rate of interest, 6.98%, than the 5.19% now earned by EE Bonds.

Another difference is that I Bonds are purchased for their full face value, while EE Bonds are purchased for half face value and may take up to 17 years to reach maturity. Bonds of both series are available in a variety of

denominations.

I Bonds will earn interest for up to 30 years, and interest earnings



## **I Bonds**

*Everyone Needs a Safe Place to Grow*

are payable upon redemption. Interest earnings on bonds are exempt from state and local income taxes. Federal taxes can be deferred until redemption, final maturity or other taxable disposition, whichever comes first.

I Bonds earn interest through application of a composite rate. The composite rate consists of a fixed rate that remains the same for the life of the bond and an inflation rate that changes twice a year.

Interest earned from the composite rate accrues monthly and compounds semiannually.

As with EE Series Bonds, you cannot redeem I Bonds until six months after their issue date. There is an interest penalty to encourage holding bonds — if you redeem a bond before it turns five years old, you'll forfeit the three most recent months' worth of

interest on that bond.

Other innovations include a newly designed authorization form that employees will use to make changes in their savings amount or bond denominations. And the Treasury Department's Bonds web site is expanded, with new interactive features and a wealth of information about both the Series EE and Series I Bonds. The Bonds web site address is:

<http://www.savingsbonds.gov>



## Savings Bonds Campaign Prizes

### Grand Prizes

#### Four \$500 EE Series Bonds

- Two chances for year-long participation (from April 1999 at \$2.00 per week minimum level).
- Two chances for increase in April 1999 and remaining in all year long at new increased deduction amount (i.e., for a new bond added or for increasing deduction by at least \$0.25 per week)

### Incentive Prizes\*

	Current participants	New or Increasing Participants
<b>First Week</b>	Five \$100 winners	Five \$100 winners
<b>Second Week</b>	Five \$100 winners	Five \$100 winners

\* Minimum participation requirement — \$1.00 per week

**Current:** One chance each week for participation at any level

**New or Increasing Participants:** One chance each week for *new* participants who sign up during June 19-30 drive at \$1.00 per week **or:** One chance each week for *increase* in savings by at least \$0.25 per week.

## It's a Fact!

Fifty-five million Americans own more than 800 million Savings Bonds worth more than \$185 billion.

### Hang on to *these* Bonds

Employees with Series EE Bonds issued from July 1994 through 1995 should hold onto them. These particular bonds, because of Treasury Department rules, will earn a whopping 15 percent for the six-month interest period following their fifth anniversary. After that period the interest will revert to normal levels, averaging from four to five percent. Check the value of your Bonds on the Bonds web site.

### ***Bonds can provide valuable education tax breaks***

The Treasury Department offers a program designed to help families pay for higher education with Savings Bonds. People who qualify can receive a Federal tax exclusion on the interest earned on bonds used to pay for college tuition.



Series I and EE Bonds bought after January 1, 1990 qualify for the exemption. Bonds must be registered in the name of one or both parents as owners. The owner must be 24 years old at time of purchase. The Bonds can be used for education expenses of the Bond owner, spouse or child. Qualified educational institutions include colleges, universities and technical/vocational schools. For complete details on the educational tax exemption, refer to the Bonds web site:  
**<http://www.savingsbonds.com>**

# Seven great reasons to buy and hold Savings Bonds



established that the bonds haven't been cashed or, if cashed, have been paid in error to the wrong person.

**Bonds are a MARKET-BASED INVESTMENT !**

The Series EE Savings Bonds you buy today will earn market-based rates for 30 years.

**Bonds are a LIQUID LONG-TERM INVESTMENT !**

Your investment will grow for 30 years, but you can cash bonds any time after six months.

**Bonds can be used for EDUCATION SAVINGS !**

U.S. Savings Bonds may provide tax savings when used to finance higher education. See the Savings Bonds web site for details on buying bonds for education.

**Bonds have multiple TAX ADVANTAGES !**

Interest earned on U.S. Savings Bonds is exempt from state and local income tax. You can also defer paying Federal income tax on the interest until you cash your bond or until it stops earning interest in 30 years.

**Bonds are GOOD FOR AMERICA !**

The money invested in savings bonds directly helps finance our country's borrowing needs.

Become an American hero - buy U.S. Savings Bonds.

There's no time like today to begin saving to provide for a secure tomorrow. Whether you're saving for a new home, car, vacation, education, retirement or for a rainy day, U.S. Savings Bonds can help you reach your goals with safety, market-based yields and tax benefits.

**Bonds are EASY TO BUY !**

You can buy EE Bonds and I Bonds through most financial institutions and through the Payroll Savings Plan at Michoud Operations. You can also buy Savings Bonds with an automatic deduction from your bank account through EasySaver. You pay no fee or commission!

**Bonds are SAFE AND SECURE !**

U.S. Savings Bonds are backed by the full faith and credit of the United States. Bonds are replaceable if lost, stolen, or destroyed, as long as it is



# 2000 U. S. Savings Bonds Campaign Team

**Executive Advisor**  
Tom Fierke

**Campaign Chairperson**  
Chi Chi Williams

**UAW Representative**  
Ed Peneguy

**UPGWA Representative**  
Gerald Green



*Members of the 2000 Lockheed Martin Space Systems Company Savings Bonds Campaign Team at Michoud Operations*

**Executive Area**  
*Brenda Hopkins*

**Business Operations**  
*Brenda Retif*  
Paula Peres

**Contracts & Estimating**  
*Sandra Hindman*  
Linda Bennett

**Communications**  
*Harry Wadsworth*

**Human Resources**  
*Frank Lusk*  
Carolyn Bushaw  
Gerald Green  
Allen Gusman  
Carol Scott  
Roger Sissac  
Barbara Woolfolk

**Facilities & Environmental Operations**  
*Barbara Mix*  
Marie Barré  
John Arseneaux  
Richard Crawford  
Kevin Dolese  
Stephen Fisse  
William Henderson  
Toni Herrin  
Guy Jackson  
Ken James  
Rodney Johnson  
James Jones  
Jason Meyer  
David Morrow

Sherrie Sims  
Babette Staunton  
Laurie Surla  
Janet Vega  
John Vitrano  
Jennifer Wall  
Randy Watts  
George Wehrlin

**Planning & Control**  
*Teresa Oubre*

**Production Operations**  
*Cheryl Sullivan*  
*Debbie Benz*  
Marie Alongi  
Nelda Bellinger  
Susan Bullington  
Susan Caillouet  
Lisa Corne  
Sharon Fitzgerald  
Nancy Harris  
Venita Johnson  
Roy Kridler  
Linda Laborde  
Margaret Legnon  
Charlene Martin-Dauphin  
Ovidio Menendez  
Jannette Morrow  
Don Offner  
Al Pfeiffer  
Mike Poland  
Don Ricouard  
David Ridgley  
Benny Robinson  
Don Saling  
Antoinette Sandifer  
Darryl Smith

Alan Snyder  
Pat Stein  
Ronnie Williams

**Product Assurance**  
*Jerry Greenwood*  
Barbara Cornay  
Theresa Dowdy  
Gary Jackson  
Henry McCormick  
Dan Willis

**Materiel Sourcing**  
*T. Randy Wiggins*  
Dennis Bales  
Samantha Boswell  
Talitha Cooper  
Melanie Powell  
Jim Sulcer

**MSFC Operations**  
*Eddie Bass*

**ET Operations**  
*Lea Cahill*

**Program Management & Technical Operations**  
*Gayle Kastner*  
Joyce Hunnicutt  
Michael Keane  
Christian Labat  
Lorri Manning  
Cindy Pustanio  
Beth Rodrigue  
Sandy Sollberger  
Kristie Sparks  
Kathy Stephens  
Joyce Wyatt

*Names of coordinators are in italic.*