



September
2016

BENEFITS SPOTLIGHT

Welcome to the first issue of Benefits Spotlight, our new semi-annual newsletter for the IAM National Pension Fund and the IAM National 401(k) Fund. We are excited to publish this newsletter for all of our Participants and Benefit Recipients.

While not all of you may be participants in both the IAM National Pension Fund and the IAM National 401(k) Fund, this publication will still provide information that is useful to all of our readers.

We're also delighted to announce our new branding and logos for the Benefit Funds Office. The new logos were designed to have a more clear association with the Fund it represents. Additionally, you will notice that there is now an IAM National Benefit Funds Office logo, as our office provides administrative services to multiple IAM related funds. You'll see our new logos throughout this publication and during the rest of 2016 you'll see this new look being rolled out for all communications related to the Benefit Funds Office.

You can rest assured that our new look represents the same, strength,

security and value that has always been provided by the Plans that are offered through the Benefit Funds.

The new logos will be officially unveiled at the 2016 IAM Grand Lodge Convention in September.

We here at the Benefit Funds Office are holding ourselves to the highest level of service and accountability both internally and to our Participants and Benefit Recipients. This new newsletter is one part of our plan to improve communications with the people we serve. Our plan is to bring you news not only from within our

Funds but the latest in the industry.

You deserve the best and most current information on the benefits the Funds have to offer for you and your families. The Benefits Spotlight is one vehicle for accomplishing that goal and we look forward to providing valuable information through it for years to come.

Because we value your input, here is a link to our online survey where you can give us your feedback about this newsletter and suggestions for topics in future issues:

<https://www.surveymonkey.com/r/benefitsspotlight>

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**WELCOME TO THE FIRST ISSUE OF
BENEFITS SPOTLIGHT**
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A Message from the Executive Director

Welcome to the inaugural issue of the **Benefits Spotlight**. We are very excited about this new effort to improve communications between the IAM National Benefit Funds Office and the participants we serve. After this first issue, the **Spotlight** will be published semi-annually, scheduled for each January and July. It will allow us to communicate to you, the Funds' participants, information such as details of the Plans, any relevant changes, the impact of current events, education on how the pension and 401(k) benefits work, and helpful tips and reminders for keeping your records up to date and how to prepare for retirement.

As we head into the fall of 2016, the Benefit Funds Office will be hosting an exhibit at the upcoming IMAW Convention in Chicago. A team of our employees will be there to provide educational materials on the plan offerings and to answer the questions and concerns of the Delegates in attendance. We believe we've put together a great booth and are ready to assist and discuss the benefits of being in the Pension Fund and 401(k) Plan. If you are one of the Delegates at the Convention, please stop by our booth and say "Hi".

"5th largest multiemployer plan in the country"

The IAM National Pension Fund has provided valuable retirement benefits for members of the International Association of Machinists and Aerospace Workers and their families for over 55 years. It is the 5th largest multiemployer defined benefit pension fund

in the country and the only one in the top ten funds to be fully funded as of our last actuarial valuation, which is certified by the Fund's actuaries. In a world where we are consistently bombarded with stories of failing pension

funds, it's nice to know that the IAM National Pension Fund is the one of the most stable multiemployer defined benefit pension funds in America with over \$11 billion in assets.

Even though the IAM National Pension Fund is in such great shape, that doesn't mean anyone can rest on their laurels. Maintaining a Fund this prestigious and this large requires a lot of focus and dedication. For example, managing the impact of past, new, or proposed regulatory requirements, such as a new efforts by some in our nation's capital to create alternative design retirement funds thought by some to be part of a larger plan to eliminate defined benefit pension plans in our country over time and to increase fees paid to the Pension Benefit Guarantee

Corporation, or PBGC. The Spotlight will be a vehicle to keep our participants informed on such matters. Stay tuned, I'll have more on the PBGC in the next edition of the Spotlight.

The IAM National 401(k) Plan now has over \$400 million in assets invested in individual participant accounts. This defined contribution retirement plan, with recordkeeping performed by the John Hancock Company, continues to grow over time. If you are eligible to participate and haven't yet started, please consider doing

so. There is a page in this issue dedicated to providing information on the 401k Plan.

Also in this issue of the **Spotlight** you'll find a "simplified" explanation of the current Disqualifying Employment rules under the

"only one in top ten pension funds to be fully funded"

IAM National Pension Fund. These rules affect Pensioners who are working or thinking about going back to work after their pension benefit begins. If this impacts you, please know that you may request a ruling on your post-retirement employment when applying for your pension.

This issue also provides a list of self-service features available on the IAM National Pension Fund's website at www.iamnpf.org. We encourage using the website as a valuable resource for questions you may have about your benefits and to find more information about the Plans offered by the Funds. However, if you do not have internet access, cannot find the information you need, or simply want to talk to a person, the Fund Office staff is always here to help. Participants and Benefit Recipients with any questions and concerns regarding their benefits can contact us at the phone numbers contained in this newsletter. Our well-trained and professional staff will answer your questions, provide helpful information, or assist in finding the information you need. Our focus is to provide great customer service to the participants and beneficiaries that we serve and we are working diligently on improving every day.

Thank you for taking the time to read **Benefits Spotlight**. We hope that you find it to be helpful and informative and we are committed to making each issue even better than the last one. Enjoy!

Ryk Tierney, Executive Director

Understanding Your Benefits and Securing Your Future

To get started, here are some basic facts about retirement:

Experts say that when you retire, you will need at least 80% of your pay, each year, in retirement. If you retire at 65, you can expect to live 18 years in retirement, give or take. So say you're earning \$60,000 a year when it comes time to retire. You'll need \$48,000 a year, every year, in retirement. Where will it come from? Will you have enough?

Most Americans have saved little or nothing for retirement. Studies show that the number of households ill prepared for retirement is increasing, especially since the "Crash of 2008." In addition, many retirees are carrying large consumer debt when they start their retirement.

A recent study by the Employee Benefit Research Institute found that almost two-thirds of workers say they feel they are behind schedule when it comes to planning and saving for retirement.

Over the last several decades employers have shifted away from traditional pension plans also known as "defined benefit pension plans." If you are a participant in the IAM National Pension Fund, National Pension Plan, you are among the 15% of U.S. workers who still participate in a defined benefit plan.

This gives you an advantage because a defined benefit plan will provide you with a lifetime pension when you retire. In general, you are eligible for a pension with at least five years of Vesting Service or Credited Service and you attain age 55 – this is called Early Retirement and includes a reduction for age. Normal Retirement is age 65 with no reduction for age.

The IAM National Pension Plan also offers two Early Unreduced Benefits: 30 & Out Unreduced and 20 and Age 62 Unreduced.

Other possible sources of retirement income include Social Security benefits; the IAM National 401(k) Plan, if you are eligible to participate; other company retirement plans you may have; your

personal savings, including IRAs and 401(k) accounts; and your Spouse's retirement plan.

It is important for you to understand your benefits. Doing so gives you information you can use when calculating your retirement income needs. The Employee Benefits Research Institute reports that workers who have done a retirement savings needs calculation tend to report higher savings goals than workers who have not done the calculation.

A retirement planning worksheet or online retirement calculator can help you make a plan to replace your income in retirement.

The IAM National Pension Fund's website, www.iamnpf.org has a tab called "Retirement Planning and Related Sites" which includes links to sites with retirement calculators such as the Social Security Administration and AARP. The URLs below are for retirement calculators recommended by the International Foundation of Employee Benefit Plans (IFEBP).

www.aarp.org/work/retirement-planning/retirement_calculator/

www.marketwatch.com/retirement-tools/retirement-planning-calculator?showmscrim=true

Once you review your spending and expenses and adjust for things you may be able to reduce in retirement, then you can make a plan to put yourself on track for a financially secure future.

After you calculate expenses and income you may find your pension and social security will not provide the amount of income you need for a comfortable retirement. In that case, you can begin a plan to pay down your debts while you are still working. This will reduce your expenses in retirement.

You can also increase your personal savings. You may be able to reduce your spending in some areas and use that money toward your retirement security.

A 401(k) Plan is a great way to save because you can defer money from each paycheck into the 401(k) Plan on a pre-tax basis.

If your employer participates in the IAM National 401(k) Plan under Collective Bargaining Standard Contract Language or Special Participation Agreement, setting up your account in the 401(k) Plan is easy, you can do it over the phone or online by contacting John Hancock, the Plan's recordkeeper.

And don't forget about the financial security of your family. The Plans offer preretirement benefits if you die before you collect your pension or 401(k) balance. So make sure your beneficiary designations are current for each plan you participate in. Let your family or beneficiaries know to contact the Fund Office to report your death and apply for any survivor benefits.

After you start your pension, post-retirement death benefits may be payable depending on the form of payment you choose.

Feel free to contact Customer Service, 1-800-424-9608, to request information about your pension and or 401(k) plan benefits. Or, go online at www.iamnpf.org or www.iam401k.org to learn more.



The IAM National Pension Fund Website Delivers

Our website provides information and resources for everyone. Use the buttons on the left to find Forms, National Pension Plan documents, Retirement Planning information, How to Apply for a Pension Benefit, learn About Us and more.

We are always working to make our website more user-friendly and helpful. Here are just a few items you will find on our site:

- Answers to Frequently Asked Question (FAQs)
- A link to the Fund's YouTube videos
- Secure Login buttons for Participants and Benefit Recipients

If you're a **Participant**, you can access your personal information when you log in securely. To set up log in information, click on the

Participant Login button and our website will walk you through a few easy steps to give you the access you need. Once logged in you can:

- View Information About You with Your Accrued Benefit Amount
- View your Contribution Hours
- Calculate an Estimate of your Pension Benefits

Benefit Recipients, you can access all sorts of information regarding your benefit payments. Once logged in securely, Benefit Recipients can:

- View and print your 1099-R
- Download and print a Verification of Income Letter
- Update your tax withholding on Form W4-P
- Request Direct Deposit and upload an image of your voided check or deposit slip

We're proud of our website and encourage you to visit **www.iamnpf.org**. If you have questions or need assistance, contact us at **1-800-424-9608**.



www.iamnspf.org

*Our website provides
useful information for everyone.
If you have questions contact us
at 1-800-424-9608.*



LIFE CHANGING EVENTS AND YOUR PENSION BENEFITS

When you are going through a life-changing event, your retirement benefits may not be the first thing you think about, but they are something that you should definitely have on your radar.

For example, if you change your address, it is important to notify the Fund Office even if you have notified your employer.

Once you leave covered employment under the Plan, and before you retire, we rely on you to provide us with your address changes so you continue to receive important notices from the Fund.

After your pension begins, be sure to notify us if you move, even if your direct deposit account doesn't change, because we need your current address to send your Form 1099-R and tax-withholding information.

Marriage, divorce, and the birth of a child are certainly life-changing events. These are also good times to update your beneficiary designations. Designations for preretirement death benefits can be completed online. After your pension begins changes to beneficiary designations must be made

in writing by requesting a form from the Fund Office.

While you're updating your address or beneficiaries, make sure you also update your information with any other Plan you participate in, like your 401(k) Plan and medical plans that include dependent coverage or life insurance, because each plan requires a separate beneficiary designation, address change, or notice of change in familial status. A completed beneficiary form on file with the IAM National Pension Fund does NOT apply to the IAM National 401(k) Plan. If you want to ensure that your benefits get to those you want, please be sure to have up-to-date beneficiary forms on file with each Fund. There are instructions on page 7 on how to update and file your beneficiary forms.

Be sure to let your family and beneficiaries know about all of your benefits, including any preretirement or post-retirement survivor benefits, and give them the Plan's contact information. In the event of your death, they should notify us as soon as possible so that any benefits due to a spouse or beneficiary can be processed quickly.

FOCUS ON 401(k)

New IAM 401(k) Fund Summary Plan Description Planned for Next Year

Several modifications have been made to the IAM National 401(k) Plan since the last version of the Summary Plan Description (SPD) was issued in July 2012.

These changes were due to Plan amendments and a 2014 change in Plan recordkeeper. All Plan amendments were communicated to 401(k) Plan Participants annually since the last SPD was issued.

In 2017, a new 401(k) SPD will be produced and provided to Participants with a summary of current Plan rules and features, including all changes outlined in SMMs. Eligible Participants in the 401(k) Plan will receive their new SPD booklet in the mail in 2017. New participants will receive the SPD when notified of their eligibility to participate by John Hancock, the Plan's recordkeeper.

What Is A Summary Plan Description (SPD)?

The SPD is a document that explains the fundamental features of an employee benefit plan. **For our purposes, this means for the defined benefit (pension) plan or defined contribution plan, or 401(k).**

The SPD can include eligibility requirements, contribution formulas, vesting schedules, benefit calculations, and distribution options. The Employee Retirement Income Security Act of 1974, "ERISA" requires that the SPD be easy to understand and that each participant receive a copy within 90 days of joining the plan.

SPDs for plans with material modifications are required to be issued once every five years. Absent material modifications, an SPD can exist unchanged for 10 years.



IAM NATIONAL 401(K) FUND

Negotiate the IAM National 401(k) Plan Into Your Next Contract

The IAM National 401(k) Plan offers tax savings through pre-tax contributions, tax-deferred growth, and a variety of investment options.

Retirement is about being able to do what you want when you're ready to stop working. Whether you plan on traveling, taking up a new hobby, or spending more time with the family, it's a time we all look forward to - and it will take money to do it. Experts say you will need approximately 80% of your preretirement income in order to live comfortably in retirement.

The IAM National 401(k) Plan is a great way to save for your future plans, whatever they are. Tax savings through pre-tax contributions, tax-deferred growth on your account, and a variety of investment options are just some of the Plan's features.

If you are not currently eligible to participate in the IAM National 401(k) Plan and would like it to be part of your benefits package, ask your IAM Representative to put the IAM National 401(k) Plan on the table for your next Collective Bargaining Agreement.

IAM National Pension Fund Disqualifying Employment Rules Explained

As their retirement date approaches, many participants have questions about working after their pension starts. You may have thought about working after you retire and wondered how these rules work too.

The purpose of the IAM National Pension Fund (“the Plan”) is to provide retirement benefits.

Certain types of employment may result in the suspension of your benefits. However, as of October 29, 2015 the IAM National Pension Fund Board of Trustees simplified the Plan rules for pensioners’ employment before age 65 to be

more flexible than previous rules.

For pensioners under age 65, effective October 29, 2015, only employment with a Contributing Employer, regardless of job classification, is considered disqualifying and will result in suspension of your benefits.

For pensioners who are 65 or older, only employment of 40 or more hours per month for a Contributing Employer, doing the same trade or craft you did while in covered employment under the Plan, is considered disqualifying.

Pensioners who are planning to

work or who begin working after their pension starts must notify the Fund Office and complete a Request for Ruling on Employment form to make sure their employment is not disqualifying.

You can download the Request for Ruling on Employment form under the Forms tab at **www.iamnpf.org** or call the Fund Office at 1-800-424-9608 to request the form be mailed to you. Customer Service Representatives are available from 7:30 a.m. to 7:00 p.m. Eastern Standard time.

Need to Make a Change?

CHANGE OF ADDRESS

National Pension Plan Participants:

Call us or visit our website at **www.iamnpf.org** and use our secure login.

NPP Benefit Recipients:

An authorizing signature is required. For security purposes, these changes cannot be made over the phone. Therefore, any request must be sent in writing. If you change banks when your address changes and you wish to change your direct deposit, we offer several ways you can do that. Just visit **www.iamnpf.org** and access the secure login for Benefit Recipients. Or call our office at **1-800-424-9608** to request a form. All methods require supporting documentation, such as a voided check or deposit slip.

For 401(k) Participants

Report address changes promptly to your employer so your 401(k) census information sent to the Fund Office and John Hancock, the 401(k) recordkeeper are updated. If you are no longer working in covered employment, and have a balance in the 401(k) Plan, report your address changes directly to the Fund Office at **1-800-424-9608** and John Hancock at **800-294-3575**.

CHANGE OF BENEFICIARY

For NPP Participants:

A Designation of Beneficiary form can be requested from the Fund Office, over the phone or via email. You may also designate a beneficiary via our secure log in at

www.iamnpf.org.

In the event you have already completed a Designation of Beneficiary form, submission of a new form revokes prior designations.

For NPP Benefit Recipients:

Designation of Beneficiary forms can be requested from the Fund Office by calling **1-800-424-9608**. Benefit Recipients cannot change a Beneficiary online.

For 401(k) Participants

To designate or change beneficiaries, contact John Hancock directly at **800-294-3575** or go online to **mylife.jhrps.com** to use the secure Participant site and choose “View/Change Beneficiary Information.”