



Changes to the Pre-retirement Death Benefit

The Fund's administration of a Pre-retirement Death Benefit¹ will change for beneficiaries of participants who die on or after January 1, 2009. The new procedures will provide beneficiaries with more time to apply for death benefits without affecting the benefit amount.

As you know, the amount of the Pre-retirement Death Benefit depends on your age at your date of death.

- If you are 55 or older at your death, your opposite-sex spouse or other beneficiary will receive the same monthly benefit that he or she would have received if, instead of dying, you began to receive a 50% Joint and Survivor Annuity with your opposite-sex spouse or other beneficiary as your joint annuitant, and died the next day.
- If you are younger than 55 at your death, your opposite-sex spouse or other beneficiary will receive a monthly benefit based on the benefit that he or she would have received if, instead of dying, you began to receive a 50% Joint and Survivor Annuity at age 55 with your opposite-sex spouse or other beneficiary as joint annuitant, and died the next day, actuarially reduced to account for commencement before you would have reached age 55.

If your beneficiary applies for the death benefit in time for it to begin to be paid within 6 months after the first day of the month following your death, it will be paid retroactive to that date. This means that your beneficiary's first payment will include an amount equal to the additional monthly payments that he or she would have received if payments had begun on the first day of the month following your death. Any actuarial adjustment to the benefit will be based on the age (in whole years) you would have attained as of the first of the month following your death.

If your beneficiary does not apply for the death benefit in time for it to begin to be paid within 6 months after the first day of the month following your death, no retroactive payment will be made. Instead, the benefit may be actuarially adjusted to account for the age you would have reached (in whole years) as of the benefit commencement date, rather than the date of death. Thus, the benefit will be adjusted only if you would have turned another year older between the date of death and the date the benefit commences.

Your beneficiary needs to remember that Pre-retirement Death Benefits are only paid after the Fund has received a complete application. Specifically, if the application (and all required accompanying documentation) is submitted by the 15th day of any month, the benefit will begin on the first of the following month. If the application is submitted after the 15th day of the month, the benefit will begin on the first day of the second following month. The Pre-retirement Death Benefit application is available at afm-epf.org/forms.cfm or by contacting the Fund Office at 1-800-833-8065 extension 1311.

¹ A Pre-retirement Death Benefit is a benefit that may be payable if you die: 1- after you are vested in your pension benefit and before your initial pension begins, or 2- after your initial pension benefit begins, but before your normal retirement age (generally age 65). In this case the Pre-retirement Death Benefit will be based only on the pension benefits that have not yet begun to be paid to you – that is, those benefits you earn *after* your initial pension benefit begins.

There will be no change to the following existing rules concerning the Pre-retirement Death Benefit:

- *Naming your beneficiary.* You may designate up to 3 individuals (or if greater, the number of your natural children or children placed for adoption) as primary beneficiaries, and up to an additional 3 individuals as alternate beneficiaries (or if greater, the number of your natural children or children placed for adoption), to share in your Pre-retirement Death Benefit. Alternate beneficiaries will receive the benefit only if all primary beneficiaries are deceased when benefits become payable. A trust or an estate cannot be designated as a beneficiary. If you want to name a minor child as a beneficiary, special rules apply.
- *Surviving spouse is automatic beneficiary.* If you are legally married to an opposite-sex spouse on the date of your death, your spouse will automatically be your sole beneficiary even if you designated a different primary beneficiary(ies) on the Fund's beneficiary form. If you are legally married to a same-sex spouse on the date of your death, your spouse will be your sole beneficiary only if there are no living primary or alternate beneficiaries or if the Fund Office does not have a complete beneficiary form for you on file.
- *No benefit is paid if no beneficiary form is on file.* If the Fund Office does not have a complete beneficiary form for you on file (or there is no living primary or alternate designated beneficiary) on the date of your death, no Pre-retirement Death Benefit will be payable unless you have a surviving spouse as described in the paragraph above.

The Pre-retirement Death Benefit Beneficiary Designation Form is available at www.afm-epf.org/Docs/BeneficiaryForm%20FILLABLE.pdf or by contacting the Fund Office at 1-800-833-8065 extension 1311.

This information is a “summary of material modifications” to your 2005 Summary Plan Description (“SPD”) and modifies the information in the SPD. Please keep it with your SPD for future reference.