

Timber Operators Council Retirement Plan & Trust

6825 SW Sandburg Street, Tigard, OR 97223 Phone: 800.733.8621 Fax: 503.620.3935 retirement@toc.org

Important Information about Your Retirement Benefits

Retirement Age

If you are vested, you can begin receiving benefits at early retirement age or normal retirement age:

- **Normal Retirement** – Age 62 is normal retirement age under the Plan. The monthly benefit will be based on your accrued benefit.
- **Early Retirement** – Early retirement benefits are payable as early as age 52 if you are 100% vested, but there will be a reduction of the benefit amount because of the longer expected benefit period. (*Note:* If your last day of employment was before 2/1/1974, early retirement for you is age 55 and normal retirement is age 65.)
- **Deferred Retirement** – If you continue working as an Active Member past age 62, you may not start receiving benefits before age 70½ while you remain actively employed, except under the Plan's special Phased Retirement provisions (for which there is a separate application). If you do not elect Phased Retirement, you must start benefits promptly when your deferred retirement occurs, but in no event later than April 1st of the year after the year in which you reach 70½.

Benefit Forms

When you retire, your benefit will be paid to you either as a Life Annuity with 5-year Guarantee (LA 5yr) or as a Contingent Annuity (which is sometimes called a Joint & Survivor or J&S benefit) with a continuation percentage of 100%, 75% or 50%.

Life Annuity with 5-year Guarantee (LA 5yr) – A Life Annuity with 5-year Guarantee benefit is payable for your lifetime. If you should die before the Plan has paid you 60 monthly benefit payments, the remainder of the 60 monthly payments will be paid to your beneficiary or beneficiaries. You can change your beneficiary after you start receiving benefit payments; however, any change must be made in writing and sent to the Retirement Manager.

Contingent Annuity (J&S) – A Contingent Annuity benefit provides you with a monthly benefit for your lifetime. Upon your death, a benefit becomes payable to the person named in your application for benefits as your contingent annuitant, if living. If your contingent annuitant is not living at the time of your death, no further benefits are payable. The amount of the benefit payable to your contingent annuitant depends on the continuation percentage elected at retirement. Once you begin receiving retirement benefits, you cannot change your contingent annuitant.

- A **100% Contingent Annuity** (100% J&S) benefit will pay your contingent annuitant the same monthly benefit amount that was payable to you during your lifetime.
- A **50% Contingent Annuity** (50% J&S) benefit will pay your contingent annuitant 50% of the monthly benefit amount payable to you during your lifetime.
- A **75% Contingent Annuity** (75% J&S) benefit will pay your contingent annuitant 75% of the monthly benefit amount payable to you during your lifetime.

Any of the Contingent Annuity (J&S) benefit options pays a lower monthly benefit than the LA 5yr benefit as it is expected to be paid over the lifetimes of both you and your contingent annuitant. Additionally, J&S benefits with a higher continuation percentage will have a lower original monthly benefit than those with lower continuation percentages, reflecting the greater value of benefits payable if you die before your contingent annuitant. All benefit amounts are calculated to be of equivalent hypothetical financial value based on the Plan's mortality and interest assumptions.

If you are married as of the date your retirement benefits are to start in the LA 5yr form or in a J&S form

with a contingent annuitant other than your spouse, you will receive the 100% Contingent Annuity benefit unless your spouse agrees in writing to the applicable form of benefit.

The hypothetical schedule of benefit options below illustrates the relative amounts payable under different options.

Hypothetical Schedule of Options		
	Original Monthly Benefit	Survivor Continuation Benefit
LA 5yr	\$500.00	N/A*
50% J&S	\$464.41	\$232.20
75% J&S	\$444.96	\$333.72
100% J&S	\$427.08	\$427.08
<i>*Remainder of 60 monthly payments will be made to beneficiary or beneficiaries if participant dies before collecting 60 monthly payments.</i>		

Relative Value Comparisons

Relative value is a comparison of the total value of distributions paid in different forms made by determining the single-sum present value of each optional form using interest and life expectancy assumptions. This comparison determined that all forms of payment available to you are approximately equal in value. The assumptions used to calculate the relative value comparison are 5 percent interest and the 1994 Group Annuity Reserving Table, unloaded, projected to 2002, and blended 50 percent males/50 percent females mortality table. The relative value comparison is intended to help you compare the value of the optional forms of payment available to you under the Plan. The actual value of payments ultimately made under an annuity option will depend on how long you live and, depending on the option you elect, how long your spouse or contingent annuitant lives.

Applying for Benefits

If you are eligible for normal retirement today, we have enclosed the forms you'll need to complete to apply for benefits. Please note that you **must** provide a copy of your birth certificate and, if a Contingent Annuity option is elected, you must also provide a copy of your contingent annuitant's birth certificate.

If you are of early retirement age, are eligible for benefits and wish to apply, please contact our office to request application materials. If you have already requested the necessary forms to apply for early retirement benefits, we have enclosed the forms you must complete.

Your benefit amount is based on the information available to us at the time the benefit is calculated. Should your benefit effective date, hours of service or other information change, the benefit will be recalculated. If you have any questions, please refer to the Summary Plan Description (SPD) or contact our office. Shellie Warren, Ed Pierce or Jay Seeley are available to assist you during normal business hours.