

## Employees' Security Fund (ESF) Pension Plan

### Additional details on the Joint and Survivor Payment Option Joint and Survivor Options

A 50% J&S Option under current federal law is the automatic form of payment for a participant who is retiring and has been married for one year or longer, unless the participant's spouse agrees to decline this option. A J&S option reduces the amount of monthly benefit paid to the retiree, but guarantees the continued payment of a benefit to a surviving spouse. In the case of the 50% J&S option, the spouse receives half of the benefit the participant was receiving for the remainder of his or her lifetime.

For retirements with an effective date on or after January 1, 2008, married participants may elect their benefit in the form of either a joint and 75% survivor annuity or a joint and 100% survivor annuity. The joint and 75% and joint and 100% survivor annuities are additional alternatives to the joint and 50% survivor annuity and single life annuity options.

Under joint and 75% and joint and 100% survivor annuities, the benefit you receive during your lifetime is actuarially reduced, and after your death, your surviving spouse will receive either 75% or 100% of your benefit, depending on your election, for his or her lifetime. **All J&S options are irrevocable.**

Examples of the various joint and survivor options are listed below:

Monthly Joint & 50% Option Based on 40 Credits @ \$22.50/month	Monthly Joint & 75% Option Based on 40 Credits @ \$22.50/month	Monthly Joint & 100% Option Based on 40 Credits @ \$22.50/month
<u>Single</u> Life Annuity: \$900* Participant's Age: 65 Spouse Age: 65 Reduction Factor: 11%** Retiree Benefit: \$801 Survivor Benefit: \$400.50	<u>Single</u> Life Annuity: \$900* Participant's Age: 65 Spouse Age: 65 Reduction Factor: 16%*** Retiree Benefit: \$756 Survivor Benefit: \$567	<u>Single</u> Life Annuity: \$900* Participant's Age: 65 Spouse Age: 65 Reduction Factor: 20.5%**** Retiree Benefit: \$715.50 Survivor Benefit: \$715.50

\* The monthly amount of \$900 represents the participant's unreduced lifetime monthly benefit. Under this option there is no survivor benefit payable to the spouse.

\*\* Add .4% for every additional year that the spouse is older than the retiree and subtract .4% for every additional year that the spouse is younger than the retiree.

\*\*\* Add .5% for every additional year that the spouse is older than the retiree and subtract .5% for every additional year that the spouse is younger than the retiree.

\*\*\*\* Add .6% for every additional year that the spouse is older than the retiree and subtract .6% for every additional year that the spouse is younger than the retiree.

If the spouse should die first, the Pop-Up Provision allows the participant who survives his or her spouse to "Pop-UP" their benefit to the original amount, as if they had not elected the J&S Option with their spouse. In addition, retirees and their spouses may choose NOT to elect a J&S Option at all in favor of the single life annuity with 36-month payment guaranteed on a form filed with the Plan within the required time frame. The rejection of the Husband and Wife Pension must be signed and notarized by the participant and the spouse on a form provided by the Plan and cannot be revoked once it becomes effective and benefits begin. Complete details are available in the Summary Plan Description.

*The information in this document covers selected benefit highlights. The actual Plan provisions are in the Plan's legal document. In the event of a conflict between the wording in this document and the legal document, the legal document will govern. The Joint Industry Board of the Electrical Industry reserves the right to amend, modify, or discontinue all or part of any Plan at any time.*