

BENEFIT FUNDS OFFICE

Educational Session

IAMNPF



IAM NATIONAL
PENSION FUND

BFO EDUCATION TEAM

Devika Mathur

Education Representative

Justine Reyes

Education Representative



AGENDA

- ❑ Retirement Readiness
- ❑ IAM National Pension Fund
- ❑ Q&A Session





RETIREMENT



RETIREMENT READINESS

18%

Confident in retirement planning

26%

Will have enough money to last their lifetime

18%

Will have enough money to take care of basic expenses during retirement

73%

Expecting workplace retirement income

Source: According to 2023 Retirement Confidence Survey (RCS). The RCS is the longest-running survey of its kind, measuring worker and retiree confidence about retirement, and is conducted by the Employee Benefit Research Institute (EBRI) and independent research firm Greenwald & Associates
<https://www.ebri.org/docs/default-source/rcs/2021-rcs/2021-rcs-summary-report.pdf>



WHAT YOU NEED TO RETIRE

18_{yrs.}

Length of retirement

80%

Worker's yearly income

\$64,000

Amount needed per year*

\$1,152,000

Retirement amount*

Note: *Based on an average annual salary of \$80,000.



SOURCES OF RETIREMENT





DEFINED BENEFIT PLAN



- A retirement benefit for which your employer contributes an amount which will determine a set amount paid monthly to:
 - the participant for their lifetime
 - **then spouse** for their lifetime
 - **or** a designated beneficiary (for a determined period of time)
- On average, middle-class Americans without a pension will have to reduce their living expenses by a full third in order to avoid outliving their assets in retirement



IAM NATIONAL PENSION FUND

Defined Benefit Plan



IAM NATIONAL
PENSION FUND

FUND OVERVIEW



OVERVIEW

The IAM National Pension Fund is a multiemployer plan that provides participants with a defined-benefit pension plan for their retirement in which your employer contributes an amount which will determine a set monthly benefit for life.

- Established in 1960
- **1,700+** Employer Locations
- **100,000+** Active Participants & Benefit Recipients
- **14 Billion** in Approximate Value of Assets
- **Top 5** Multiemployer Pension Fund in the US
- Portability
- Centralized Administration



MAJOR CHANGES UNDER THE PREFERRED SCHEDULE



- Requires additional employer contributions, compounding annually over the duration of the Rehabilitation Plan
 - **2.5% Preferred**

- Future accruals remain the same

- All early retirement pension benefit subsidies were removed, effective with retirements on or after Jan. 1, 2022



IAM NATIONAL
PENSION FUND

BENEFITS

VESTING SERVICE

Determines your right to a benefit

- **600 hours of service** a calendar year to earn one Vesting year
- **5 Vesting Years** to be Vested in the IAM National Pension Fund
- Prior Predecessor Plan Vesting with a prior qualified plan





CREDITED SERVICE

Determines the monthly amount of your benefit

Hours of service in a year for which contributions are required to be made on your behalf	Months of future service credit you earn
Less than 600	0
600	5
601 - 770	6
771 - 940	7
941 - 1,110	8
1,111 - 1,280	9
1,281 - 1,450	10
1,451 - 1,600	11
1601	12



Note: *Additional Info can be found on page 8 of the SPD.

CONTRIBUTIONS

- Contribution rates are negotiated during bargaining.
- Rates can be hourly, daily, or weekly.
- Standard hourly contributions are in increments of \$0.05
- The higher the contribution rate, the higher the benefit.



IAM NATIONAL
PENSION FUND

**COLLECTING YOUR
BENEFIT**

ELIGIBILITY TO COLLECT

Since 1960, the mission of the IAMNPF has been to provide Core Retirement Benefit at Normal Retirement Age (65).

- Normal Retirement Pension:**
 - Age 65, with 5 years of vesting service

- Early Retirement Pension:**
 - Age 55+, with 5 years of vesting service*

- Disability Pension:**
 - Any age, with 5 years of vesting service *

Note: *Age reduction adjustments will apply.





AGE REDUCTION FACTORS

Retirement Age	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
Early Retirement Factor	.023	.024	.026	.028	.030	.033	.035	.038	.041	.044	.048	.051	.056	.060	.065	.070
Sample \$1,000 Accrued Benefit	\$23	\$24	\$26	\$28	\$30	\$33	\$35	\$38	\$41	\$44	\$48	\$51	\$56	\$60	\$65	\$70
Retirement Age	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51
Early Retirement Factor	.076	.082	.088	.096	.103	.0112	.121	.132	.143	.155	.168	.182	.198	.216	.235	.256
Sample \$1,000 Accrued Benefit	\$76	\$82	\$88	\$96	\$103	\$112	\$121	\$132	\$143	\$155	\$168	\$182	\$198	\$216	\$235	\$256
Retirement Age	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	
Early Retirement Factor	.256	.280	.305	.334	.366	.401	.441	.485	.534	.590	.653	.723	.804	.895	1.00	
Sample \$1,000 Accrued Benefit	\$256	\$280	\$305	\$334	\$366	\$401	\$441	\$485	\$534	\$590	\$653	\$723	\$804	\$895	\$1,000	

HOW TO APPLY

Download the Request for Application or Estimate Form:
<https://www.iamnpf.org/participants/apply-pension-benefits>

Apply Online: <https://www.iamnpf.org> or **Participant Self-Service Portal**

Email: Contact@iamnpf.org

Call: 1-800-424-9608

Fax: 202-457-8653

In Writing: IAM National Pension Fund
99 M Street SE, Suite 600
Washington, D.C. 20003-4595





180 Days

**Until... Pension
Effective
Date!**

PAYMENT OPTIONS FOR MARRIED PARTICIPANTS

- ❑ **Standard form of payment for married participants:**
 - 50% Spouse Pension

- ❑ **Optional forms of payment for married participants:**
 - 75% Spouse Pension
 - 100% Spouse Pension
 - Single Life Annuity
 - Single Life Annuity with 120 certain payments

PAYMENT OPTIONS FOR UNMARRIED PARTICIPANTS

- ❑ **Standard form of payment for unmarried participants:**
 - Single Life Annuity

- ❑ **Optional form of payments for unmarried participants:**
 - Single Life Annuity with 120 certain payments

WHAT TO EXPECT

- Application requested
- Application and required documents received
- Internal review completed
- Benefit Election Form sent, signed, and returned
- Final approval
- Pension Benefits paid



CONTACT INFORMATION

Participant Line for One-on-One Support:

1-800-424-9608

Phones are open Monday through Friday,
9:00 a.m. to 7:00 p.m., Eastern time

Email: contact@iamnnpf.org

Website: <https://www.iamnnpf.org/>

Participant Self Service Portal (PSS):

<https://participant.iambfo.org/login>



THANK YOU

