



Enriching the lives of everyone we touch



Electrical Industry Trust Funds Benefit Fair

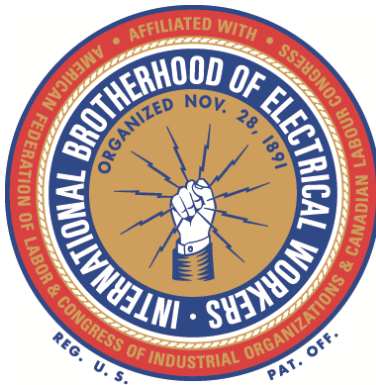
April 24, 2021

The information in this presentation is for guidance only and is not to be relied upon. Only the Trustees of the NEBF may change or interpret the rules of the Plan.



Enriching the lives of everyone we touch

Plan Sponsors



2020

624,894

Participants in the NEBF

Normal Retirement

28,434

18.3%

Early Retirement

75,025

48.3%

2020

155,408

Participants Receiving
Benefits

Disability Benefit

23,044

14.8%

Spouse / Beneficiary

28,905

18.6%

2020

NEBF is the **3rd** largest Taft-Hartley Pension Plan

2020

Total Employer
Contributions were
\$~685.1 million

- - - - -

Total Benefit
Payments were
\$~1.15 billion

Investment Program Objectives

Preserve and grow Fund assets

Protect against inflation
through diversification

Invest in real estate construction
projects employing covered
contractors and IBEW members



2007
2008

As of December 31

\$8.99 billion



**Net Assets Available
for Benefits**

2020

As of December 31

\$~16.6 billion

Pension Protection Act (PPA)



2020 “Green Zone”

**84.2% funded
to all accrued benefits**





**It All Starts with the
Benjamin Franklin's Works
Calculus?**

Participant's Work History



Rules

1. Good Years

- 2000 - 2021 calendar years 22
- 2005 & 2010 (less than 300 hrs) (2)

Total Good Years 20

2. Hours in Good Years ÷ 1,000

- 29,000 hrs ÷ 1,000 hrs = 29

3. Benefit Service Credits may not exceed number of Good Years.

- Entitled to 20 Benefit Service Credits

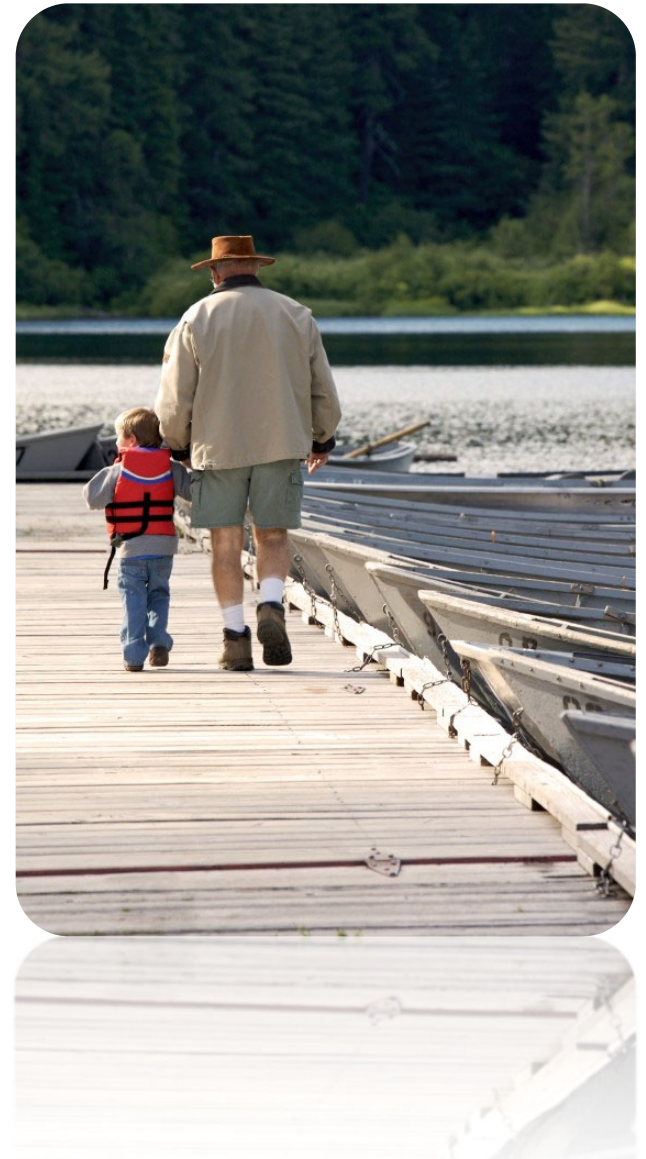
Work History			
<u>Period</u>	<u>Cal/Yrs</u>	<u>Hrs/Yr</u>	<u>Total Hrs</u>
2000-2004	5	1,500	7,500
2005	1	200	200
2006-2007	2	1,500	3,000
2008	1	300	300
2009	1	1,700	1,700
2010	1	250	250
2011-2021	11	1,500	16,500
Totals	<u><u>20</u></u>		<u><u>29,000</u></u>

Normal Retirement Benefit

Eligibility Requirements

28,434

- You are vested, Participants receiving a
- Normal Retirement Benefit
You are age 65 or older, and
as of December 31, 2020
- You are retired from the electrical industry.



Normal Retirement Benefit:

Let's say you have earned 30 Benefit Service Credits and you do not have a break in service

<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base "Lifetime" Benefit</u>
30	x	\$32.00	=	\$960.00

Keep in mind ... that this amount may be reduced if you elect one of the Joint and Survivor Annuity Options.

Early Retirement Benefit

Eligibility Requirements

Participants receiving an

- Early Retirement Benefit
- You are vested, as of December 31, 2020
- You are between the ages of 60 and 64, *and*
- You are retired from the electrical industry.



Early Retirement Benefit

3 Types of Early Retirement



- Reduced Benefit at 62, 63, or 64
- Unreduced Benefit at 62, 63, or 64
- Reduced Benefit at 60 or 61

“Reduced” Early Retirement Benefit at age 62, 63, or 64:



Let's say you have earned 27 Benefit Service Credits and you do not have a break in service

of Benefit
Service Credits

27

x

The Current
Pension Rate

\$32.00

=

Base “Lifetime”
Benefit

\$864.00

Base “Lifetime” Benefit

\$864.00



Depending on your age, your monthly benefit would be reduced:

<u>At Age</u>	<u>% Reduced</u>		<u>“Lifetime” Early Retirement Benefit</u>
64	6.67%	=	\$806.37
63	13.33%	=	\$748.83
62	20.00%	=	\$691.20

Early Retirement Benefit

**Unreduced Benefit at
62, 63, or 64**

Eligibility Requirements

- You meet the eligibility requirements for an Early Retirement Benefit – and
- You have worked 300 or more hours in covered employment in one or more of the 7 calendar years before your Pension Effective Date.



“Unreduced” Early Retirement Benefit at age 62, 63, or 64:



**You have earned 27 Benefit Service Credits
and you do not have a break in service**

**# of Benefit
Service Credits**

**The Current
Pension Rate**

**Base “Lifetime”
Benefit**

$$\mathbf{27 \quad \times \quad \$32.00 \quad = \quad \$864.00}$$

Early Retirement Benefit

Reduced Benefit at 60 or 61

Eligibility Requirements

- You must meet all of the requirements for an Unreduced Early Retirement Benefit.



“Reduced” Early Retirement Benefit at age 60 or 61:



Base “Lifetime” Benefit = \$864.00

<u>At Age</u>	<u>% Reduced</u>		<u>Base “Lifetime” Benefit</u>
61	9.25%	=	\$784.08
60	18.50%	=	\$704.16

Disability Benefit

Eligibility Requirements

23,044

- You are vested when you become totally disabled.
- You are younger than age 65.
- You are totally disabled, and
- You worked for a covered employer sometime within 5 years of becoming totally disabled.



Disability Benefit:

You have earned 18 Benefit Service Credits
and you do not have a break in service



<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base “Lifetime” Benefit</u>
18	x	\$32.00	=	\$576.00

However ...

Minimum Disability Benefit:

Minimum Disability Benefit is based on 20 years of service credits.



<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Minimum Disability Base "Lifetime" Benefit</u>
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20	x	\$32.00	=	\$640.00
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\$640.00 -vs- \$578.00

Pre-Retirement Spouse Benefit

Eligibility Requirements

- You are vested,
- You worked at least one hour in covered employment on or after September 1, 1984, and
- You are married to your spouse for one year prior to your death.





Additional Plan Features

Joint and Survivor Annuity Benefits

- Provides you with a reduced monthly benefit for your lifetime.
- At your death, provides your spouse with a lifetime monthly benefit for their lifetime.

50% Joint and Survivor Annuity Benefit

Calculation

- Reduction is . . .
 - $9\frac{3}{4}$ percent, plus or (minus)
 - $\frac{1}{2}$ percent for every year – or part of a year – the spouse is younger (older) than the participant



50% Joint and Survivor Annuity Benefit

Example

- 42 service credits = \$1,344.00

Participant DOB – 1st quarter 1959

Spouse DOB – 3rd quarter 1969

- 11-year age difference = 15.25% reduction
- Participant benefit:
\$1,139.04 per month
Spouse benefit (50%)
\$569.52 per month



75% Joint and Survivor Annuity Benefit

Same “Relative Value”

- 42 service credits = \$1,344.00

Participant DOB – 1st quarter 1959

Spouse DOB – 3rd quarter 1969

- 11-year age difference
- Participant benefit:
\$1,064.85 per month (vs. \$1,139)
Spouse benefit (75%)
\$798.63 per month (vs. \$569)



Pop-Up Benefit

If ...

- You selected the Joint and Survivor Annuity Option
- Your spouse's date of death is July 1, 1998 or later
- Your monthly benefit will be "Popped-Up" to the Lifetime level the month following your spouse's death.



A person is seen from behind, sitting on a dark, wet rock. They are wearing a red jacket with dark sleeves. They are looking out over a calm body of water towards a forested shoreline under a sky with scattered clouds illuminated by the warm light of a sunset or sunrise. The overall mood is contemplative and serene.

Thinking ...

...about your
retirement

Recommend ...



Complete an application.

Sign and submit a
Social Security authorization form.

Contact NEBF one year before your
anticipated retirement date.

For More Information



www.nebf.com

Now, online benefits!

(301) 556-4300

NEBF Online Benefits

Participants are able to –

Welcome to Benefits Center

Fields with an * are required.

Email Address *

Password *

Log in

Generate their NEBF benefit estimate

Change their address

View plan documents

Download a pension application

Receive text / email notifications

Access their 1099-R

Your Benefit Plans

NEBF
National Electrical Benefit Fund

NEAP
National Electrical Annuity Plan

FMCP

Family Medical Care Plan

A composite image showing the Earth rising over the horizon of the Moon. The Earth is a bright blue and white sphere in the upper center, set against the black background of space. The Moon's surface, covered in craters, is visible as a grey, curved horizon at the bottom of the frame.

Our Mission . . .

**“Provide extraordinary service . . .
. . . to everyone we touch.”**



Thank you.