

NECA-IBEW MEMPHIS RETIREMENT PLAN
6525 Centurion Drive • Lansing, Michigan 48917-9275
Phone: 1-877-474-BENE (2363) or 1-517-321-7502 • Fax: 1-517-321-7508
www.ibew474benefits.org



Explanation of Forms of Payment



This explanation is not as detailed as the definitions and other information set out in the Plan itself. It is simply a summary of the forms of payment available under the NECA-IBEW Memphis Retirement Plan (Plan).

The value of each form of payment you can elect under the Fund is compared. Based on information provided to the Fund, it has been determined that each payment option available to you has the same “relative value” because the amount paid under each payment option is based on each specific participant’s or beneficiary’s account balance in the Fund.

If you elect a form of payment that is not an annuity, the amount of your benefit is based on your Fund account balance. If you elect an annuity form of payment, the amount of your benefit will be determined by your own personal information (such as your age), your Fund account balance, and other factors determined by the insurance company issuing the annuity contract to pay you benefits.

Contact the Fund Office if you want more information about how the Fund calculates different forms of payment or if you want to receive an estimated benefit comparison based on your own personal information and your account balance.

Single Life Annuity

If you are not married and your individual account balance is more than \$1,000, the normal form of payment for your benefit is a Single Life Annuity. A Single Life Annuity provides monthly payments for your lifetime. After your death, no further benefits are payable.

If you are married, you may elect, in writing, to have your benefit paid as a Single Life Annuity, with the written consent of your spouse. Your spouse’s consent must be witnessed by a Notary Public or Business Agent.

Qualified 50% Joint and Survivor Annuity

The normal form of payment for married Participants is the 50% Joint and Survivor Annuity. If you are married, your benefit will be paid as a 50% Joint and Survivor Annuity unless you elect the 75% Joint and Survivor Annuity or you and your spouse waive, in writing, this form of payment.

For your spouse to be considered a qualified (or eligible) spouse for the 50% Joint and Survivor Annuity, you must have been married for at least one full year, when your payments begin.

The 50% Joint and Survivor Annuity provides a reduced monthly benefit while you are living. After your death, your Surviving spouse will receive a monthly benefit equal to 50% of the amount you were receiving when you were alive. Your spouse will receive payment of this benefit until he or she dies. The amount of the reduction is actuarially determined and you will be notified of the amounts when you apply for benefits.

Once benefits start under this form of payment, it may not be changed by you or your spouse. Your divorce, the death of your spouse, or your remarriage will not affect the terms of payment. Once both you and your spouse have died, no further benefits are payable.

Optional 75% Joint and Survivor Annuity

If you are married, you may elect to receive your benefit as a 75% Joint and Survivor Annuity. For your spouse to be considered a qualified (or eligible) spouse for the 75% Joint and Survivor Annuity, you must have been married for at least one full year, when your payments begin.

The 75% Joint and Survivor Annuity provides a reduced monthly benefit while you are living. After your death, your Surviving spouse will receive a monthly benefit equal to 75% of the amount you were receiving when you were alive. Your spouse will receive payment of this benefit until he or she dies. The amount of the reduction is actuarially determined and you will be notified of the amounts when you apply for benefits.

Once benefits start under this form of payment, it may not be changed by you or your spouse. Your divorce, the death of your spouse, or your remarriage will not affect the terms of payment. Once both you and your spouse have died, no further benefits are payable.

Lump Sum Payment

This benefit will provide you with Lump Sum Payment with no further benefits payable upon death. Your spouse must provide consent for the Lump Sum Payment if you have been married for at least one year. The consent must be in writing and must be witnessed by a Notary Public.

Partial Lump Sum Payment

You have the option to receive a Partial Lump Sum Payment from your individual account if you meet the requirements for a Normal Retirement or Disability Benefit. To receive a Partial Lump Sum Payment, the payment must represent the lesser of \$5,000 or at least 10% of the value of your individual account. The remaining balance may remain in your individual account or you may elect that the remaining balance be distributed in any other form of payment you are eligible to receive. If you do not elect to receive all of your balance at once, the balance of your individual account will remain invested until you make another election. While there is no limit on the number of Partial Lump Sum Payments you may elect, any future Partial Lump Sum Payment must represent the lesser of \$5,000 or at least 10% of the value of your individual account.

Your spouse must provide consent of the Partial Lump Sum Payment if you have been married for at least one year. The consent must be in writing and must be witnessed by a Notary Public

Please keep this with your permanent files.