

## **Eighth District Electrical Pension Fund**

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### Disclosure of Relative Value of Optional Forms of Benefit

#### **Regular, Service, Early, or Delayed Retirements**

Internal Revenue Service (IRS) regulations require qualified pension plans to provide participants with information regarding the relative value of the optional forms of benefit payment available at retirement. The following information regarding the relative values of the Eighth District Electrical Pension Fund's optional benefit forms has been developed based on these IRS regulations.

Ultimately, the value of each optional form depends on how long you and your spouse, or other beneficiary, live. Thus, the form of benefit that results in the highest value for your personal situation may not be the form of benefit with the highest relative value according to the table below.

#### **Married Participants**

Assuming the *participant and spouse are the same age*, all the optional forms of benefit are approximately equal in value to the 50% Husband and Wife Pension.

#### **Single Participants**

Assuming the *participant and beneficiary are the same age*, the 100% Joint & Survivor Pension is approximately equal in value to the Single Life Pension, except for retirements after age 67.

The value of a pension benefit is determined using assumptions regarding future average mortality and interest rates. The above comparisons were calculated using the RP-2000 Combined Healthy Male Mortality Table for participants, the RP-2000 Combined Healthy Female Mortality Table for beneficiaries, and an interest rate of 6.0%.

#### **Disability Retirements**

Internal Revenue Service (IRS) regulations require qualified pension plans to provide participants with information regarding the relative value of the optional forms of benefit payment available at retirement. The following information regarding the relative values of the Eighth District Electrical Pension Fund's optional benefit forms available to a participant eligible for a Disability Retirement has been developed based on these IRS regulations.

Ultimately, the value of each optional form depends on how long you and your spouse, or other beneficiary, live. Thus, the form of benefit that results in the highest value for your personal situation may not be the form of benefit with the highest relative value according to the table below.

#### **Married Participants**

The table below shows the relative value of each option as it compares to the 50% Husband and Wife Pension at the ages listed. These comparisons assume that the *participant and the spouse are the same age*.

Age at Retirement	Single Life Pension	50% Husband and Wife Pension	100% Joint & Survivor Pension	50% Husband and Wife with Pop-up Pension	100% Joint & Survivor with Pop-up Pension
40	104%	100%	95%	99%	93%
45	103%	100%	96%	99%	94%
50	102%	100%	97%	100%	96%
55	101%	100%	98%	100%	97%
60	101%	100%	99%	100%	99%

### Single Participants

The table below shows the relative value of the 100% Joint & Survivor Pension option as it compares to the Single Life Pension at the specified age. These comparisons assume that the *participant and the beneficiary under the 100% Joint & Survivor Pension are the same age*.

Age at Retirement	Single Life Pension	100% Joint & Survivor Pension
40	100%	92%
45	100%	94%
50	100%	96%
55	100%	97%
60	100%	98%

The value of a pension benefit is determined using assumptions regarding future average mortality and interest rates. The above comparisons were calculated using the RP-2000 Disabled Male Retiree Mortality Table for participants, the RP-2000 Combined Healthy Female Mortality Table for beneficiaries, and an interest rate of 6.0%.

*Before selecting a payment form, you should consider many factors, including your financial needs, the health conditions of you and your spouse or beneficiary, your other sources of retirement income, and the resources available to your spouse or beneficiary after you die. You may want to consult a financial advisor as you consider this important decision.*

Significant differences between your age and your spouse's or beneficiary's age and the ages used in the tables above could affect the relative value comparison. You may obtain an individual relative value comparison based upon your age and the age of your spouse or beneficiary by contacting the administrator, Benesys, Inc, at Mailing Address, Eighth District Electrical Pension Fund, P.O. Box 30751, Salt Lake City, UT 84130-0751, or toll Free: 844-989-2321, or electronically at [www.8thDistrictBenefits.org](http://www.8thDistrictBenefits.org).