Starting your retirement benefits.
Helpful information about your pension benefit.

You've been dreaming of this "big day" for a long time: retirement. One of the most important retirement decisions you will make is when and how to begin receiving your Primary Retirement Benefit (pension) from the Concordia Retirement Plan (CRP).

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Normal Retirement Age

*When* you retire has a big impact on your benefit. Normal Retirement Age, according to the plan, is the age at which your benefit becomes fully payable if you are vested and no longer actively participating in the CRP. Your CRP normal retirement age generally follows your Full Retirement Age as determined by Social Security:

<table>
<thead>
<tr>
<th>Normal Retirement Age</th>
<th>Year of Birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>67</td>
<td>1960 or later</td>
</tr>
<tr>
<td>66 &amp; 10 months</td>
<td>1959</td>
</tr>
<tr>
<td>66 &amp; 8 Months</td>
<td>1958</td>
</tr>
<tr>
<td>66 &amp; 6 Months</td>
<td>1957</td>
</tr>
<tr>
<td>66 &amp; 4 Months</td>
<td>1956</td>
</tr>
<tr>
<td>66 &amp; 2 Months</td>
<td>1955</td>
</tr>
<tr>
<td>66</td>
<td>1937-1954</td>
</tr>
<tr>
<td>65</td>
<td>If your active participation in the CRP ended before June 30, 2014</td>
</tr>
</tbody>
</table>

Note: Normal retirement age changed on 7/1/2014 from age 65 to generally follow the Full Retirement Age as determined by Social Security. The primary benefit accrued through 6/30/2014 is based on the normal retirement age of 65.
If You Retire on or After Your Normal Retirement Age

If you are vested, and have reached your Normal Retirement Age and plan to retire, your retirement benefit will become payable immediately in an unreduced amount:

• You may begin receiving your retirement benefit.
• Your benefit will be based on your total years of service and final average compensation. Your benefit will not increase if you delay starting your retirement payment.
• You can elect to begin receiving your benefit and continue to be employed on a part-time basis (20 hours per week or less) by an employer participating in the CRP.
• Working for an employer that is not participating in the CRP does not impact your pension benefit.

At the time your benefit becomes payable, you will need to choose your distribution option. See page 3 for more information.

If You Retire Prior to Your Normal Retirement Age

If you are at least 55 but have not reached your Normal Retirement Age, and are vested, your retirement benefit will become payable when you reach Normal Retirement Age unless you elect to begin receiving a reduced amount at an earlier age. Your benefit is reduced by 6% per year for the period between your start date and your Normal Retirement Age.

• You may begin receiving your reduced benefit once you are no longer employed in any capacity by a participating employer.
• If you are age 62 or older, and you are still employed on a part-time basis (20 hours per week or less) by an employer participating in the CRP, you can elect to begin receiving your early retirement benefit.
• Working for an employer that does not participate in the CRP does not impact your benefit.
• If you meet the “Rule of 85,” it will automatically be factored into your benefit.

At the time your benefit becomes payable, you will need to choose your distribution option. See page 3 for more information.

While you will receive the maximum monthly pension payment if you wait until you reach your Normal Retirement Age to start receiving your benefit, you might receive more total dollars throughout your lifetime by starting payments sooner. You should assess your life expectancy, health and financial needs to determine what makes the most sense for you. We encourage you to seek the advice of a professional financial or tax advisor for guidance.

Terminology

Let’s review some of the commonly used terms included in your retirement materials.

Retired means that you (a) are over age 55, (b) have stopped working at an employer participating in the CRP, and (c) are vested. You will be eligible to receive a benefit from the CRP.

Vested means you have been enrolled in the CRP for at least five total years and have earned a primary pension benefit. Regardless of your Normal Retirement Age, you must be vested to receive a benefit.

Retirement Benefit means a monthly pension payment is available to you when you are retired.

The Rule of 85 – To be eligible for the Rule of 85 at the time you retire, your age plus your years of plan participation in CRP must equal or exceed 85. If you retire prior to your normal retirement age and elect to start receiving your pension benefit early, the Rule of 85 means that the portion of the primary benefit you accrued prior to June 30, 2014 will have a limited reduction or may be unreduced (depending on your age when you start your early pension benefit). Because this is a complicated topic, please visit ConcordiaPlans.org/Ruleof85 for more information.

In-service Benefit means a benefit payment option that is available while you remain employed as a full-time worker at an employer participating in CRP after your 65th birthday.

Full-Time Worker means working more than 20 hours a week.

Part-Time Worker means working 20 hours a week or less.
Working Full Time After You Have Reached Age 65

You may be eligible to continue your service as a full-time worker, and receive a pension benefit through the CRP.

If you were vested in the CRP as of June 30, 2014, once you reach age 65 you may be eligible to receive an “in-service” benefit payment, even if you are working full time for an employer participating in the CRP. This will not be your “full” pension, but will be based on your service from the time of your initial enrollment through June 30, 2014.

How an in-service benefit works:

• Your in-service benefit will automatically be paid as a joint-life benefit with a 70% survivor benefit.
• This benefit will be subject to Federal Income Tax and, depending on the state in which you reside, State Income Tax.
• You will still be considered a full-time worker and continue to accrue benefits in the CRP. You also will remain covered in all other plans that your employer offers other full-time workers.
• When you are no longer employed full time, your in-service payment will cease. Your retirement benefit will be re-calculated and actuarially reduced to account for all in-service payments you received.

> The newly calculated benefit will generally not be less than what you would have received if you had retired as of the date you began receiving your in-service payment.
> The newly calculated benefit will not be as large as it might have been had you chosen not to begin receiving in-services payments.
> At the time of your actual retirement, when your benefit is re-calculated, you will be given the chance to choose your distribution option. See page 4 for more information.

If you are interested in an in-service benefit, contact Concordia Plans for an estimate. You can request an estimate that compares what your benefit would be if you receive an In-service benefit versus receiving your benefits at the date you retire.

• An in-service benefit allows you to receive pension income sooner, but can impact what you might receive later.
• Check into the tax implications of receiving an in-service benefit, because it could significantly change your tax bracket. You may be able to alleviate some of that additional tax burden, by maximizing contributions to the Concordia Retirement Savings Plan 403(b).

Other Retirement Benefits

While the information provided here deals with your primary pension from the Concordia Retirement Plan, if you were enrolled in the plan prior to July 1, 2014 you may have additional retirement benefits, such as the Supplemental Retirement Account and/or the Retiree Medical Supplement. If so, you will see these benefit amounts on Retirement Connection where you can go to estimate your benefit(s). You’ll find more information on Retirement Connection in the Helpful Resources section on page 4.

Payment Options

Your Primary Retirement Benefit, or pension, is always paid as a lifetime monthly benefit to you. However, you can choose how your benefits will be paid, and you have the option to leave an ongoing lifetime benefit to your spouse upon your death. If you do not make a choice, the Plan “default” will determine your payment option.

Your options include:

• **Single-life Annuity** – You will receive a lifetime monthly payment, but at the time of your death there will be no additional benefit payable. **This is the default payment option if you do not have a spouse when you begin your benefit.**
• **10-year Certain and Life Annuity** – You will receive a lifetime monthly payment, but at the time of your death there will be no additional benefit payable unless you had received fewer than 10 years (120 months) of payments. In the
event you did receive fewer than 120 payments, the value of the remaining payments will be paid as a one-time payment to your designated beneficiary or to your estate.

- **Joint-Life Annuity with 70% Survivor Annuity** – You will receive a lifetime monthly payment, and at the time of your death your eligible surviving spouse will receive lifetime monthly payments equal to 70% of your benefit amount. **This is the default payment option if you have a spouse when you begin your benefit.**

- **Joint-Life Annuity with 100% Survivor Annuity** – You will receive an actuarially reduced lifetime monthly payment based on your age and your spouse’s age at the time your benefit begins. At the time of your death, your eligible surviving spouse will receive lifetime monthly payments equal to 100% of your benefit amount.

Your family status factors into the payment options:

- If you do not have a spouse at the time your benefit begins, you may choose either the Single-Life Annuity or the 10-Year Certain and Life Annuity.
- If you have a spouse at the time your benefit begins, you may choose any of these options, but if you choose an option that does not include a survivor annuity, it may only be done with the consent of your spouse.

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**Making a Final Decision**

Before making any important, and possibly irrevocable, decisions about retirement make sure you:

- Understand all your retirement benefits and your options for receiving them, as this brochure only deals with your primary pension from the Concordia Retirement Plan.
- Understand your financial needs in retirement.
- Understand that if you reached your Normal Retirement Age and are considered retired by the CRP, your benefit becomes payable immediately, and you must select a payment option or the “default” payment will be implemented.
- Understand your benefit will not increase if payment does not begin on time, and once payment starts, you would receive retroactive payment of all back benefits that will be taxable in the year received.
- Seek the guidance of a professional financial or tax advisor.

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**Helpful Resources**

Retirement Connection is an online retirement planning tool where you can view your potential retirement benefits. To access Retirement Connection, visit [ConcordiaPlans.org](http://ConcordiaPlans.org) and click on the “My Account” button to access your benefits portal. Once logged in, click the “Financial Wellness” tab to access Retirement Connection.

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**HAVE QUESTIONS?**

For additional assistance, you can contact one of the Financial Wellness Educators at Concordia Plans.

**CALL**
888-927-7526, ext. 6865

**EMAIL**
MoneyMatters@ConcordiaPlans.org