

# International Brotherhood of Electrical Workers District No. 9 Pension Plan

## **VIRTUAL EDUCATION WORKSHOP**

No. Cal. Sound & Communications

February 22, 2025

A Money Purchase Defined Contribution Pension Plan

Participant Directed Investment Accounts

# I.B.E.W. District No. 9 Pension Plan

Third-Party Contract Administration Services By:

**William C. Earhart Company, Inc.**  
Portland, Oregon

Investment Platform and Recordkeeping Services By:



# Plan Overview and History

- Plan Started March 1, 1968
- Currently 22 I.B.E.W. Local Unions within the Ninth District of the I.B.E.W. participate in the Plan
- I.B.E.W. Ninth District geographic area: Oregon, Washington, California, Nevada, Northern Idaho, Alaska, and Hawaii
- Over 28,000 Active Participants (as of January 2025)
- Plan Type: Money Purchase Defined Contribution Pension Plan Total Plan assets are in excess of \$2.50 billion (as of February 2025)
- The Plan is administered by a joint Labor-Management Board of Trustees (3 Union Trustees and 3 Management Trustees). The states of Oregon, Washington and California are represented on the Board of Trustees for the Pension Plan.

# Retirement Planning

Because retirement planning and the required paperwork require a certain amount of time to complete, when you are getting ready to retire, please remember the following:

- Contact the Administrative Office for the Plan two months prior to your retirement date to request the Retirement Benefit Choices Guide; and
- Request that the Administrative Office send you a report which provides the estimated monthly income for each of the Plan's 11 Fixed Income Annuity options available as well as the Full Flexibility Option (FFO).
- Review your asset allocation. Consider using the *Target My Retirement* personalized planning tool by logging into your account at [www.principal.com](http://www.principal.com).

# Retirement Planning

- Meet with a financial advisor (retirement planning coach) of your choice to discuss which retirement benefit option offered by the Plan best meets your retirement goals. It is recommended that you seek out a professional to coach you to and through retirement.
- After determining the distribution option(s) you desire, contact the Plan's Administrative Office for the appropriate distribution application form(s).
- Once your application for Retirement Benefits is approved, it can be three to four weeks before benefit payment(s) begin.

# Retirement Planning

## **IMPORTANT:**

- Your request for a 100% distribution of funds (Rollover, Annuity, etc.) cannot be processed until the Plan's Administrative Office has received your employer's final and last report of your hours worked and contributions have been paid and placed in your Account in the Plan.
- Make sure your Beneficiary Designation and your mailing address are kept current with the Administrative Office of the Plan.

# Types of Retirement

- Early Retirement – Age 55  
Plan's *Termination of Employment* provision
- Normal Retirement – Age 62
- Disability Retirement  
(Permanent and Total Disability; Social Security Disability Award is required)
- Death Benefit  
Should you pass away prior to receipt of all funds from your Plan account (pre or post retirement).

# Retirement Distribution Options

- Leave your Account Balance in the Plan. The IRS does not require you to begin taking a distribution until you reach age 73.
- Cash Distribution – full or partial
- Full Flexibility Option (FFO) which allows you to receive a scheduled series of withdrawals until your account balance equals zero
- Direct Rollover to another qualified pension plan or IRA of your choice
- One of 11 fixed income annuity options available
- A combination of the above



# Retirement Distribution Options

## Income Tax Withholding

- If you select any form of direct payment (instead of rolling over your account balance to another qualified pension plan or IRA), a mandatory 20% federal income tax is required to be withheld from the payment.
- A mandatory state income tax will also be withheld if required by the state in which you reside.
  - California has a mandatory withholding of 2%
- If you are under age 59½, the IRS may assess an additional 10% early withdrawal penalty. You may elect to have this penalty withheld from your benefit payment. This penalty does not apply if you have “separated from service” during or after the calendar year you turned age 55.

# Full Flexibility Option (FFO)

- The Full Flexibility Option (FFO) allows you to receive a scheduled series of withdrawals until your account balance equals zero.
  - You choose the amount of your withdrawal
  - You choose when it starts
  - You choose the frequency of the payments
- You may change the amount of your withdrawal at any time. Your scheduled payments must equal at least \$1,000 annually. Requests to change your payment amount or payment schedule must be made in writing on forms provided by the Plan.
- If you die before you receive your entire account balance, your beneficiary receives the remaining amount.
- In addition, you may elect to take non-scheduled payments under the FFO option. Requests for non-scheduled distributions must be made in writing on forms provided by the Plan.

# Full Flexibility Option (FFO)

You can choose one of the following FFO payment amount options:

- Fixed amount;
- Percent of your account balance;
- Substantially equal payments over 10 or more years;
- Substantially equal payments over your life expectancy, which is determined from IRS life expectancy tables;
- Substantially equal payments over joint life expectancy of you and your co-annuitant, which are determined from IRS life expectancy tables;
- Required Minimum Distribution – cannot be elected until you reach age 73 or older and have separated from service / retired.

# Full Flexibility Option (FFO)

## Miscellaneous Information:

- You may start or stop payments at any time.
- You may request to change the payment amounts.
- You may stop the Full Flexibility Option (FFO) and use the remaining funds to purchase an annuity without being subject to surrender charges.
- Change requests must be made in writing on forms provided by the Plan.

# Sample Fixed Income Annuity Proposals

Sample Fixed Income Annuity Proposals  
Showing Estimated Monthly Income You Could Receive  
From the Plan's Fixed Income Annuity Options

Annuities offered by  
Principal Life Insurance Company, Des Moines, Iowa

Your Individual Proposal Will Vary  
Based Upon Your Individual Account Balance.

For an individualized quote, please contact the Plan's  
Administrative Office or Principal.

# Sample Fixed Income Annuity Proposals

These sample annuity benefits assume:

- Participant is male born in 1962 (age 63).
- Co-annuitant is female born in 1964 (age 61). (Applies only to survivorship option(s)).
- Participant's account value is approximately \$219,724.03.
- Rates used to provide these benefit estimates were those in effect January 1, 2025.

Annuity Retirement Income Choices	Estimated Monthly Income
<p data-bbox="150 789 852 825"><b><u>Single Life Annuity (Straight Life Annuity)</u></b></p> <ul data-bbox="150 846 813 918" style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• No further benefits are payable after you die.</li></ul>	<p data-bbox="1534 789 1696 825"><b>\$1,490.90</b></p>
<p data-bbox="150 981 877 1016"><b><u>Single Life Annuity with Installment Refund</u></b></p> <ul data-bbox="150 1038 1387 1145" style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• If you die before receiving the full purchase price, monthly payments continue to your beneficiary until the purchase price is paid out.</li></ul>	<p data-bbox="1534 981 1696 1016"><b>\$1,414.71</b></p>

# Sample Fixed Income Annuity Proposals

- continued -

Annuity Retirement Income Choices – continued	Estimated Monthly Income
<p><b><u>100% Joint and Survivor Annuity (Full Survivorship)</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• When you die, your co-annuitant receives the same monthly benefit.</li><li>• When your co-annuitant dies, no further benefits are paid.</li></ul>	<b>\$1,234.47</b>
<p><b><u>100% Joint and Survivor Annuity (Full Survivorship) with Installment Refund</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• When you die, your co-annuitant receives the same monthly benefit.</li><li>• If any of the full purchase price remains when your co-annuitant dies, monthly benefits payments continue to the beneficiary until the full purchase price is paid out.</li></ul>	<b>\$1,229.26</b>
<p><b><u>50% Joint and Survivor Annuity (One-half Survivorship)</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• When you die, your co-annuitant receives 50% of the amount of your monthly benefit.</li><li>• If any of the full purchase price remains when your co-annuitant dies, monthly benefits payments continue to the beneficiary until the full purchase price is paid out.</li></ul>	<b>\$1,344.08</b>

# Sample Fixed Income Annuity Proposals

- continued -

Annuity Retirement Income Choices - continued	Estimated Monthly Income
<p><b><u>Life Annuity with 10-Year Certain Period</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• If you die before 10 years, your beneficiary continues to receive payments for the remainder of the 10-year period or can receive the remaining benefit in one cash payment.</li><li>• If you die after 10 years, no further benefits are paid.</li></ul>	<b>\$1,444.44</b>
<p><b><u>Life Annuity with 15-Year Certain Period</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• If you die before 15 years, your beneficiary continues to receive payments for the remainder of the 15-year period or can receive the remaining benefit in one cash payment.</li><li>• If you die after 15 years, no further benefits are paid.</li></ul>	<b>\$1,391.44</b>
<p><b><u>Life Annuity with 20-Year Certain Period</u></b></p> <ul style="list-style-type: none"><li>• You receive a monthly income for life.</li><li>• If you die before 20 years, your beneficiary continues to receive payments for the remainder of the 20-year period or can receive the remaining benefit in one cash payment.</li><li>• If you die after 20 years, no further benefits are paid.</li></ul>	<b>\$1,324.24</b>



# Frequently Asked Questions - FAQ's

**Q - Am I immediately vested in the Plan?**

A - Yes; the Plan provides for 100% immediate vesting of all employer contributions to your individual account.

**Q - Are loans or hardship withdrawals available from the Plan?**

A - No, the Plan does not offer loans or hardship withdrawals.

**Q - If I am disabled prior to my retirement age, am I eligible for a distribution of my funds from the Plan?**

A - Yes, in the event a participant is permanently and totally disabled, they will qualify for a distribution from the Plan. (Social Security Disability Award is required to waive early withdrawal penalty.)

# Frequently Asked Questions - FAQ's

**Q - What is the age for early retirement under the Plan?**

A - The early retirement date for a participant shall mean the first day of any month following the participant's 55th birthday, if the participant has terminated employment (as that term is defined by the Plan).

**Q - What is the normal retirement date under the Plan?**

A - The normal retirement date for a participant is the first day of the month coinciding or immediately following the participant's 62nd birthday.

**Q - If I die prior to retirement, what happens to my funds?**

A - Your designated beneficiary(ies) will be entitled to the full value of your account. It is VERY important to designate a beneficiary and to review your beneficiary information periodically to make sure it is correct and current.

# Frequently Asked Questions - FAQ's

**Q - What are my retirement distribution options within the Plan?**

A - You may leave your account balance in the Plan for now or elect one or a combination of several distribution options as follows:

- 1) Receive a single lump sum or a partial cash distribution;
- 2) Select the Full Flexibility Option (FFO);
- 3) Select one of 11 Fixed Income Annuity benefit options available;
- 4) Select a Direct Rollover to another qualified pension plan or IRA of your choice.
- 5) Or a combination of the above.

**Q - Are the benefits I receive at retirement taxable income?**

A - Yes, the employer contributions made on your behalf are taxable as income at distribution.

# Resource / Information Contacts

## Plan Administrative Office

**William C. Earhart Company, Inc.**  
P.O. Box 4148  
Portland, OR 97208-4148

**Telephone: (503) 460-5276**  
**Toll Free: 1-877-396-5876**  
**Facsimile: (503) 284-9386**

### **The Plan Administrative Office can assist you with –**

#### **General information about the Plan, including:**

- Answers to frequently asked questions
- Current account value
- Available investment options
  - Current investment performance info
- Employer contribution history reports
- Reciprocity to or from the plan
- Eligibility to receive a distribution of funds
- Effect of a divorce or marriage on benefits
  - Qualified Domestic Relations Orders
  - Model Qualified Domestic Relations Order

#### **Forms and materials needed to facilitate:**

- Enrollment
  - Enrollment forms
- Address changes
- Beneficiary designations
  - Beneficiary Designation form
  - Change of Designated Beneficiary
- Retirement benefit options and estimates
  - Request for retirement benefits
  - Annuity Distribution application forms
  - Cash Distribution application forms
  - Direct Rollover application forms
- Assistance in completing forms
- Instructions for accessing account and information via Principal Financial Group's website or toll-free phone system

# Resource / Information Contacts

## Plan Investment Platform Manager / Recordkeeper

**Principal Financial Group**  
P.O. Box 9394  
Des Moines, IA 50306-9394

**Telephone: 1-800-547-7754**  
**Website: [www.principal.com](http://www.principal.com)**  
**Plan Account / Contract #: 354801**

**The Principal Financial Group can help you:**

- View or listen to daily account values
- Change your investment direction for current account or future contributions
- Investment account options offered by the Plan
- Access your account and information online
- Obtain your on-line account statement
- Obtain investment performance information
- View tips to help find the investment risk that's right for you
- Obtain Fixed Income Annuity Benefit Estimates
- Obtain Benefit Estimates under the Plan's Full Flexibility Option (FFO)
- Obtain general tax information in regard to Distribution of Benefits

# Final Thoughts

- There are 5 important factors to take into consideration when planning for retirement:
  - ⇒ Taxes
  - ⇒ Inflation
  - ⇒ Interest Rates
  - ⇒ Longevity
  - ⇒ Health Care Costs
- To be proactive in planning for retirement, you need a road map to guide you.
- You should seek out the assistance of a qualified, “fee only” financial planner / advisor to coach you to and through retirement, with the goal to design a withdrawal strategy to minimize taxes.
- There are many types of financial planners / advisors. A “Certified Financial Planner” (CFP) is preferable. Individuals with this designation hold themselves to a fiduciary standard. You can locate a CFP in your area by going online to the CFP website: [letsmakeaplan.org](https://www.letsmakeaplan.org).