

Did You Know?

If You Retire Early, You Must Intend to Stop Working

Don't let this happen to you...

You apply to start your American Federation of Musicians and Employers' Pension Fund (AFM-EPF) benefit. You have a retirement party, say your goodbyes, and begin receiving your pension on April 1. In May, you get a call: "Can you fill in? We'll pay you." It's not your former employer, it would help the community, and you're getting a bit bored. You take the job. You don't stop to ask if the organization contributes to AFM-EPF. Then, you receive a Fund Office notice. Your pension benefit is being terminated and you have to pay back seven months' of payments. Plus, you have to re-apply to re-start your benefits – and that will take time. It's a huge hassle and a financial strain. All for one job.

If You Start Your Benefit Before Age 65, You Must Intend to [Stop Working](#)

The purpose of a pension plan is to provide retirement security through income replacement in retirement – not to be paid while you continue to work. In fact, most multiemployer pension plans suspend (stop) benefits of those who return to work after they begin receiving pension benefits. The AFM-EPF in general does not, but if you want to start benefits before age 65, [certain rules](#) apply to verify you are eligible for early retirement from the Plan (see the section below).

To begin your AFM-EPF benefit before age 65, you must meet all these requirements:

- You are at least age 55
- You are 100% vested in your benefit, and
- You retire from all employment with all employers contributing to the Plan.

The first two are straightforward. However, the requirement to retire from all employment with contributing employers is sometimes misunderstood.

How the Plan Determines That You've Retired

To be eligible for early retirement, you must have no intention or expectation to do *any kind of work* in the future for any employer that contributes to the Plan. As part of your pension application, you'll have to certify this in writing. Six months following the Pension Effective Date, the Plan will look back at the first two months after your benefit began to confirm you've met this requirement. If you do perform work of any kind (covered or not covered) for a contributing employer within that period, your early retirement will *not* be considered valid. If that happens you would need to repay any pension payments made to you and apply again in the future.

Important aspects of the Plan's rules:

1. If at your Pension Effective Date you have already scheduled any future work, *even if it's beyond these two months*, you're considered to intend or expect to return to work, and you will *not* be considered retired.
2. If you retire from steady employment with an employer that has seasonal breaks (such as a symphony), even if you are a sub or extra, six months following your Pension Effective Date, the Plan will look back at not only the first two months after your benefit began but *also the two months at the beginning of your employer's next season*. If you perform work of any kind for a contributing employer during either period, your early retirement is not considered valid.

This is only a summary of the rules. For more detailed information, please review the Plan's [early retirement procedures](#) at www.afm-epf.org.