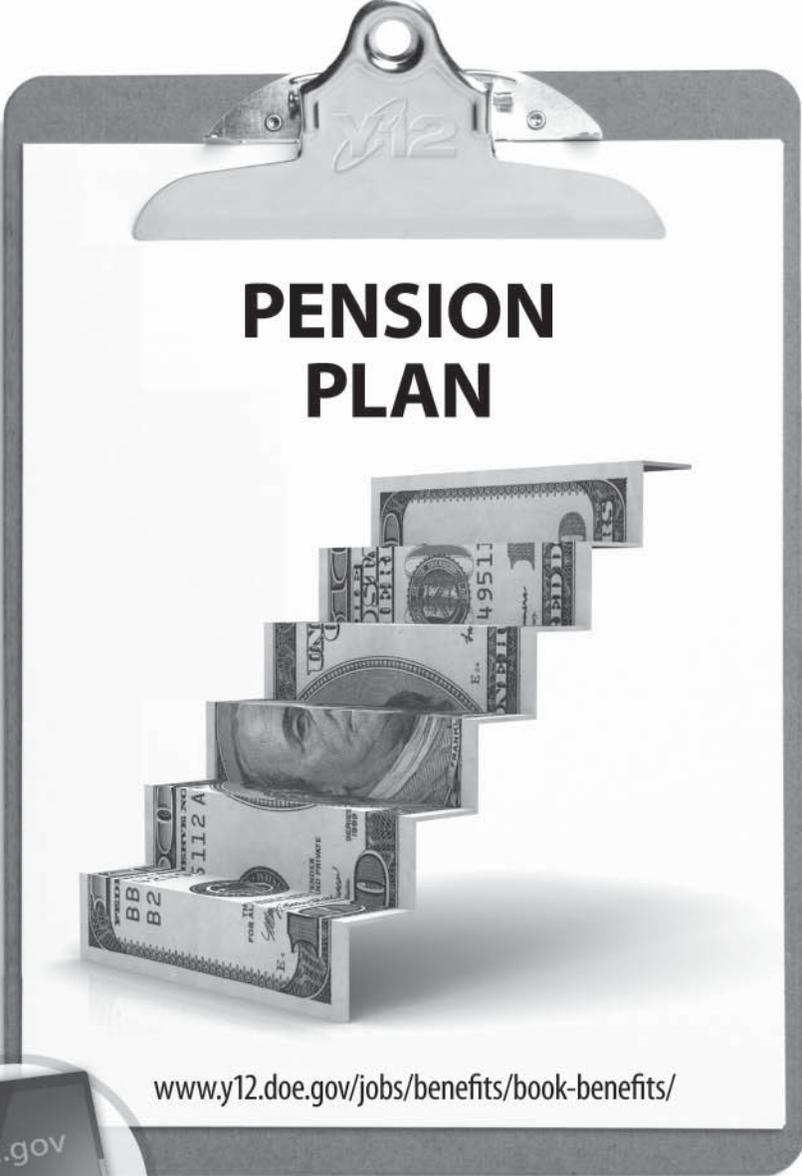


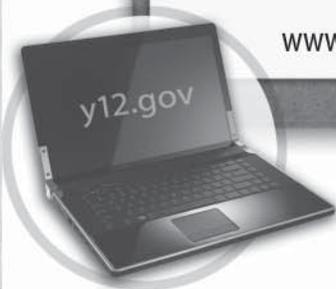
# Y-12 BOOK OF BENEFITS



## PENSION PLAN



[www.y12.doe.gov/jobs/benefits/book-benefits/](http://www.y12.doe.gov/jobs/benefits/book-benefits/)



YOUR BOOK OF BENEFITS—ACTIVE EMPLOYEES

# Y-12 BOOK OF BENEFITS



The Pension Plan helps build financial security and provides you with a dependable source of income throughout your retirement years, based on your earnings and length of service with the Company.

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## The Pension Plan:

- Provides you with flexibility in planning your retirement

You can retire with a full pension benefit at age 65 or over. You can also receive a full pension benefit when you retire at age 62 or older if you have at least 10 years of Company Service, or when your age and years of Company Service equal 85 or more. You can receive a reduced benefit as early as age 50 if you have at least 10 years of Company Service.

- Lets you choose from a variety of payment forms

There are several payment forms to choose from, including life annuity and survivor benefit options. If you are married, you will be paid in a joint and 50% survivor benefit, unless you have your spouse's written consent to elect another payment form.

- Offers financial security to your family in case of your death

If you should die while you are still working, the pension plan will pay a survivor benefit if you have at least five years of Company Service.

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## Plan Eligibility

Company employees automatically become pension plan participants unless they are in one of the following excluded categories:

- covered by a collective bargaining agreement unless the collective bargaining agreement provides for plan participation;
- leased employees;
- independent contractors;
- non-resident aliens who do not have earnings from the Company from sources within the United States; and
- employees who have entered into a written agreement with the Company waiving the right to participate in the plan.

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## When You Can Retire

To offer you flexibility in planning for retirement, the pension plan provides a choice of retirement dates.

You can retire with a full pension:

- at age 65 or later, regardless of Company Service
- at age 62 or later, with at least 10 years of Company Service
- when your age and years of Company Service total 85 or more.

You can retire with a reduced pension:

- at age 50, with at least 10 years of Company Service.

*"Company Service" is defined in the Glossary.*

If you choose not to retire after age 65, and continue to work for the Company, you will continue to earn Company Service and pay for plan benefit purposes until you actually retire. In any event, your plan benefits will begin no later than the first of the month after you reach age 70-1/2, unless you decide to defer commencement of your benefit until you actually retire.

### **ⓘ Company Service for Prior Contractors**

Service with contractors prior to participation in this pension plan does not count for any purpose unless specifically credited under the terms of the pension plan document.

There is one important exception to these retirement dates. If your employment is involuntarily terminated by action of the Company (other than for cause), you will be considered to have met the age and service requirements for:

- a full pension benefit if you are age 60 or over and have at least eight years of Company Service or if your years of Company Service and age total 83 or more
- a reduced pension benefit if you are at least age 48 with at least eight years of Company Service.

Any service added under the involuntary termination provisions will count for your eligibility for the benefit but does not count to determine the amount of benefit.

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## Determining Your Pension Benefit

Your pension benefit is calculated under three different formulas: Regular, Alternate, and Minimum. The formula that gives you the largest benefit will be used.

All of the formulas are based in part on:

- your average straight-time monthly earnings: the average of your highest earnings for three years during the last 10 years just before you retire (for a discussion of how these earnings are calculated, continue reading)
- your Company Service, including all your years and completed months of service, with each completed month counting as 1/12 of a year.

### Regular Formula

The Regular formula provides a monthly benefit of:

- 1.4% of your average straight-time monthly earnings times your years and months of Company Service.

### Alternate Formula

The Alternate formula provides a monthly benefit of:

- 1.767% of your average straight-time monthly earnings times your years and months of Company Service minus 50% of your monthly Primary Social Security Benefit, with the resulting amount prorated for years of Company Service less than 30.

Under this formula, 50% of your Primary Social Security Benefit will be used to offset your earnings. If you provide the Company with complete Social Security Administration records of your covered earnings within six months of your retirement date, the Company will use a Social Security benefit based on actual earnings rather than an estimated earnings history if it provides a higher benefit. Otherwise, the Company will use your estimated earnings history.

When you retire, your Primary Social Security Benefit for purposes of this formula is the benefit you would be eligible to receive at your retirement age or age 62, if later. This benefit is based on the Social Security laws in effect on the date you retire.

## Minimum Formula

The Minimum formula provides a monthly benefit of:

- \$5 for each of your first 10 years of Company Service plus \$7 for each of the 11th through 20th years of service, plus \$9 for each year in excess of 20 years of service, plus 10% of your average straight-time monthly earnings (if you have less than eight years of Company Service, this will be reduced 1% a year for each year less than eight), plus \$18.

### Pension Benefit Formulas

Formula	Provides monthly benefit of...
<i>Regular</i>	1.4% of your average straight-time monthly earnings times your years and months of Company Service.
<i>Alternate</i>	1.767% of your average straight-time monthly earnings times your years and months of Company Service minus 50% of your monthly Primary Social Security Benefit, with the resulting amount prorated for years of Company Service less than 30.
<i>Minimum</i>	\$5 for each of your first 10 years of Company Service plus \$7 for each of the 11th through 20th years of service plus \$9 for each year in excess of 20 years of service, plus 10% of your average straight-time monthly earnings (if you have less than eight years of Company Service, this will be reduced 1% a year for each year less than eight) plus \$18.

## Reduced Benefits

If you retire before you are entitled to a full pension, your monthly benefit is reduced. The amount of reduction is based on your age and service. For example, if you are age 55 and have 27 years of service, you will receive 85% of your full benefit.

**For a table of the reduction factors, see Table 1 at the end of this section.**

The three formulas used to calculate full pensions are also used to calculate reduced pensions. The one which produces the largest benefit will be the one used. In the regular and minimum formulas, the reduction factor is applied after calculating the total benefit. In the alternate formula, the reduction factor is applied before subtracting the Primary Social Security Benefit.

If you retire before you are eligible for a full pension, you may postpone starting your pension and thus lessen or eliminate the reduction. In the example above, if you retire at age 55 with 27 years of service but postpone starting your pension until age 58, you will receive a full pension because your 27 years of service and your age will then total 85. You can add years to your age after you terminate employment only if you were eligible for early reduced retirement when you terminated employment.

Any reduction for early retirement is in addition to the reduction that may be made to your plan benefit if you elect to provide continuing plan benefits to your spouse, dependent children, or dependent parents after your death, as discussed on the following pages. See Tables 3, 4, 5, and 6 at the end of this section for survivor reduction factors.

### Examples of Estimated Monthly Pension Income at Age 65

Average straight-time monthly earnings	Years of service at retirement				
	20	25	30	35	40
\$2,000	\$560	\$700	\$840	\$980	\$1,120
\$3,000	840	1,050	1,260	1,470	1,680
\$4,000	1,120	1,400	1,680	1,960	2,240
\$5,000	1,400	1,750	2,100	2,450	2,800
\$6,000	1,680	2,100	2,520	2,940	3,360

The above amounts were calculated under the Regular formula. However, the relationship of average earnings and Social Security benefits at the time you retire might result in the Alternate formula producing a higher benefit than shown in some of the above examples. In such a case, the actual benefit will be greater than that shown in the above table, since the highest benefit produced by any of the three formulas is the one used.

## Calculating Your Earnings

Average straight-time monthly earnings are computed using your straight-time rate of pay (including certain variable pay, shift differential, and hourly COLA) and your regularly scheduled hours during:

- the three calendar years in which these earnings were highest, during the ten calendar years just before you retire

*or, if greater*

- the final three years (36 months) just before you retire.

The average straight-time monthly earnings during the final three years are calculated by using:

- scheduled straight-time monthly earnings in the completed months of the calendar year in which you retire
- scheduled straight-time earnings in the two preceding calendar years
- for any months in the third preceding calendar year, the average of the scheduled straight-time monthly earnings for that year times the number of months used in that year.

You should note that this calculation does not use the actual scheduled earnings for the specific months of the third year. The earnings rate used will be the monthly average for the entire year. Differential pay during certain periods of military service is included in earnings unless you do not return to employment following a qualified military service leave within the required time period. In that case your earnings during the military service leave will be credited based on your rate of pay when your leave started, adjusted as required by a law called the Uniformed Services Employment and Reemployment Rights Act ("USERRA"). For more information about the impact of a military service leave on your plan benefits, see the discussion entitled "Service and Earnings During Military Service Leave" within the "Credited Service and Severance from Service" section in this tab.

The IRS places restrictions on the amount of compensation to be used in calculating the pension benefit. Certain highly compensated employees may have a limit imposed.

### Pension Benefit Example

A full pension will be the largest amount produced by any of the three formulas. For example, suppose you retire at age 65 with 30 years of Company Service and average straight-time monthly earnings of \$4,500 a month. Here is how your full pension would be calculated:

<b>Regular formula</b>	$.014 \times 30 \times \$4,500 = \$1,890$	Per month = \$1,890
<b>Alternate formula</b>	$.01767 \times 30 \times \$4,500 = \$2,385$ minus $50\% \times \$1,724^* = \$862$	Per month = \$1,523
<b>Minimum formula</b>	$\$5 \times 10 \text{ years} = \$50$ $\$7 \times 10 \text{ years} = \$70$ $\$9 \times 10 \text{ years} = \$90$ $10\% \times \$4,500 = \$450$ Flat amount = \$18	Per month = \$678

In this case, the Regular formula would give you a higher pension than the Alternate or Minimum formulas. You would receive the highest benefit of \$1,890 a month for the rest of your life. Of course, if you elect to continue benefits to your spouse or other eligible dependents after your death, this amount will be reduced to account for the longer period over which plan benefits will be paid. See Tables 3, 4, 5 and 6 at the end of this section for survivor reduction factors.

\*This is a typical Primary Social Security Benefit

## Normal Forms of Payment

You will receive your plan benefit under the plan's normal form of payment based on your marital status when you retire, unless you elect an optional form of payment.

### For Married Employees

If you are married when you retire, the normal form of payment is a joint and 50% survivor benefit. Under this form of payment, your pension is reduced and, after your death, 50% of that benefit is continued to your surviving spouse for the rest of his or her life. This reduction reflects the fact that benefits are payable during both of your lifetimes. If your spouse dies before you but after your payments start, this form of payment will "pop-up" to the amount that would be paid to a single employee, as discussed under the section "For Single Employees."

For a table of reduction factors, see Table 3 at the end of this section.

If you die before you begin to receive plan benefits, your spouse will receive 50% of the benefit you would have received had it begun on the date of your death.

## For Single Employees

The plan's normal form of payment for a single employee is a life annuity. Under this form of payment, you receive the full benefit earned at retirement for your lifetime. After your death, no benefits are paid to anyone else.

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## Optional Forms of Payment

You may elect an optional form of payment at retirement. If you are married, you will need your spouse's written consent, witnessed by a notary public or a representative of the Plan Administrator on the form provided for this purpose by the Plan Administrator, in order to elect a form of payment other than the joint and 50% survivor benefit.

You may revoke or change your election at any time before benefits begin, subject to your spouse's written and witnessed consent.

### Life Annuity Option for Married Employees

This option for married employees is the same as the normal form of payment for single employees. Under this form of payment, you receive your full pension benefits for your lifetime only. No benefits are paid to anyone after your death.

### 50% Survivor Benefit Option

You can elect a reduced pension in order to provide continuing income to an unmarried dependent child (or unmarried dependent children) under age 23, or a dependent parent (or dependent parents), but not to both dependent children and parents.

If you elect the 50% survivor benefit for your dependent child(ren) after your death, 50% of your reduced benefit will continue to your dependent child until the earliest of: age 23 (or as long as the child remains totally and permanently disabled), or the dependent child marries or dies.

If you elect the 50% survivor benefit for your dependent parent(s), after your death, 50% of your reduced benefit will continue to your dependent parent for the rest of his or her life.

The amount of reduction in your pension to provide a survivor benefit depends on your age and the age of your named survivor. Examples of survivor factors are shown in Tables 3, 4 and 5 at the end of this section. If there are multiple dependents receiving a survivor benefit and a dependent dies or is no longer eligible for the dependent survivor benefits, the remaining recipients shall continue to draw only their respective shares.

*The terms "Dependent Child" and "Dependent Parent" are defined in the Glossary.*

If you die before your pension benefits start, your named survivor will receive 50% of the reduced pension you would have received had it begun on the date of your death.

Your election of a 50% survivor benefit cannot be changed after your pension begins. If your named survivor should die before you, this payment form will "pop-up" to the amount paid to a single

employee. You must provide a certified copy of your elected survivor's death certificate to Benefit Plans to initiate the "pop-up."

## 75% Surviving Spouse Option

Under this form of payment, your pension is reduced and, after your death, 75% of that benefit is continued to your surviving spouse for the rest of his or her life. If your spouse dies before you, this form of payment does not "pop-up" to the amount that would be paid to a single employee.

For a table of 75% Surviving Spouse reduction factors, see Table 6 at the end of this section.

## Level Income Option

If you retire before age 62, are eligible for an early retirement benefit, and choose to have your pension benefits begin before you are eligible to receive Social Security benefits, you may elect the level income option. Under this option, your plan income is increased until age 62 and is decreased after age 62 so that your combined income from the pension plan and Social Security is approximately level throughout your retirement.

The Social Security amount used in the level income calculation is not your actual Social Security amount but is an estimate based on your age and average straight-time monthly earnings for the calendar year immediately preceding your retirement date.

If you elect the level income option, the 50% survivor's benefit will be based on the pension amount before adjustment for this option.

The Level Income Option is not available with the 75% surviving spouse coverage.

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## Social Security

Social Security retirement benefits are entirely in addition to benefits paid from the pension plan.

Social Security provides retirement benefits to you and your eligible spouse based on earnings covered under the law. If you were born before 1938, full Social Security retirement benefits can start at age 65. Your spouse is eligible for an additional 50% of your benefit (or a benefit based on his or her own covered earnings, if greater) when he or she reaches age 65. Disability benefits may also be provided for you and eligible family members, as well as survivor's benefits.

For employees born after 1937, the age for unreduced Social Security benefits will gradually increase from age 65 to age 67. Ultimately, for employees born after 1959, full Social Security benefits will not become payable until age 67. Reduced benefits are available as early as age 62.

Please remember that, although you and the Company each pay taxes toward the cost of your Social Security benefits, these benefits are not paid automatically. You must apply for them in all cases. To get more information about the law and your personal status under it, contact your local Social Security office. You can also access the Social Security Administration's website at [www.ssa.gov](http://www.ssa.gov).

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## Participate While You Are Disabled

### Continuation of Plan Participation

If you become totally disabled and qualify for benefits under the Company's long-term disability plan, you will continue to accrue Company Service just as if you had continued working. While you continue to be totally disabled, your earnings will be assumed to remain the same as at the time you became disabled. For purposes of determining your benefit, your average straight-time monthly earnings will be based on:

- the three calendar years in which your earnings were highest, during the ten calendar years just prior to your last day worked

*or*

- the final three years just prior to your last day worked.

**For information on how your average straight-time monthly earnings during the final three years are calculated, refer to "Calculating Your Earnings."**

### Effect of Disability on Your Pension Benefit

If you continue to be totally disabled until age 65, you will be entitled to retire under the same conditions as any other participant. If your disability ends before age 65, you will receive credit for Company Service for the period of your disability, provided you return to work or transfer from disability status to retirement status immediately upon ceasing to be disabled. If you do not return to work or retire after your disability ends, you will be considered to have terminated employment on the date your disability began.

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## If You Die While Employed

If you die while you are still employed and you have completed at least five years of Company Service, the plan will pay a benefit to your surviving spouse or "dependent child" or "dependent parent." The timing and amount of this benefit will depend on your years of Company Service at the time of death.

If you die after completing 10 years of Company Service, the survivor benefit is payable immediately. (The age 50 requirement for early retirement does not apply in determining eligibility for the survivor benefit.) The benefit is a monthly income equal to 50% of the pension you would have received if you had retired on the day of your death. If your survivor is a younger spouse, the benefit will be reduced 1/2% for each full year more than five years that your spouse is younger than you. However, in no event will the survivor benefit be reduced to less than 25% of your full pension, calculated using your average earnings and service at your death.

If you die before completing 10 years of Company Service (but after five years), the survivor benefit is payable the first day of the month following the day you would have reached age 65. The benefit

is a monthly income equal to 50% of the benefit you would have received had you terminated employment on the day of your death, and elected to receive your benefit at age 65 in the joint and 50% survivor form of payment.

Your survivor can elect to receive reduced benefits as early as the date you would have reached age 50. The reduction will be 6-2/3% for each year before age 65, for up to three years (to age 62), plus 5% for each year before age 62 that benefits begin.

The benefit will be paid to your spouse for the rest of his or her life. If you are employed and not married when you die, the benefit will be paid in equal shares to your dependent children until age 23 (or as long as a child remains unmarried or totally and permanently disabled).

If you have no dependent children, then the benefit will be paid in equal shares to your dependent parents for life.

If you have no spouse, no dependent children, and no dependent parents, no survivor benefit is payable.

*The terms "Dependent Child" and "Dependent Parent" are defined in the Glossary.*

Any benefit being paid to a dependent child or dependent parent cannot be transferred to someone else when the child or parent no longer qualifies for it. However, if a spouse dies while receiving the survivor benefit, the spouse's benefit will continue in equal shares to any of your unmarried dependent children under age 23 (or as long as a child remains totally and permanently disabled).

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## If You Leave Before You Are Eligible for Normal or Early Retirement

If you leave the Company for any reason after completing at least five years of Credited Service, you are "vested." Being vested means you have a nonforfeitable right to receive plan benefits.

Credited Service (as defined in the Glossary) generally means the time you work at the Company, from your first hour of service until you sever from service.

**Further discussion follows on Credited Service and Severance from Service.**

## Benefit Amount

The amount of your vested pension payable at age 65 depends on your average straight-time earnings (including certain variable pay, shift differential, and hourly COLA), your total Company Service at the time you leave the Company, and your age at the time you want your pension payments to begin. The three formulas described previously are used to calculate your pension, but with these differences:

- The flat amount of \$18 per month under the Minimum formula will be multiplied by a "service fraction." This fraction is your actual years of Company Service divided by your years of Company Service that would be credited had you continued with the Company until age 65.
- If your vested benefit is calculated using the Minimum formula and you have less than ten years of Company Service, that part of the formula using 10% of your average straight-time earnings will be reduced by 1% for each full year less than ten.

## Payment of Benefits

Vested benefits normally become payable at age 65. However, you can elect to receive a reduced benefit as early as age 50, but the benefit will be calculated as described in this section, and not as an early retirement benefit. The amount of the reduction will depend on how many years before age 65 you elect to begin benefits. The reduction is 6-2/3% for each year before age 65 for up to three years (age 62). In addition, the reduction is 5% for each year before age 62 that plan payments start. For example, if you leave the Company and begin receiving your pension at age 60, your benefit will be reduced 30%, that is 20% for the years between 65 and 62 (6-2/3% x 3) plus 10% for the years between 60 and 62 (5% x 2).

Your vested benefit will commence effective the first of the month following receipt of your written request. If you are married at the time of your request, your benefit will automatically be paid as a joint and 50% survivor benefit, unless you elect otherwise with your spouse's written consent witnessed by a notary public or representative of the Plan Administrator. If your benefit is paid in the joint and 50% survivor form, it will be reduced according to Table 3 at the end of this section. If your benefit is paid in the 75% surviving spouse form, it will be reduced according to Table 6 at the end of this section (based on applicable mortality and interest rates as specified by the IRC).

## Pre-Retirement Spouse's Benefit

If you leave the Company with vested benefits and you die before plan payments begin, your spouse may be eligible to receive a pre-retirement benefit equal to 50% of the benefit you would have received under the joint and 50% survivor benefit. Your spouse will be eligible if you and your spouse have been married at least one year at the time of your death.

If you die after age 50, payments may begin on the first of the month following your death. If you die before age 50, payments may begin on the first of the month following the date you would have reached age 50.

## Forfeiture of Benefits

If your employment terminates before you have completed five years of Credited Service, you will forfeit your right to any plan benefits.

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## Credited Service and Severance from Service

"Credited Service" (as defined in the Glossary) is used to determine whether you are eligible for a vested pension.

*"Company Service," which is used to determine the amount of your pension benefit, is defined in the Glossary.*

Credited Service begins with your first hour of service and ends when you have a severance from service.

A severance from service occurs:

- the day you quit, retire, are discharged, or die

- one year after your first day of absence due to layoff, or, if earlier, the first day after recall if you fail to return to work
- one year after your first day of absence while on an approved leave, or, if earlier, the first day after the final day of leave if you fail to return to work
- two years after your first day of absence for a parental leave due to pregnancy, birth, or adoption, and for child care immediately following the birth or adoption, or, if earlier, the first day after the final day of leave if you fail to return to work.

If you are reemployed within one year of your date of severance, you will receive Credited Service for your period of severance, and your prior Credited Service will be restored.

If you are reemployed more than one year after your date of severance and you were vested as of that date, your prior Credited Service will be restored automatically upon reemployment, regardless of your period of severance.

If you were not vested as of your date of severance, your prior Credited Service will be restored if you are reemployed more than one year after the period of severance and the length of your severance is less than five years.

In any event, you will not earn Credited Service during a period of severance lasting one year or more.

## **Reemployment after Retirement**

If you had been receiving pension payments and return to work at the Company, your benefit will be suspended during your period of reemployment until you actually retire, or until your work schedule is such that you are not subject to a benefit suspension. Your benefits will be suspended for any month in which you receive payment from the Company for hours of service performed on each of eight or more days (or separate work shifts). When payments begin again, they will be adjusted to reflect your additional service and earnings after returning to work.

If you are considering returning to active service after you retire, you should contact the Benefit Plans Office to make a determination concerning whether your return to work will cause your benefit to be suspended.

## **Service and Earnings During Military Service Leave**

If you are on a qualified military service leave, you will be treated as not having had a break in service by reason of such leave if you return to employment within the time period during which your reemployment rights are protected by USERRA. Upon your timely return to employment, your leave will be included in your Company Service and Credited Service. If you do not return to employment within the required period (or do not meet any other USERRA requirements), but you received differential pay from the Company during the leave, the period you received differential pay will be included in your Company Service and Credited Service.

Plan eligible earnings during a period of qualified military service leave will be credited based on your rate of pay when your leave began adjusted as required by USERRA if you return to employment within the required period and meet any other USERRA requirements. If you do not return within the required period and meet all other USERRA requirements, your earnings will only include your differential pay.

If you think you have a qualified military service leave and have questions about how it may affect your pension benefit, please contact the Benefit Plans Office. You may also contact the U.S. Department of Defense, Employer Support of the Guard and Reserve, at 1-800-336-4590 (website: [www.esgr.org](http://www.esgr.org)) about your military service rights and responsibilities under USERRA.

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## Applying for Benefits

Upon your request, the Benefit Plans Office will provide you with the necessary information and instructions for receiving benefits and completing payment forms.

In case of your death, your spouse, other beneficiary or personal representative should notify the Benefit Plans Office and request information about any plan benefits that might be payable as a result of your death.

If the appropriate forms are not completed and submitted, or if any information requested by the Benefit Plans Office is not provided, benefits will be delayed.

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## Transfer of Assets and Benefit Liabilities for ORNL Participants

On September 2, 2010, accrued benefits liabilities were transferred from the plan to the Pension Plan for Employees at ORNL (the "ORNL Plan"). Plan assets were transferred to the ORNL Plan in connection with the benefit liability transfer in accordance with the law.

Your benefit in the plan was transferred to the ORNL Plan effective September 2, 2010 if either (i) you were employed (or on leave) at ORNL by UT-Battelle, LLC on September 1, 2010, or (ii) you terminated employment or retired prior to September 1, 2010 and your last employer was UT-Battelle or a previous prime contractor at ORNL. If you satisfy one of these conditions, your benefit will be paid by the ORNL Plan rather than this plan for benefits owed on or after October 1, 2010.

If you have a question on whether your benefit will be paid from this plan or the ORNL plan, contact the Benefit Plans Office.

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## Other Important Information

### Other Retirement Income

Any benefits due you (or your survivor, if you die before retirement) from the pension plan will be reduced by the amount (or the actuarial equivalent, if appropriate) of any retirement benefit payable from any of the following sources, provided the benefit is related to service recognized under this pension plan, and is attributable to contributions made by a Department of Energy contractor:

- any other private plan
- any retirement or separation benefit payable under the law of any foreign government

- any public pension other than military or Social Security for which you received credit for Company Service.

The reduction will be made under rules which will apply uniformly to all affected employees. If your pension is to be reduced because of this provision, you will be given a full explanation at the time your pension benefit is calculated.

## **Withholding Taxes**

Under federal tax law, federal income taxes must be withheld from plan payments, unless you elect otherwise. You may contact the Benefit Plans Office for more information about tax withholding.

## **Direct Deposit of Payments**

Your pension payments will be directly deposited into the bank of your choice.

## **Change of Address**

It is important that you notify the Company of any change in your address while you are a participant in the plan and after you retire, so you will be assured of receiving benefit communications which the Company may send to you, including your annual tax information.

**Table 1 – Early Retirement Reduction Factors**

These factors use your age and years of service to determine the percentage of your full pension that is payable.																		
Age	Years of service																	
	10 to 18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 & over
50	40	45	50	50	50	50	50	50	55	60	65	70	75	80	85	90	95	100
51	45	45	50	55	55	55	55	55	60	65	70	75	80	85	90	95	100	100
52	50	50	50	55	60	60	60	60	65	70	75	80	85	90	95	100	100	100
53	55	55	55	55	60	65	65	65	70	75	80	85	90	95	100	100	100	100
54	60	60	60	60	60	65	70	70	75	80	85	90	95	100	100	100	100	100
55	65	65	65	65	65	65	70	75	80	85	90	95	100	100	100	100	100	100
56	70	70	70	70	70	70	75	80	85	90	95	100	100	100	100	100	100	100
57	75	75	75	75	75	75	80	85	90	95	100	100	100	100	100	100	100	100
58	80	80	80	80	80	80	85	90	95	100	100	100	100	100	100	100	100	100
59	85	85	85	85	85	85	90	95	100	100	100	100	100	100	100	100	100	100
60	90	90	90	90	90	90	95	100	100	100	100	100	100	100	100	100	100	100
61	95	95	95	95	95	95	100	100	100	100	100	100	100	100	100	100	100	100
62-64	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
65	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Factors for intermediate ages and service are available from the Benefit Plans Office.

**Table 2 – Early Retirement Reduction Factors if Terminated by Company Action**

If you are terminated by Company action other than for cause, use this table instead of Table 1 to determine the percentage of your full pension that is payable.

Age	Years of service																		
	8-9	10-18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35 & over
48	40	40	45	50	50	50	50	50	50	55	60	65	70	75	80	85	90	95	100
49	40	40	45	50	50	50	50	50	50	55	60	65	70	75	80	85	90	100	100
50	40	40	45	50	50	50	50	50	50	55	60	65	70	75	80	85	100	100	100
51	45	45	45	50	55	55	55	55	55	60	65	70	75	80	85	100	100	100	100
52	50	50	50	50	55	60	60	60	60	65	70	75	80	85	100	100	100	100	100
53	55	55	55	55	55	60	65	65	65	70	75	80	85	100	100	100	100	100	100
54	60	60	60	60	60	60	65	70	70	75	80	85	100	100	100	100	100	100	100
55	65	65	65	65	65	65	65	70	75	80	85	100	100	100	100	100	100	100	100
56	70	70	70	70	70	70	70	75	80	85	100	100	100	100	100	100	100	100	100
57	75	75	75	75	75	75	75	80	85	100	100	100	100	100	100	100	100	100	100
58	80	80	80	80	80	80	80	85	100	100	100	100	100	100	100	100	100	100	100
59	85	85	85	85	85	85	85	100	100	100	100	100	100	100	100	100	100	100	100
60	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
61	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
62-64	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Factors for intermediate ages and service are available from the Benefit Plans Office.

**Table 3 – 50% Surviving Spouse Reduction Factors**

If you terminate employment on or after June 30, 2004 a factor of .98 will be applied to your life amount to determine your joint and 50% survivor benefit.

If you terminated employment prior to June 30, 2004, the following table is used to determine the percentage of your life amount that is payable as a joint and 50% survivor benefit.

Spouse's Age	Pensioner's age																									
	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
40	.955	.951	.947	.943	.939	.935	.930	.926	.921	.915	.910	.904	.893	.891	.885	.878	.870	.862	.854	.843	.836	.827	.817	.808	.798	.786
41	.956	.952	.949	.945	.941	.936	.932	.927	.922	.917	.911	.906	.900	.893	.886	.879	.872	.864	.856	.847	.838	.829	.819	.810	.800	.789
42	.957	.954	.950	.946	.942	.938	.933	.929	.924	.919	.913	.908	.901	.895	.888	.881	.874	.866	.858	.849	.840	.831	.821	.812	.802	.792
43	.958	.955	.951	.948	.944	.939	.935	.930	.925	.920	.915	.909	.903	.897	.890	.883	.876	.868	.860	.851	.842	.833	.823	.814	.804	.794
44	.960	.956	.953	.949	.945	.941	.937	.932	.927	.922	.917	.911	.905	.899	.892	.885	.878	.870	.862	.853	.844	.835	.826	.816	.806	.796
45	.961	.958	.954	.950	.947	.943	.938	.934	.929	.924	.919	.913	.907	.901	.894	.887	.880	.872	.864	.856	.847	.838	.828	.818	.808	.798
46	.962	.959	.956	.952	.948	.944	.940	.935	.931	.926	.921	.915	.909	.903	.897	.890	.882	.875	.867	.858	.849	.840	.830	.821	.811	.801
47	.963	.960	.957	.953	.950	.946	.942	.937	.933	.928	.923	.917	.911	.905	.899	.892	.885	.877	.869	.861	.852	.842	.833	.823	.813	.803
48	.965	.962	.958	.955	.951	.948	.943	.939	.935	.930	.925	.919	.914	.908	.901	.894	.887	.879	.872	.863	.854	.845	.836	.826	.816	.806
49	.966	.963	.960	.957	.953	.949	.945	.941	.937	.932	.927	.921	.916	.910	.903	.897	.890	.882	.874	.866	.857	.848	.838	.829	.819	.809
50	.967	.964	.961	.958	.955	.951	.947	.943	.938	.934	.929	.924	.918	.912	.906	.899	.892	.885	.877	.868	.860	.851	.841	.832	.822	.812
51	.969	.966	.963	.960	.956	.953	.949	.945	.940	.936	.931	.926	.920	.915	.908	.902	.895	.887	.880	.871	.863	.854	.844	.835	.825	.815
52	.970	.967	.964	.961	.958	.954	.951	.947	.942	.938	.933	.928	.923	.917	.911	.904	.897	.890	.882	.874	.866	.857	.847	.838	.828	.818
53	.971	.969	.966	.963	.960	.956	.953	.949	.945	.940	.935	.931	.925	.920	.913	.907	.900	.893	.885	.877	.869	.860	.851	.841	.831	.821
54	.973	.970	.967	.964	.961	.958	.954	.951	.947	.942	.938	.933	.928	.922	.916	.910	.903	.896	.888	.880	.872	.863	.854	.844	.835	.825
55	.974	.971	.969	.966	.963	.960	.956	.952	.949	.944	.940	.935	.930	.925	.919	.913	.906	.899	.891	.883	.875	.866	.857	.848	.838	.828
56	.975	.973	.970	.967	.964	.961	.958	.954	.951	.947	.942	.938	.933	.927	.921	.915	.909	.902	.894	.887	.878	.870	.861	.851	.842	.832
57	.976	.974	.972	.969	.966	.963	.960	.956	.953	.949	.944	.940	.935	.930	.924	.918	.912	.905	.898	.890	.882	.873	.864	.855	.845	.836
58	.978	.975	.973	.970	.968	.965	.962	.958	.955	.951	.947	.942	.938	.932	.927	.921	.915	.908	.901	.893	.885	.877	.868	.859	.849	.840
59	.979	.977	.974	.972	.969	.966	.963	.960	.957	.953	.949	.945	.940	.935	.930	.924	.918	.911	.904	.897	.889	.880	.871	.862	.853	.844
60	.980	.978	.976	.973	.971	.968	.965	.962	.959	.955	.951	.947	.943	.938	.933	.927	.921	.914	.907	.900	.892	.884	.875	.866	.857	.848
61	.981	.979	.977	.975	.972	.970	.967	.964	.961	.957	.954	.950	.945	.940	.935	.930	.924	.918	.911	.904	.896	.888	.879	.870	.861	.852
62	.982	.980	.978	.976	.974	.971	.969	.966	.963	.959	.956	.952	.948	.943	.938	.933	.927	.921	.914	.907	.900	.892	.883	.874	.865	.856
63	.983	.981	.979	.977	.975	.973	.970	.968	.965	.961	.958	.954	.950	.946	.941	.936	.930	.924	.918	.911	.903	.895	.887	.879	.870	.861
64	.984	.982	.981	.979	.977	.974	.972	.969	.967	.963	.960	.957	.953	.948	.944	.939	.933	.927	.921	.914	.907	.899	.891	.883	.874	.865
65	.985	.984	.982	.980	.978	.976	.974	.971	.968	.965	.962	.959	.955	.951	.947	.942	.936	.931	.925	.918	.911	.903	.896	.887	.879	.870
66	.986	.985	.983	.981	.979	.977	.975	.973	.970	.967	.964	.961	.958	.954	.949	.945	.940	.934	.928	.922	.915	.908	.900	.892	.883	.875
67	.987	.986	.984	.982	.981	.979	.977	.974	.972	.969	.967	.963	.960	.956	.952	.948	.943	.937	.932	.925	.919	.912	.904	.896	.888	.879
68	.988	.987	.985	.984	.982	.980	.978	.976	.974	.971	.969	.966	.962	.959	.955	.951	.946	.941	.935	.929	.923	.916	.908	.901	.893	.884
69	.989	.987	.986	.985	.983	.981	.980	.978	.975	.973	.971	.968	.965	.961	.957	.953	.949	.944	.939	.933	.927	.920	.913	.905	.897	.889
70	.990	.988	.987	.986	.984	.983	.981	.979	.977	.975	.972	.970	.967	.964	.960	.956	.952	.947	.942	.937	.930	.924	.917	.910	.902	.894

**Table 4 – Surviving Child Reduction Factors**

If you elect to provide your dependent child with a survivor pension, use this table instead of Table 3.

Child's age	Your age															
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65
1	.961	.957	.952	.948	.943	.938	.932	.926	.918	.910	.902	.892	.882	.871	.859	.847
2	.964	.960	.956	.952	.947	.943	.937	.931	.924	.917	.908	.899	.890	.879	.868	.855
3	.967	.963	.960	.956	.951	.946	.942	.936	.930	.923	.915	.906	.897	.887	.876	.864
4	.970	.967	.963	.959	.955	.951	.946	.942	.936	.928	.921	.913	.905	.895	.884	.873
5	.973	.970	.967	.963	.960	.955	.951	.946	.941	.935	.928	.920	.912	.903	.893	.882
6	.976	.973	.971	.967	.964	.960	.956	.951	.946	.941	.935	.927	.920	.911	.902	.891
7	.979	.976	.974	.971	.968	.965	.961	.957	.952	.947	.942	.935	.928	.919	.910	.901
8	.981	.979	.977	.976	.972	.969	.966	.962	.958	.953	.948	.943	.936	.928	.920	.911
9	.984	.982	.980	.978	.976	.973	.970	.967	.963	.959	.954	.949	.944	.937	.930	.921
10	.986	.985	.983	.981	.979	.977	.974	.971	.968	.965	.961	.956	.951	.945	.939	.931
11	.988	.987	.985	.984	.982	.980	.978	.976	.973	.970	.966	.962	.958	.952	.947	.941
12	.990	.989	.988	.986	.985	.983	.982	.980	.977	.975	.972	.968	.964	.960	.955	.949
13	.992	.991	.990	.989	.988	.986	.985	.983	.981	.979	.977	.974	.970	.967	.962	.958
14	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.979	.976	.973	.969	.965
15	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	.976	.973
16	.996	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.981	.979
17	.997	.997	.996	.996	.996	.995	.995	.994	.993	.993	.992	.991	.989	.988	.986	.984
18	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.994	.993	.992	.991	.989
19	.999	.999	.998	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.993
20	.999	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996
21	—	—	—	—	—	—	.999	.999	.999	.999	.999	.999	.999	.999	.999	.998
22	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Factors for intermediate ages are available from the Benefit Plans Office

### Table 5 – Surviving Dependent Parent Reduction Factors

If you elect to provide your dependent parent with a survivor pension, use this table instead of Table 3.

Parent's age	Your age		
	55	60	65
70	.950	--	--
75	.985	.949	--
80	.991	.985	.972
85	.995	.992	.985

**Table 6 – 75% Surviving Spouse Reduction Factors**

If you terminate employment during 2010, the following table is used to determine the percentage of your life amount that is payable as a 75% joint and survivor benefit.

Spouse's Age	Pensioner's age																											
	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
41	.909	.901	.893	.885	.876	.866	.856	.845	.834	.822	.810	.797	.784	.771	.757	.742	.728	.713	.697	.682	.666	.649	.633	.615	.597	.579	.561	.542
42	.913	.905	.897	.889	.880	.870	.860	.850	.839	.827	.815	.802	.789	.776	.762	.747	.733	.717	.702	.687	.671	.654	.637	.620	.602	.584	.565	.546
43	.916	.909	.901	.893	.884	.875	.865	.854	.843	.832	.820	.807	.794	.781	.767	.752	.738	.723	.707	.692	.676	.659	.642	.625	.607	.589	.570	.551
44	.920	.913	.905	.897	.888	.879	.869	.859	.848	.837	.825	.812	.799	.786	.772	.758	.743	.728	.713	.697	.681	.664	.648	.630	.612	.594	.575	.555
45	.923	.916	.909	.901	.892	.883	.874	.864	.853	.842	.830	.817	.805	.791	.777	.763	.748	.733	.718	.702	.686	.670	.653	.635	.617	.599	.580	.561
46	.927	.920	.913	.905	.897	.888	.878	.868	.858	.847	.835	.823	.810	.797	.783	.769	.754	.739	.724	.708	.692	.676	.659	.641	.623	.604	.585	.566
47	.930	.924	.917	.909	.901	.892	.883	.873	.863	.852	.840	.828	.816	.802	.789	.775	.760	.745	.730	.714	.698	.682	.665	.647	.629	.610	.591	.571
48	.934	.928	.921	.913	.905	.897	.888	.878	.868	.857	.846	.834	.821	.808	.795	.781	.766	.751	.736	.720	.704	.688	.671	.653	.635	.616	.597	.577
49	.937	.931	.925	.917	.910	.901	.893	.883	.873	.862	.851	.839	.827	.814	.801	.787	.772	.758	.742	.727	.711	.694	.677	.660	.641	.622	.603	.583
50	.941	.935	.928	.922	.914	.906	.897	.888	.878	.868	.857	.845	.833	.820	.807	.793	.779	.764	.749	.734	.718	.701	.684	.666	.648	.629	.610	.590
51	.944	.938	.932	.926	.918	.910	.902	.893	.883	.873	.862	.851	.839	.826	.813	.800	.785	.771	.756	.740	.724	.708	.691	.673	.655	.636	.617	.597
52	.947	.942	.936	.929	.922	.915	.907	.898	.889	.879	.868	.857	.845	.833	.820	.806	.792	.778	.763	.747	.732	.715	.698	.680	.662	.643	.624	.604
53	.950	.945	.940	.933	.927	.919	.911	.903	.894	.884	.874	.863	.851	.839	.826	.813	.799	.785	.770	.755	.739	.723	.706	.688	.670	.651	.631	.611
54	.954	.949	.943	.937	.931	.924	.916	.908	.899	.890	.879	.869	.857	.845	.833	.820	.806	.792	.777	.762	.747	.730	.713	.696	.677	.658	.639	.619
55	.956	.952	.947	.941	.935	.928	.921	.913	.904	.895	.885	.875	.864	.852	.840	.827	.813	.799	.785	.770	.754	.738	.721	.704	.685	.666	.647	.627
56	.959	.955	.950	.945	.939	.932	.925	.917	.909	.900	.891	.881	.870	.858	.846	.834	.821	.807	.793	.778	.762	.746	.730	.712	.694	.675	.655	.635
57	.962	.958	.953	.948	.942	.936	.929	.922	.914	.906	.896	.887	.876	.865	.853	.841	.828	.814	.800	.786	.770	.755	.738	.720	.702	.683	.664	.644
58	.965	.961	.956	.951	.946	.940	.934	.927	.919	.911	.902	.892	.882	.871	.860	.848	.835	.822	.808	.794	.779	.763	.747	.729	.711	.692	.673	.652
59	.967	.963	.959	.955	.950	.944	.938	.931	.924	.916	.907	.898	.888	.878	.867	.855	.843	.830	.816	.802	.787	.772	.755	.738	.720	.701	.682	.662
60	.970	.966	.962	.958	.953	.948	.942	.936	.929	.921	.913	.904	.894	.884	.874	.862	.850	.837	.824	.810	.796	.780	.764	.747	.729	.711	.691	.671
61	.972	.969	.965	.961	.956	.951	.946	.940	.933	.926	.918	.910	.900	.891	.880	.869	.857	.845	.832	.819	.804	.789	.773	.757	.739	.720	.701	.681
62	.974	.971	.968	.964	.959	.955	.950	.944	.937	.931	.923	.915	.906	.897	.887	.876	.865	.853	.840	.827	.813	.798	.783	.766	.749	.730	.711	.691
63	.976	.973	.970	.966	.962	.958	.953	.948	.942	.935	.928	.920	.912	.903	.893	.883	.872	.860	.848	.835	.822	.807	.792	.776	.758	.740	.721	.701
64	.978	.975	.972	.969	.965	.961	.957	.951	.946	.940	.933	.925	.918	.909	.900	.890	.879	.868	.856	.844	.831	.816	.801	.785	.768	.750	.732	.712
65	.980	.977	.975	.971	.968	.964	.960	.955	.950	.944	.937	.930	.923	.915	.906	.896	.886	.876	.864	.852	.839	.825	.811	.795	.778	.761	.742	.723
66	.982	.979	.977	.974	.971	.967	.963	.958	.953	.948	.942	.935	.928	.920	.912	.903	.893	.883	.872	.860	.848	.835	.820	.805	.789	.771	.753	.734
67	.983	.981	.979	.976	.973	.970	.966	.962	.957	.952	.946	.940	.933	.926	.918	.909	.900	.890	.879	.868	.856	.843	.830	.815	.799	.782	.764	.745
68	.985	.983	.980	.978	.975	.972	.969	.965	.960	.955	.950	.944	.938	.931	.923	.915	.906	.897	.887	.876	.865	.852	.839	.824	.809	.792	.775	.756
69	.986	.984	.982	.980	.977	.974	.971	.968	.963	.959	.954	.949	.943	.936	.929	.921	.913	.904	.894	.884	.873	.861	.848	.834	.819	.803	.786	.767
70	.987	.986	.984	.982	.979	.977	.974	.970	.967	.962	.958	.953	.947	.941	.934	.927	.919	.911	.901	.892	.881	.870	.858	.844	.829	.814	.797	.779
71	.988	.987	.985	.983	.981	.979	.976	.973	.969	.966	.961	.956	.951	.945	.939	.932	.925	.917	.908	.899	.889	.878	.867	.854	.840	.824	.808	.791
72	.990	.988	.987	.985	.983	.981	.978	.975	.972	.969	.965	.960	.955	.950	.944	.938	.931	.923	.915	.907	.897	.887	.876	.863	.850	.835	.819	.802
73	.991	.989	.988	.986	.985	.983	.980	.978	.975	.971	.968	.964	.959	.954	.949	.943	.936	.929	.922	.914	.905	.895	.884	.873	.860	.846	.831	.814
74	.992	.990	.989	.988	.986	.984	.982	.980	.977	.974	.971	.967	.963	.958	.953	.948	.942	.935	.928	.920	.912	.903	.893	.882	.870	.856	.842	.826
75	.992	.991	.990	.989	.988	.986	.984	.982	.979	.977	.973	.970	.966	.962	.957	.952	.947	.941	.934	.927	.919	.911	.901	.891	.879	.866	.853	.837

75% factors are updated each year to reflect the preceding November 30-year treasury rate.