**LEVEL INCOME OPTION**

The Level Income Option increases your monthly benefit from the Plan until you reach the age at which you expect to receive your Social Security retirement benefit. Once you reach that age and begin receiving Social Security retirement benefits, your monthly benefit from the Plan decreases, keeping your combined monthly retirement income level.

To qualify for this option, you must:

- Be at least age 60;
- Have at least ¼ year of pension credit in the year you retire or in the two years immediately preceding; and
- Retire on a Regular, Unreduced Early Retirement or Early Retirement Pension (or a Partial or Limited Pension if you are independently Vested in this Plan).

If you want your pension paid under the Level Income Option, you must complete the appropriate forms at the time you apply for your pension benefit. In addition, you must contact the nearest area office of the Social Security Administration to get an estimate of your benefits at age 62, 65, 66, or 67, depending on the age you expect to receive Social Security retirement benefits.

To provide an estimate, the Social Security Administration will need to know your Social Security number and your current earnings. You must send a copy of the Social Security Administration estimate to the Retirement Benefits Department. The Board of Trustees will rely on the estimate reported by the Social Security Administration in determining your payments under this option.

Once payment under the Level Income Option is approved by the Board of Trustees, **there will be no changes in the amount of the monthly benefit paid by the Plan, regardless of the amount actually paid by Social Security.**

Payment of the Level Income Option is subject to the following conditions:

- If you elect the Level Income Option, you must do so before the approval of your pension application by the Trustees. Thereafter, you may not elect a Level Income Option, even following subsequent reemployment.
- Once the Level Income Option is approved by the Board of Trustees and payment commences, it cannot be revoked.
- If the adjustment for the Level Income Option would reduce the monthly amount payable after age 62, 65, 66, or 67 to less than $25 a month, it will not become effective.
- You may **not** elect the Level Income Option along with the Partial Lump Sum Payment Option.
- The Level Income portion of payments under this form ends upon your death, with no continuation of payments to a beneficiary, unless you are receiving a pension under one of the Qualified Joint and Survivor Annuity forms of payment with the Level Income Option.
**Example: Level Income Option**

Jim, an unmarried participant, retires on June 1, 2016 at age 60 with 35 Years of Pension Credit. Jim is entitled to an Unreduced Early Pension under the Single Life Annuity with a 60 Certain Guarantee form of payment of $3,080 per month (35 Years of Pension Credit x $88 benefit accrual rate) for his lifetime. Jim plans to begin receiving a Social Security benefit at age 62, which is estimated to be $1,000 per month.

To calculate Jim’s pension benefit under the Level Income Option, Jim’s $1,000 estimated Social Security benefit is multiplied by the corresponding actuarial factor* of 0.8686. The resulting amount of $868.60 ($1,000 x 0.8686) is added to $3,080 for a total of $3,949.00, which is the monthly benefit Jim will receive from the Pension Fund until he reaches age 62.

When Jim reaches age 62, his benefit from the Pension Fund will decrease to $2,949.00 per month ($3,949.00 monthly pension benefit before age 62 minus $1,000 Social Security benefit). However, when combined with his monthly $1,000 Social Security benefit, his combined monthly retirement income will stay the same (level), as shown in the following chart:

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Pension Fund benefit</td>
<td>$3,949.00</td>
</tr>
<tr>
<td>Monthly Social Security benefit</td>
<td>0</td>
</tr>
<tr>
<td>Combined monthly retirement income</td>
<td>$3,949.00</td>
</tr>
</tbody>
</table>

*Level Income Option payments are based on factors determined by the Fund’s actuary. These factors change periodically, usually on July 1 of each year (and at other times as mandated by federal regulations). This example uses a factor which was effective for pensions beginning July 1, 2015 through June 30, 2016.*