

Mini News

News For The Employees of Data General

January 8, 1988

Data General Wins Contract For Health-Care System

Data General has won a \$1.5 million contract to build and supply occupational health-care data systems for four of Finland's leading companies: Union Bank of Finland, the country's largest bank; Neste Oy, a major petroleum firm; Enso-Gutzeit Oy, and Kymmene Oy, both paper and pulp companies. The system will help the firms to predict and prevent possible illnesses resulting from a wide spectrum of working conditions.

Data General-Finland will customize Information System for Occupational Care (ISO CARE) software for use on Data General's ECLIPSE MV/7800 and ECLIPSE MV/2000 DC computers. Based on the PowerHouse fourth generation software language, ISO CARE will be developed in modules to allow each company to choose applications most suited to its needs.

Applications include doctor scheduling, patient administration and records, including those records related to the quality of the work environment, laboratory results, and office automation. Computers will be linked to company personnel departments via IBM's SNA software as well as to international data banks.

In addition, Enso-Gutzeit Oy will incorporate a CEO comprehensive electronic office system into the ISO CARE solution. The other companies' solutions will include personal data management software packages such as Wordperfect, MathPlan, and DG/Sort/Merge.

The system is scheduled to be completed next month. The ISO CARE application package will be built in two parts, one for international distribution and the other for country-specific requirements.

Data General Is An Equal Opportunity Employer

Data General is a strong believer in equal employment opportunity and adheres to an affirmative action program.

Each year, the company publishes a reminder to employees about its equal-employment-opportunity policy.

Equal Opportunity

It is Data General policy to provide everyone an equal opportunity in all matters of employment and employee relations and to provide a program of affirmative action to ensure equal employment opportunity.

Data General requires that all employment practices be non-discriminatory and be based on factors that are job related. Factors such as race, color, religion, sex, national origin, age, handicap, sexual orientation, veteran or marital status are not job-related and therefore play no part in the company's employment practices.

Data General is committed to equal employment opportunity in all phases or aspects of employment and employee relations including but not limited to treatment, selection, placement, transfers, training, promotion, compensation, benefits, reductions in force, terminations and all other conditions or privileges of employment.

Affirmative Action

It is Data General policy to develop and implement an affirmative-action program to ensure equal employment opportunity. The intent of affirmative action is that Data General not only fulfill legal requirements but practice the spirit and intent of the law.

Provisions have been made for reporting and monitoring all affirmative action program procedures which include, but are not limited to:

1. Recruiting, hiring, training, promoting and terminating all applicants or employees in all job classifications without regard to race, color, religion, sex, national origin, age, handicap, sexual orientation, veteran or marital status.
2. Employing and advancing in employment qualified handicapped individuals and qualified Vietnam-era veterans.
3. Ensuring that all other personnel actions such as compensation, benefits, transfers, leaves of absence, training, education, tuition assistance, social and recreational programs and the like are administered without regard to race, color, religion, sex, national origin, age, handicap, sexual orientation, veteran or marital status.

Treatment Of The Individual

Data General is committed to respect the individual employee and to maintain a work environment free from harassment. Harassment may include many different kinds of conduct pertaining to issues such as sexual harassment, ethnic jokes, cultural and lifestyle practices, sexual preference, and other non-job related factors.

Employees who have questions about any aspects of equal-opportunity programs may contact their supervisors and/or Human Resource departments. Responsibility for all equal-employment opportunity and affirmative-action programs has been assigned to each Human Resources manager.

Notice To Disabled Veterans And Handicapped Persons

Data General wants to take affirmative action to employ and advance in employment qualified handicapped individuals and disabled veterans. If you have a handicap or are a disabled veteran and would like to be considered under the affirmative-action program, please inform your supervisor or Human Resources representative. Any information is voluntary and disclosure or refusal to provide it will not affect your employment. Information obtained shall be used only in accordance with the regulations and shall be kept confidential, except that:

1. Supervisors and managers may be informed regarding restrictions on the work or duties of handicapped individuals or disabled veterans, and regarding necessary accommodations.
2. First-aid and safety personnel may be informed, when and to the extent appropriate, if the condition might require emergency treatment; and
3. Certain government officials may be informed.

If you are handicapped or a disabled veteran, Data General would like to include you under the affirmative-action program. It would assist the company if you make available information on:

1. Any specific methods, skills and procedures which qualify you to positions that you might not otherwise be able to do because of your handicap, so that you will be considered for any positions of that kind;
2. The accommodations which the company could make which would enable you to perform the job properly and safely.

Keep A Lid On Information

In order to remain a leader in this highly-competitive industry, Data General must continually invest in new and enhanced products. Employees from all areas of the company such as new product development, Manufacturing, Marketing, Sales and the various administrative support groups which handle sensitive information on a daily basis that is critical to the success of the

business. That is why the company holds proprietary information as one of its most valuable assets.

The competitive advantages which Data General has attained are directly attributable to a variety of factors. Among these factors is employees' ability to keep Data General proprietary information secure, and keep proprietary information of other companies outside the "company family" of Data General.

All Data General sensitive and proprietary information is not to be disclosed to any Data General employees who have no need to know of it. Likewise, company confidential information should not be disclosed to any people outside the company, unless and only unless, a prior non-disclosure agreement has been approved by both managers and their Legal department and signed by the intended recipient.

In addition to "keeping a lid on Data General proprietary information," employees should not receive any confidential information from outside companies. Sensitive information offered by representatives of outside companies should be refused as a matter of company policy and those employees from outside companies offering information should be referred to the Legal department.

What is Data General proprietary information? Data General proprietary information can be defined as any technical, business or other Data General information of material that the company considers sensitive, secret, competitive or private, which, if in the hands of a competitor, could weaken Data General's competitive position. A few examples are: costs and methods of manufacturing, pricing policies, business forecasts, employee lists, patent applications, unannounced products, and present and future business plans.

Unsecured proprietary information in unlocked offices; data left on cubicle desks rather than in locked files; research data left on blackboards exposed to ground-level windows; failure to ensure frequent and regular password changes to access computer information; and failure to immediately deny computer access to those who have terminated or transferred are matters of real concern to all employees.

Remember, as spelled out in the Employee Agreement which employees signed when they started working at Data General, employees should keep all company proprietary information to themselves.

Training

Educational Services is offering the following courses. Prior approval of your supervisor is required for course registration. Call (tie line) 221-1647 to enroll in these classes or other classes. All classes are held at the Education Center at 2400 Computer Drive in Westboro.

- ***CEO Word Processing with Mail and Calendar (OA 163)***
- This course helps employees become familiar with the basics of CEO, including basic and advanced functions

of word processing, features of electronic mail, and calendar and list processing. This four-day class starts on Monday, January 18.

• **DG/SQL Design and Performance Workshop (SM520)**

This course is for DG/SQL designers and implementors. It teaches employees how to design a DG/SQL database using Entity-Relationship and what factors affect DG/SQL performance. The prerequisite to this course is S317 (DG/SQL Utilization and Design) or equivalent experience. This three-day course begins on Wednesday, January 21.

• **CEO For System/Office Managers (SM526)** - This is a two-day seminar that will provide employees with the information necessary to efficiently make the transition to new revisions of CEO. This seminar begins on Monday, January 25.

• **AOS/VS System Manager (S219/VS)** - Employees new to AOS/VS system management will learn how to install, generate, maintain and manage AOS/VS on an ECLIPSE MV/Family computer system. The prerequisite for this five-day course, which begins on Monday, January 25, is S209 (AOS & AOS/VS User) or equivalent experience.

• **DC/PC'I Systems Programming, Tips and Techniques (SM525)** - This three-day seminar provides hands-on experience in NETBIOS programming under Data General's XODIAC Transport Services (WTS). Prerequisites for this seminar are DC131 (Introduction to Data Communications and Networking), S145 (Introduction to MS-DOS) and an assumed knowledge of PC'I configuration and functions. This course begins on Tuesday, January 26.

People

In Systems Development

Bill Hart has joined the Power Systems Engineering department in Westboro as a section manager, reporting to Manager Phil Roux. He is responsible for the development of various power systems products intended for use in future Data General products. Before joining the company, Bill was employed by the Power General Corporation. He holds a bachelor's degree in electronic engineering technology from Trenton State College.

In Educational Services

Tom Sandholm has been named senior hardware instructor within Educational Services in Westboro, reporting to Manager Marty Pellegrino. Tom is responsible for the presentation and development of communications courses. Before joining Data General, Tom worked as a senior hardware instructor for Alliant Computer and Nixdorf Computer.

In Treasury

Joe Mooney and **Jim Kent** have joined the International Trade Finance group, reporting to Manager Bob Widman.

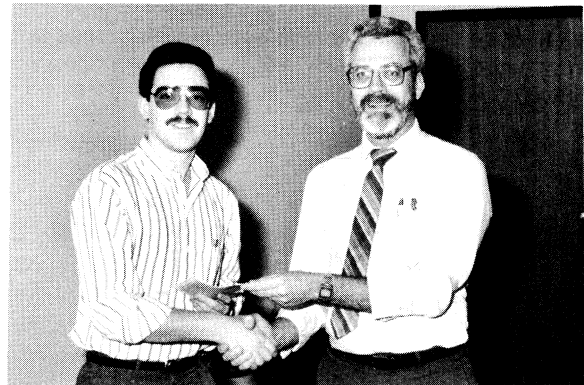
As International Trade Finance manager, Joe will focus on developing, expanding and implementing responsive and competitive trade finance programs to support and enhance sales through international distributors and Data General subsidiary sales channels.

Before joining Data General, Joe was employed as assistant vice president for Connecticut National Bank and Shawmut Bank of Boston. He holds a bachelor's degree in finance from Boston College.

Jim joins the group as senior financial analyst with an emphasis on the international subsidiary credit area. He will be conducting Data General subsidiary reviews in coordination with the Internal Audit group. In addition, Jim will have corporate credit responsibilities for multinational accounts, credit approvals, Accounts Receivable reviews and worldwide credit policies and procedures.

Jim has been with Data General for three years, most recently as a senior International Manufacturing accountant. Jim is a graduate of Southeastern Massachusetts University, where he earned a bachelor's degree in management.

Software Engineer Receives Director's Award



Software engineer Michael Floyd (left) receives a Director's Award from Luther Abel, director of CAD Systems. Mike received the award for his numerous contributions in support of Data General development projects, for a willingness to take on significant extra work to ensure a critical project's success and for an exemplary attitude toward the people and the projects he has supported. As just one example of Mike's enthusiasm and efforts, it was noted that during one week last summer, he turned out a "critical" software program to support one project and oversaw the first run through of a complex set of CAD tools for the initial design from another project - all while attending a full-time, week-long training class.

MARKETPLACE

WANTED

Roommate , to share 3 bdrm home, near Rts 90 & 128, 25 min to Webo, \$240/mo + 1/3 util, 893-1008 (Waltham).

Roommate , non-smoker, male, to share townhouse, \$300/mo, 772-7810 (Ayer).

Roommate , non-smoker, to share townhouse, 30 min to Webo, 20 min to Wachusett, \$330/mo + 1/2 util, 835-2421 (W. Boylston).

Roommate , to share 2 bdrm condo, all amenities/util incl, 883-8492 (Blackstone).

Ride , from Milford to Sobo, start 1/4, 7:30 - 4:00, will help with gas, 473-9511 (Milford).

FOR RENT

Duplex , Grafton, 1 or 2 bdrm, appl, wall/wall, util not incl, avail immed, \$500/mo; \$650/mo incl wash/dry hook-up, sun rm, frpl, 485-6486 (Marlboro).

Apartment , Plantation Street, recent renovation, 5 rm, off-street park, 795-1971 (Worcester).

House , 7 rm ranch, 12 mi to Webo, avail 2/1, \$1050/mo, no fee, 877-6261 (Framingham).

House , 2 bdrm, priv yard/street, 10 mi to Webo, \$700/mo + util, 839-9617 (Grafton).

1/2 Duplex , 3 bdrm, w/pantry/dining rm, util hook-ups, avail 1/88, \$800/mo, 473-2120 (Hopedale).

Villa , San-San, Jamaica, 4 bdrm, priv pool/beach/tennis, staff of 4 for groups up to 8, \$1000/\$2000/wk neg, 368-1604 (Clinton).

1/2 Duplex , Uxbridge, priv street/yard, newly renovated, garage avail, \$575/mo + util, 473-6321 (Hopedale).

Ski Chalet , White Mts, 3-bdrm, 2 bath, frpl, lv rm, util, \$300/wk, \$200/wknd, 696-6065 (Milton).

FOR SALE

House , 1840's antique w/contemp addit, 3 bdrm, 2.5 baths, \$309,900, 429-7427 (Holliston).

Commodore Amiga 1000 , 512K w/ext drive, complete manuals, incl software, \$110/BO, 366-4144 (Westboro).

House , 8 rm cape, garage, finished bsmt, hdwd throughout, priv yd, 10 min to Webo, 485-7730 (Marlboro).

Sears Dishwasher , top-of-the-line, portable/built-in, \$450, 839-4324 (Grafton).

Items , DeLonghi space heater, elec/oil filled, \$22; Casio electric keyboard, 4 octaves, spks incl, \$110; 966-0834 (Bellingham).

Roll Bar , w/lights, for Chevy pick-up, \$75/BO, 365-7685 (Lancaster).

Items , 1/2 size refrigerator, for dorm or bar, \$50; electric dryer, \$50/BO; 110 lb weight set, \$10; 869-2682 (Boylston).

Items , drapes, gold, custom, for lvg rm, \$35/BO; light fixture, green w/5 bulbs, for kitchen, \$25/BO; 655-3039 (Natick).

Waterbed Set , king sz, dk pine, w/bookcase hdbd/6 draw pedestal base/htr, \$275/BO, 278-7423 (Uxbridge).

Tires , 2 snows w/Chrysler rims, 14" H78 series, \$40/pr; 2 snows unmounted, 14" H78 series, \$15/pr, 481-5445 (Marlboro).

One Week Time-Share , around the world, good service, buy to own, \$4400, 852-5095 (Worcester).

Condominium , 2 bdrm, loft, garage, priv elev, cath ceilings, 12' antique windows, w/property on river, Exeter, NH, appl, \$145,900 (negtbl), (603) 772-3659 (New Hampshire).

Franklin Slide-In Camper , '73, slps 6, dbl sink, fridge w/freezer, bath/shower/holding tank, heater, closet/storage, custom windows/door for winter vacations, \$2000/BO, (401) 568-4158 (New Hampshire).

Kitchen Set , maple, tbl & 6 chairs; 2 super sngl waterbed frames w/bookcase/hdbd, BO, 799-7182 (Worcester).

Computer , Amiga 2000, CPU & keyboard, new, in box, \$1500, 668-1542 (Walpole).

Camera , new 35mm, never used, \$40/BO, 655-3039 (Natick).

AUTOS

'70 Dodge Dart , cust '76 block & trans, well maintained, \$700/firm, 881-1398 (Ashland).

'76 Mustang II , well maintained, 65K mi, 628-1031 (Somerville).

'80 Pontiac Sunbird , hatch, 4 cyl, 60K mi, \$1500, 883-1097 (Blackstone).

'81 Toyota Tercel , 5 spd, FWD, new tires/battery, AM/FM, 75K mi, \$2000/BO, 234-2244 (Northbridge).

'82 Honda Accord Hatchback , 5 spd, \$1900/BO, well maintained, must sell, 877-6261 (Framingham).

'83 Custom Ford Van , well maintained, 6 cyl, AC, \$6300/firm, 883-0613 (Blackstone).

'84 Chevrolet Cavalier Wagon , 4 spd, \$2750/BO, well maintained, 877-3261 (Framingham).

'84 Chevrolet Celebrity , 2 dr coupe, V6, FWD, AC, cruise, tilt whl, auto, 87K mi, \$3000/BO, 234-2244 (Northbridge).

'84 Ford EXP , red, 4 cyl, 3 dr coupe, snrf, 5 spd, 46K mi, \$3600, 655-7893 (Sherborn).

'84 Volkswagen Jetta , 29K mi, AC, AM/FM, \$6000/firm, 779-2861 (Bolton).

'85 Toyota 4X4 Truck , red, 40K mi, 5 spd, storage bin, AM/FM cass, locked whls, \$6800/BO, 387-5542 (Everett).

'86 Hyundai Excel GL , 3 dr hatch, pwr mrrf, 4 spk stereo cass, \$5300/BO, (603) 622-7479 (Manchester, NH).

'86 Pontiac Fiero SE , loaded, well maintained, 44K mi, \$9900, (413) 245-9400 (Holland).

'86 Mazda RX7 , silver, luxury package, AC, stereo, new snow tires, \$13,500, 842-4711 (Shrewsbury).

'87 Mitsubishi/Plymouth Colt DL , 4dr, grey, auto, AM/FM cass, allum alloy whls, 12K mi, \$6900/BO, 755-0464 (Worcester).

Advertise In The *Mini News*

Name: _____ Ext. _____

Home Phone: _____ Town: _____

Classified Ad: _____

Ride/Carpool: To: _____ From: _____

Working Hours: _____ Flexible: YES NO

Classified ads are accepted from Data General employees only for the sale or rental of personally owned goods or property. Ads for any business or profit-making service are not accepted. Mini News reserves the right to reject an ad or to edit for space limitations. All ads must be submitted in writing or via CEO and include employees' name, home phone and extension number. Ads must be received by Public Affairs by 10:00 a.m. on Tuesdays to be included in that week's issue of Mini News. Limit ads to five descriptive words. Send ads to Laureen Sasseville, MS A235 or CEO :IMG010.

Mini News

News For The Employees of Data General

December 31, 1987

Benefits Brief

The IRS Tax Code went through some major reforms in 1986. A Benefits Brief, included in this issue of *Mini News*, addresses some common questions about the Tax Reform Act of 1986 (TRA) as they affect Data General benefits. Benefits Briefs appear once a month and may be saved for future reference.

Holiday Reminder

Employees are reminded that tomorrow, January 1, is a Data General-paid holiday in observance of New Year's Day.

The following is the rest of the holiday schedule for Data General employees for 1988:

February 15 (Monday) -- Presidents' Day*

May 30 (Monday) -- Memorial Day

July 4 (Monday) -- Independence Day

September 5 (Monday) -- Labor Day

November 24 (Thursday) -- Thanksgiving Day

November 25 (Friday) -- Day After Thanksgiving*

December 26 (Monday) -- Day After Christmas

*Field engineers will take these as floating holidays.

In addition, two personal holidays are available for each regular employee scheduled to work more than 20 hours a week and hired before July 1 of this year. These personal holidays must be taken before December 31.

Sirojvisuth Named Thailand Plant Manager

Somchai Sirojvisuth has been named plant manager for Data General's Manufacturing facility in Bangkok, Thailand. He reports to Mike Smith, general manager for Far East Manufacturing.

Somchai joined Data General in Thailand in May 1983 as a systems engineer. Since then he has held numerous positions including manager for Manufacturing Planning and Manufacturing Services. He most recently was Operations manager.

Before joining Data General, Somchai was with Thai Container Ltd. where he was a production planning section manager. Prior to that, he was a project engineer and an inventory and transportation analyst with Siam Kraft, a Thai paper manufacturer.

Somchai holds bachelor's and master's degrees from the Georgia Institute of Technology.

Somchai succeeds Ron Hensley, who will return to the U.S. to join the North American Technology group, reporting to Director Bill Kelleher.

Prior to his position as plant manager for Data General in Thailand, Ron was Operations manager at that facility. Before working in the Far East, Ron was Operations manager for Data General's facilities in Clayton and Apex.

Toastmasters Celebrate A Banner Year

Holiday festivities and award presentations climaxed a successful year for the Data General Toastmasters group during a recent year-end meeting. For completion of his tenth and final speech in the Communication and Leadership program, **Bruce Jobse** received the CTM "Competent Toastmaster" Award. **Gary Richman** shared the limelight, receiving the first "Data General Toastmaster of the Year" trophy for his participation and contribution to the club.

Outgoing Toastmasters' President **Lydia Losch** says 1987 was an outstanding year for the club.

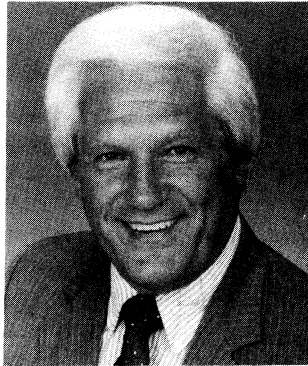
"We have welcomed the addition of 15 new members since September. More than 50 percent of our membership is new to the club this year, bringing new life to our meetings and spurring our veterans on to more challenging roles."

Lydia notes, "We have tried to promote a feeling of fun and friendship in our club in addition to the traditional Toastmasters' goals of developing communication and leadership skills."

The Toastmasters group meets every Wednesday at noon, in the Guest Marketing Room A, down the hall from the cafeteria in Building 14A in Westboro. Guests are welcome to sit in and see for themselves what Toastmasters is all about.

The next Toastmasters meeting is scheduled for January 6. At this meeting, the new officers for 1988 will be installed.

Graphic Artist Takes A Chance With Acting



Frank Gomes

Frank Gomes has always had a love for the arts. He has been a graphic artist within the Corporate Publications department in Westboro for 14 years, lending his talents to the design of manuals and brochures. Now, he has decided to take his talents one step further. He is studying to be an actor/model.

"I have always wanted to be on stage," Frank says. "I enjoy what I do here at Data General. I have to deal with a variety of people on a daily basis, and my ability to do that well has helped build my confidence to begin acting and modeling on a part-time basis, as a hobby."

Earlier this year, Frank successfully auditioned for a spot in the "Workshop for Television," an acting class conducted in Boston. He first learned of the class while watching "Evening Magazine."

"The workshop was eight weeks long, and concentrated on making students feel comfortable while being filmed," Frank says. "We also learned what to expect from an audition."

After "graduating" from the class, Frank did what any aspiring actor/model would do. He had a number of photographs of himself taken. He then sent the photographs to various agencies, hoping that they would catch the eye of someone in need of talents for commercials or advertisements. While Frank has not yet landed that big contract, his efforts are paying off. He has had six auditions for commercials.

"These auditions vary from agency to agency. Sometimes they will give you a script from which to read. Other times, they will give you a situation, in which you have to improvise," Frank says. "During my last audition, I was told I was to play the part of an executive, talking on the phone about a major contract. I had to

pretend that someone was on the other end, speaking with me. That lasted three or four minutes. Auditions like that really get your mind thinking creatively."

Frank says he is able to use his creative skills from his job to help him during his auditions.

"I have been in the art field for more than 27 years. That creativity carries over into my acting. I can think on my feet, and I am more at ease with other people."

Recently, Frank had the chance to appear on television. He and a few people from the workshop were on the television program, "People Are Talking." The program focused on people over the age of 40 who are breaking into television.

"People like myself are in a good spot, as far as television is concerned. More and more commercials these days, for example, use 'real' people, and not just people who are physically flawless. When you see someone like myself on television, pitching a certain service or product, you are more apt to believe that I actually use that product. I could be anyone's neighbor."

"Being on stage, and on television, is something I have always wanted to do," Frank says. "I have put it off long enough. Even if I never become 'famous,' I will have given it my best shot."

Tax Changes Coming In '88

The New Year brings more than parties, football games and resolutions, it usually brings tax changes as well. 1988 is no exception.

Income Tax

New federal income tax rates with 28 percent as the highest rate for most people take effect on January 1. The change is accompanied by other minor changes such as a higher personal exemption. These changes are reflected in new payroll withholding tables and may result in slightly less tax withholding for some people beginning with the January 7 paycheck.

FICA

But do not spend the savings yet. At the same time, Social Security or FICA tax increases from 7.15 percent to 7.51 or 36-cents on each \$100 of earnings. The maximum pay on which FICA is collected also increases in 1988 to \$45,000.

Tuition

An unknown at this time is whether portions of tuition reimbursement under Data General's Educational Assistance program may be subject to taxation beginning January 1. For several years, Congress has exempted all company-reimbursed tuition reimbursement under \$5250. That exemption expires December 31, 1987 and may or may not be extended. *If it is not extended, Data*

General will be required later in the year to report some reimbursements as income and to withhold taxes on those amounts.

Tax law, without the continued exemption, stipulates that reimbursements will be tax exempt only if the individual (1) maintains or improves skills *required* by the individual in his or her current job or trade; or (2) meets the express *requirements* of the company or law imposed as a condition to the retention of the individual's current job, status or rate of pay.

Education to meet the minimum requirements of a job or to qualify for a new trade, profession or job would be taxable and subject to withholding.

If tax reporting and withholding must be implemented, individuals who have received reimbursements will be contacted.

Benefits Brief

Tax Update

The Internal Revenue Service (IRS) Tax Code went through major reforms in 1986. The following insert addresses some common questions about the Tax Reform Act of 1986 (TRA). In particular, the following will provide some information about your tax liability as a participant in the Data General Savings and Investment Plan, Pension Plan and Life Insurance Plan. If you need personal tax advice, consult your own tax advisor. This is very important information which you may want to retain for future reference.

Tax Liability

Liability On Distributions

What is the current tax liability on a hardship withdrawal?

If you make a hardship withdrawal on your Savings and Investment account, whatever amount you receive will be taxed as ordinary income AND there will be an additional 10 percent federal excise tax. As of January 1, 1989, Savings and Investment Hardship Withdrawals can only be made on actual employee contributions, and cannot be taken out on interest earned.

What is the tax liability on a Savings and Investment distribution at termination?

If you terminate employment with Data General you will be taxed on the distribution you receive. The total amount will be taxed as ordinary income with an additional 10 percent federal excise tax unless you roll over your distribution into an IRA or other qualified plan within 60 days of receiving the check.

What is the tax liability when receiving a pension lump sum at termination?

Lump sum pension payments are taxed as ordinary income plus a 10 percent additional federal excise tax unless the amount is rolled over into an IRA or other qualified account within 60 days.

Exceptions Affecting Tax Liability

Are there exceptions to the 10 percent additional tax for certain distributions?

Hardship withdrawals, Savings and Investment lump sum distributions, and pension lump sum distributions are subject to the 10 percent federal excise tax unless circumstances qualify as an exception. Exceptions include Savings and Investment distributions received at early retirement, pension and Savings and Investment distributions made as a result of death or disability, and hardships taken as a result of medical expenses which exceed 7.5 percent of your adjusted gross income.

What is the tax liability on an age 59-1/2 withdrawal?

There is a special IRS provision which allows a withdrawal of funds from a Savings and Investment account once a participant reaches age 59-1/2. Once an employee becomes eligible, he or she can only make an Age 59-1/2 Withdrawal once each year. Funds received from an Age 59-1/2 Withdrawal are taxed as ordinary income for the year in which they are received. This withdrawal is not subject to the 10 percent federal excise tax.

How does a rollover affect your tax liability?

If you rollover funds received at termination from a Savings and Investment distribution or a Pension distribution into an IRA or other qualified plan within 60 days of receiving the distribution, there will be no current tax liability on that distribution.

Liability On Other Payments

What is the tax liability on a loan?

If you take a loan from your Savings and Investment account you will not have to pay taxes on the amount that you borrowed. HOWEVER, if you terminate employment before paying back the loan, whatever loan is outstanding will be treated as part of your distribution. Therefore the amount you receive as a lump sum at termination, PLUS whatever the amount of the loan OUTSTANDING, will be taxed as ordinary income, and will be subject to an additional 10 percent federal excise tax unless the distribution is rolled over another qualified plan.

Example

You have a total Savings and Investment account balance of \$5,000 and have an outstanding loan of \$1,000. You terminate employment with Data General. After termination you will receive a distribution of \$5,000, along with a statement that declares your total distribution to be \$6,000. You will be liable to pay taxes on the entire amount.

What is the tax liability on a monthly pension?

A monthly pension is taxed as ordinary income. If you are to receive a monthly pension you can specify a specific tax amount to be withheld or you may elect not to have taxes withheld and pay your own taxes. Failure to have adequate taxes withheld, or to pay estimated taxes, may result in severe penalties.

Paying Taxes - How And When

The following chart summarizes your tax liability for Savings and Investment and Pension distributions.

Distribution	Tax Liability	Withholding
Loan	NONE (unless there is an outstanding loan balance termination).	None (unless there is an outstanding loan balance at termination).
Hardship	Taxed as ordinary income PLUS 10% federal excise tax unless age 59-1/2	10% at distribution unless otherwise elected
Age 59-1/2 Withdrawal	Taxed as ordinary income	10% at distribution unless otherwise elected
S&I Distribution at Termination	Taxed as ordinary income PLUS 10% federal excise tax unless rolled over into an IRA or other qualified plan	5% at distribution unless otherwise elected
Pension Lump Sum	Taxed as ordinary income plus 10% federal excise tax unless rolled over into an IRA or other qualified plan.	5% at distribution unless otherwise elected
Monthly Pension	Taxed as ordinary income	Deducted from monthly pension check as specified.

Other Tax Highlights

IRAs

How did the new tax law affect IRA accounts

Because Data General provides you with a pension plan, as of January 1, 1987 contributions to an Individual Retirement Account (IRA) are only deductible based upon the following schedule: (NOTE: GAI = Gross Adjusted Income)

If single with GAI of \$25,000 or less or married with GAI of \$40,000 or less	\$2,000/year (plus \$250/year for non-working spouse)
If single with GAI of more than \$25,000 but less than \$35,000 or married with GAI of more than \$40,000 but less than \$50,000	Prorated - ranges from \$200 reduction to \$2000 reduction of above amounts
More than \$35,000 single or \$50,000 married	No deduction allowed

If you do not qualify to make deductible contributions to an IRA, you may still make a non-deductible contribution up to \$2,000 per year. Interest on IRAs would still be tax deferred.

In order to make unrestricted contributions to an IRA, you must be ineligible to participate in the Data General Pension Plan, not currently contributing to an IRA, and your spouse cannot be covered by a pension plan.

Deducting Savings And Investment Loan Interest

How did the TRA affect interest on Savings and Investment Loans?

As of January 1, 1987 most interest paid on a Savings and Investment plan loan is no longer tax deductible. However, a percentage of the interest paid on loans received prior to January 1, 1987 is still deductible according to the following phase out schedule until tax year 1991.

Tax Year	Percentage Of Interest Which May Be Deducted
1987	65%
1988	40
1989	20
1990	10
1991	0

Imputed Income

The calculation of imputed income on group life insurance remains unchanged as a result of the TRA. The IRS still considers the value of any group life insurance of over \$50,000 coverage to be additional taxable income to the employee, or **imputed income**. The amount of income is determined by the following table in IRS Code. The table assigns a value to each \$1,000 of life insurance based on your age:

Age	Value Per \$1,000 Per Month
Under 30	\$0.08
30 - 34	0.09
35 - 39	0.11
40 - 44	0.17
45 - 49	0.29
50 - 54	0.48
55 - 59	0.75
60 and over	1.17

Employee contributions for Supplemental Life Insurance are used to offset the amount of imputed income subject to taxation.

A W-2 form from Data General will report any imputed income. It will therefore be included in your income for tax purposes.

Example:

You are 43 years old, earn \$30,000 a year, and have chosen Supplemental Life Insurance equal to three times your annual salary. You estimate the amount of imputed income as follows:

Basic Life Insurance (2X salary)	\$ 60,000
Supplemental Life Insurance (3X salary)	+ \$ 90,000
Total Group Life Insurance Coverage Not Subject to Taxation	\$150,000 - \$ 50,000
Coverage Subject to Imputed Income	\$100,000
Multiply by Value from Chart	x \$.17 per thousand
	\$ 17.00
Your Monthly Contributions Towards Supplemental Life Insurance (\$90,000 @ .136 per thousand)	- \$ 12.24
Monthly Imputed Income	\$ 4.76
If the Monthly Imputed Income were zero or negative, there would be no imputed income	
Since the Monthly Imputed Income is positive, the amount is multiplied by 12 months to obtain the annual additional taxable income	x 12
Estimated Imputed Income	\$ 57.12

Winter Parking Reminder

Parking in the restricted areas at the end of a parking row is particularly hazardous during the winter. In addition to complicating snow plow operations, other employees find it difficult to negotiate a safe passage around such violators. Employees should park only in designated parking spaces.

People

In Communications Systems

Doug Ayers has been named Systems Development manager, reporting to Jim Ryan, acting division director and vice president of the Information Management Group. In this new position Doug will oversee enhancements to the commissions system.

Doug has been with Data General for eight years, most recently as senior systems planning consultant within the North American Sales Division. Prior to that, he held several managerial positions within the Marketing and Sales Information Systems organization. Before coming to Data General, Doug held several positions in the information systems field.

Doug holds a bachelor's degree in business administration from Boston University.

Breakfast Buffet Now Available

A breakfast buffet is now available in the Building 14A cafeteria in Westboro from 7:00 a.m. until 9:30 a.m. each morning. The buffet, a la carte and self-service, will contain a variety of breakfast food items.

Activities

Get In Shape At Data General

The Data General Fitness Club continues its exercise program with upcoming sign-up days for the next session of aerobics. Employees wishing to enroll in the classes may sign up on either registration days being held Wednesday, January 6 and Tuesday, January 7 at 5:30 p.m. in the main cafeteria in Westboro. There are no longer any mail-in registrations.

Dancin' Aerobics and **Free Style Aerobics** are offered twice a week in the main cafeteria at 5:30 p.m. for an eight-week period. Dancin' classes will be held every Monday and Wednesday beginning Monday, January 11. Free Style classes will be held every Tuesday and Thursday beginning Tuesday, January 12. There will be no classes on registration days. All classes are taught by qualified instructors from the Greater Worcester YMCA.

The cost is \$30 per person for the eight-week program. Please note that this is an increase. All payments must be made payable to the Data General Employee Activities Committee.

Muppet Babies At The Centrum

The Data General Employee Activities Committee has tickets for live performances of the Muppet Babies at the Worcester Centrum. Tickets are \$8 each for the Saturday, January 23 show at 3:00 p.m. Employees may obtain tickets by sending a check, payable to Employee Activities, and a self-addressed envelope to Mail Stop C-128 in Westboro.

Data General Wallyball League

Below are the standings of the Data General Wallyball League for the 1987-1988 season through December 21.

Competitive Division

TEAM	W	L	T
Waybacks	16	2	0
Mouras	14	1	0
Insecurity	8	7	0
Tough Ice Cream	4	11	0

Semi-competitive Division

TEAM	W	L	T
Flexible Flyers	12	3	0
Extremities	11	9	1
Grim Reapers	9	5	1
DGenerates	9	8	1
Over The Hill Gang	7	10	1
NERFicidal Tendencies	3	9	0
Swartzenetters	3	15	0
To Be Determined	2	13	0
Data Who?	2	7	0

Recreational Division A

TEAM	W	L	T
St. Anne's Girls' Choir	12	3	0
Wall To Wall	12	3	0
WCIL	9	6	0
DG Wallyball Rev 1.01	7	8	0
The Flying Wallenders	3	12	0
OG Wally	2	13	0

Recreational Division B1

TEAM	W	L	T
Team Why	19	2	0
Committed	9	6	0
Wallbusters	8	7	0
Masters Of The Universe	7	8	0
Side Out	5	4	0
Net Assets	5	7	0

Recreational Division B2

TEAM	W	L	T
Wallbangers	8	7	0
FNGs	7	8	0
Networkers	7	8	0
Green Slime	6	9	0
Night Court	5	10	0
Pointlessly Positive	1	11	0

Training

JANUARY - FEBRUARY TRAINING SCHEDULE

SOFTWARE COURSES

Date	Course Title	Number	Days
1/11	ECLIPSE MV/2000 DC System Operator	S224	5
1/18	AOS & AOS/VS User	S209	5
1/18	COBOL Programming with INFOS II	S107	5
1/25	AOS/VS System Manager	S219VS	5
1/25	XODIAC System Manager	S220	3
1/25	Intro to 32-Bit Assembly Lang Programming	S101VS	5
2/1	Introduction to MS-DOS	S145	2
2/1	Using Advanced Features of MS-DOS	S146	2
2/1	CEO System Manager	S221	3
2/1	ECLIPSE MV/Family Assembly Lang Programming	S105VS	5
2/8	AOS/VS Operator Training	SH109VS	5
2/8	DG/DBMS Utilization & Design	S316	5
2/8	AOS/VS System Programming, Part 1	S309VS	5
2/15	AOS/VS System Programming, Part 2	S310VS	5
2/22	AOS & AOS/VS User	S209	5
2/29	AOS/VS System Manager	S219VS	5
2/29	DG/SQL Utilization & Design	S317	5
2/29	Data General FORTRAN 77 Optimization & Prog	S113	5

CEO COURSES

Date	Course Title	Number	Days
1/18	CEO 3.0 User (Including CEO Word Processing)	OA163	4
1/25	Decision Base: Spreadsheet, Data Tables, Charting	OA200	3
2/8	CEOWrite & CEO CONNECTION	OA154	3

HARDWARE COURSES

Date	Course Title	Number	Days
1/4	Data General 32-Bit Computer Systems	H100/MV	10
1/4	Disc 10 MB (6045 Series) Field Maintenance	H203	5
1/11	ECLIPSE MV/7800 Series Field Maintenance	H158	5
1/18	ECLIPSE MV/4000 Field Maintenance	H148	5
1/18	ECLIPSE MV/15000 Field Maintenance	H178	5
1/25	ECLIPSE MV/2000 DC Field Level Maintenance	H118	5
2/1	AOS/VS for the Hardware Specialists	H209	5
2/15	Data General 16-Bit Computer Systems	H100	10
2/15	Diagnostic Operating System User	H101	3
2/22	ECLIPSE MV/10000 Field Maintenance	H168	5
2/22	ECLIPSE MV/15000 Field Maintenance	H178	5
2/29	ECLIPSE S130, S200, S230 Field Maintenance	H104	5
2/29	NOVA 3 Field Maintenance	H105	5

TECHNICAL SEMINARS

Date	Course Title	Number	Days
1/11	Artificial Intelligence: A Programmers Guide	SM502	3
1/11	Authoring for the CBT Environment	SM503	3
1/18	Introduction to Data Communications & Networking	DC131	5
1/18	DG/SQL Design & Performance Workshop	SM520	3
1/25	DG/PCI System Programming	SM525	3
1/25	CEO Rev. 3	SM526	2
2/8	XODIAC Internal Structures	SM431	5
2/8	Disaster Recovery Planning	SM529	2
2/15	Advanced CEO Systems Support	SM518	3
2/15	CEO Rev. 3	SM526	2
2/29	AOS/VS System Performance For System Managers	SM524	3

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