



# **CHRISTIAN SCHOOL PENSION PLAN AND TRUST FUND**

## **FORMS OF PENSION**

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*Pension Benefits can be Paid in Different Forms with Different Options  
All Options are Described in Detail in the Following Pages*

## **I. RETIREMENT DATES**

- **Normal Retirement Date**

The first day of the month coincident with or next following the date the Participant attains age 65.

- **Early Retirement Date**

The first day of the month coincident with or next following the month in which the Participant attains age 55 and has earned a vested percentage of 100%.

- **Required Beginning Date**

The April 1st following the calendar year in which the Participant attains age 70 1/2, or, if later, following the calendar year in which the Participant's employment terminates.

## **II. NORMAL RETIREMENT BENEFITS**

- **Participant Without a Spouse**

The normal form of pension payable to a retired Participant who does not have a spouse as of the date he/she begins to receive that pension is a single life pension, payable in equal monthly installments (one-twelfth of the annual pension) throughout the lifetime of the retired Participant.

- **Participant With a Spouse**

The normal form of pension payable to a retired Participant who has a spouse as of the date he/she begins to receive that pension is an actuarially equivalent Joint and Survivor Annuity with 50% continuation to the retired Participant's spouse. The Participant will receive equal monthly payments in a reduced amount (compared with the amount of a single life pension) for his/her lifetime with continued payments for life to his/her surviving spouse of 50% of the reduced monthly amount paid to the Participant. The Participant, with the spouse's consent, may elect in writing not to receive benefits in the form of a 50% Joint and Survivor Annuity, but to receive instead the single life monthly pension or one of the other options explained below. The written election must be made within the 180-day period ending on the date benefit payments commence under the Plan.

- **All Participants**

A Participant may revoke an election at any time within the period during which he/she is permitted to make the election. A Participant who has revoked an election may remake the election at any time within the election period.

An election by a Participant shall not be effective unless his/her spouse consents in writing to the election and acknowledges the effect of the election. The Participant may revoke any election without the spouse's consent. The consent by the spouse shall be witnessed by a plan representative appointed by the Administrator or a notary public. The spouse's consent shall not be necessary if it is established to the satisfaction of the Administrator that there is no spouse, or that the spouse cannot be located. Consent by a Participant's spouse shall be effective only with respect to that spouse. If the Participant's election and the spouse's consent is given more than 180 days

before benefit commencement date, the election and the consent must be confirmed in writing in the manner specified, no earlier than 180 days prior to the date benefit payments begin.

Whenever the 50% Joint and Survivor Annuity is specified as the normal form of benefit payment and the Participant has no surviving spouse on the date benefit payments to the Participant commence, the Participant shall be deemed to have elected not to take or to have revoked his/her election to take the 50% Joint and Survivor Annuity form of payment. Nothing shall prohibit the additional election of any other option specified by an eligible Participant.

### **III. OPTIONAL RETIREMENT BENEFITS**

Subject to the conditions and restrictions specified in the Plan and the spousal consent requirement, if applicable, a Participant may, by filing a written request with the Trustees prior to his/her Required Beginning (or Early or Normal, as applicable) Date, elect an optional form of pension benefit which is the actuarial equivalent of the benefit to which he/she would otherwise be entitled. Such actuarial equivalent shall be calculated as of the date of commencement of the Participant's pension.

- **Contingent Annuity Option**

Benefits payable under this option shall consist of an actuarially equivalent reduced amount of pension payable during the lifetime of the retired Participant and continuing after his/her death in an amount equal to 50%, 75%, or 100% of such reduced amount during the remaining lifetime of a surviving contingent annuitant. The contingent annuitant and the percentage to be continued to the contingent annuitant after the death of the retired Participant must be designated by the Participant at the time this option is elected. The contingent annuitant is usually the spouse of the Participant; however, it may also be any other person named.

- **Pop-Up Option**

This benefit is an add-on benefit to the Joint and Survivor benefit and the Contingent Annuity Options. Under this option, if the surviving spouse or contingent annuitant dies before the retired Participant, the monthly payment to the Participant shall increase to the monthly amount that would have been payable as a Single Life Annuity when benefit payments began, plus any applicable increase in past benefits that would have been applied.

- **Period Certain and Life Options**

A Participant may elect a Period Certain and Life Option of either five (5) or ten (10) years. Pension benefits are paid for the life of the Participant. However, should the Participant die before receiving five or ten years of pension benefit payments, the payments shall be continued to the beneficiary until a total of five or ten years of pension benefit payments have been made.

- **Two-Stage Payment Option**

With each of the before mentioned Optional Benefits, the Two-Stage Retirement Payment Option can be added. This option is referred to as Two-Stage Retirement Payments. With this option, a Participant or surviving spouse whose benefit payments begin at or after age 62 may elect to have the initial monthly payments based only on the portion of that participant's benefit that is not subject to any early retirement reduction (benefits earned prior to September 1, 2005). When the participant reaches age 65, an additional amount is added to the monthly payment. The added benefit is based on that portion of the participant's benefit that would be subject to an early retirement reduction if paid between age 62 and 65 (benefits earned on or after September 1, 2005).

#### **IV. CONDITIONS AND RESTRICTIONS REGARDING ELECTION OF OPTIONS**

- An option shall become effective on the date payments are scheduled to begin. Once effective, an option shall be irrevocable.
- Election of an option shall become void upon: (i) the death of the Participant prior to the date of the first payment; or (ii) if the Participant elects an option that provides for payments to a spouse or other contingent annuitant, the death of that spouse or contingent annuitant prior to the date of the first payment to the Participant.
- No optional form of pension shall be allowed which would reduce the actuarial equivalent present value of the pension expected to be paid to the Participant below 50% of the actuarial equivalent present value of the pension otherwise payable to the Participant, unless the optional form of benefit payment is the Contingent Annuity Option and the contingent annuitant is the Participant's spouse.
- The Contingent Annuity Option shall not become effective if:
  - The Participant does not, within 180 days of his/her election of this option and prior to the option effective date, furnish evidence satisfactory to the Trustees of the age of his/her contingent annuitant.
  - The annual amount of contingent pension that would become payable to the contingent annuitant is less than \$300.
- No election of any optional form of pension shall affect the payment of any supplemental pension paid to a Participant on account of the spouse.

#### **V. EARLY RETIREMENT BENEFITS**

Upon the election of the Participant, the Early Retirement Benefit shall commence on the 30th day of the month which includes the Participant's Early Retirement Date, or the month in which he/she elects early payment, whichever is later. In such event the amount of the benefit, including the Supplemental Spouse Pension, if applicable, shall be reduced due to the number of additional monthly payments expected to be made prior to the Normal Retirement Date. The rate of reduction shall be as follows:

- If a vested Participant's employment terminated after attaining age 55 and on or after September 1, 1987, the rate of reduction for benefits earned prior to September 1, 2005, shall be 5/12% per month for each month that the benefit is payable prior to the first day of the month coincident with or next following the date the Participant would attain age 62. For benefits earned after September 1, 2005, if payment begins prior to the 30<sup>th</sup> day of the month in which the Participant attains age 65, the rate of reduction shall be 8/12% per month for each month, up to a total of 60 months, that the benefit is payable prior to the 30<sup>th</sup> day of the month in which the Participant will attain age 65 and 4/12% for each additional month (in excess of 60 months) that the benefit is payable prior to the 30<sup>th</sup> day of the month in which the Participant will attain age 65.
- If the Participant's employment terminated prior to attaining age 55, and prior to September 1, 1987 (with 10 years required for vesting), or after September 1, 1987 (with 5 years required for vesting), the rate of reduction for benefits earned prior to September 1, 2005, shall be 4/12% per month for each month that the benefit is payable prior to the first day of the month coincident with or

next following the date the Participant would attain age 65. For benefits earned after September 1, 2005, if payment begins prior to the 30<sup>th</sup> day of the month in which the Participant attains age 65, the rate of reduction shall be 8/12% per month for each month, up to a total of 60 months, that the benefit is payable prior to the 30<sup>th</sup> day of the month in which the Participant will attain age 65 and 4/12% for each additional month (in excess of 60 months) that the benefit is payable prior to the 30<sup>th</sup> day of the month in which the Participant will attain age 65.

## VI. PRERETIREMENT SURVIVING SPOUSE BENEFIT

- If a married Participant who has been married for 12 months and has met vesting requirements dies before receiving benefit payments, the Participant's surviving spouse shall be paid a Preretirement Surviving Spouse Annuity.
- If the Participant dies before attaining the earliest Early Retirement Date permitted, the amount of the Preretirement Surviving Spouse Annuity shall be the surviving spouse's portion of the Surviving Spouse Annuity calculated as if the Participant terminated employment on his/her date of death, survived until the earliest Early Retirement Date permitted and elected payment of the vested benefit in the Joint and Survivor Annuity form beginning at such Early Retirement Date. Even though calculated as of the Participant's earliest Retirement Date, the benefit shall begin at the time specified below.
- If the Participant is an active Participant at the time of his/her death, 45 years or older and the Participant's spouse is not more than 10 years younger than the Participant, the Preretirement Surviving Spouse Annuity is 50% of the Accrued Benefit.
- If the Participant is an active Participant until eligible for Early Retirement Benefits and dies while eligible for an Early or Normal Retirement Benefit, the amount of the Preretirement Surviving Spouse Annuity shall be the surviving spouse's portion of the Joint and Survivor Annuity, calculated as if the Participant retired (if still employed) on the day before the date of death and elected immediate commencement of the retirement benefit in the Joint and Survivor Annuity form.
- If the Participant was an Employee of a Participating Employer at the time of death, the Preretirement Surviving Spouse Annuity shall begin on the 30<sup>th</sup> day of the month which includes the date of the Participant's death. If the Participant was not an Employee of a Participating Employer at the time of death, the Preretirement Surviving Spouse Annuity shall begin on the 30<sup>th</sup> day of the month in which the Participant would have attained age 55 or, if later, the month which includes the date of the Participant's death. For purposes of the preceding sentences, a Participant shall be an Employee until employment terminates or until the first anniversary of the first date of an absence from work, whichever applies, provided, however, that the employment of a disabled Employee shall be deemed to continue.

*For more information refer to the Plan Booklet (available online at [2019 Restated Plan](#)) or contact*

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