



JOINT AND 50% SURVIVING SPOUSE OPTION ELECTION FORM

We have read the summarized information on the Joint and 50% Surviving Spouse Option appearing on the back of this page and understand its financial effect on any benefits we may be entitled to receive from the Central States, Southeast and Southwest Areas Pension Fund.

Participant's Name: _____

Participant's Social Security Number: _____ Date of Birth: _____

Spouse's Name (including Maiden, if applicable): _____

Spouse's Social Security Number: _____ Date of Birth: _____

NO, WE DO NOT WANT the Joint and 50% Surviving Spouse Coverage and understand the financial effect of declining this coverage (as explained on the back of this form).

NOTE: To decline the Joint and 50% Surviving Spouse Coverage, both the Participant and Spouse must sign this section in the presence of a Notary Public and each signature must be notarized no earlier than 90 days prior to the applicant's retirement date. If this form is notarized more than 90 days prior to the applicant's retirement date, or if it is not properly notarized, it cannot be accepted and you will be asked to complete a new form.

Participant's Signature Date Spouse's Signature Date

Subscribed and sworn to before me: Subscribed and sworn to before me:

Notary's Signature Date Notary's Signature Date

YES, WE WANT the Joint and 50% Surviving Spouse Coverage. We understand that my pension benefit will be reduced to provide my surviving spouse with a lifetime benefit. After my death, my surviving spouse will receive a lifetime benefit equal to 50% of my monthly benefit.

Please attach copies of your spouse's birth certificate and your marriage certificate (if not already sent) and sign the form below.

Participant's Signature: _____

Spouse's Signature: _____

Date: _____

REMINDER: This form should be completed, notarized and returned to the Pension Fund no earlier than 90 days before the applicant's retirement date.

Central States, Southeast and
Southwest Areas Pension Fund
P.O. Box 5109
Des Plaines, IL 60017-5109

JOINT AND 50% SURVIVING SPOUSE OPTION INFORMATION

WHY IS THIS INFORMATION IMPORTANT TO ME?

The Joint and 50% Surviving Spouse Option (JSO) is a form of payment under which your surviving spouse will receive a lifetime monthly benefit from Central States Pension Fund after your death.

Central States is required by law to make JSO coverage available when calculating your retirement benefit. However, if both you and your spouse agree, you can elect to decline the JSO coverage. The period of time during which you and your spouse are eligible to make the decision on whether to take JSO coverage is called your "election period". **After the "election period" expires, you cannot change your decision about how you want your benefit paid.** It is most important, therefore, to understand JSO coverage and its direct effect on you and your spouse. Because of the additional cost to the Fund for providing this lifetime benefit for your surviving spouse, if you choose this option, your benefit is reduced as outlined below.

IF WE CHOOSE THIS OPTION, HOW MUCH WILL MY SPOUSE RECEIVE WHEN I DIE?

If you receive your benefit with the JSO coverage, after your death your spouse will receive 50% of your monthly benefit for life.

HOW MUCH WILL MY BENEFIT BE REDUCED TO PROVIDE FOR THIS OPTION?

Your benefit will be reduced based on the difference in age between you and your spouse as follows:

<u>If you are OLDER than your spouse:</u>		<u>If you are YOUNGER than your spouse:</u>	
<u>Age Difference in Years</u>	<u>Percentage of Benefit Payable</u>	<u>Age Difference in Years</u>	<u>Percentage of Benefit Payable</u>
0 - 10	85%	0 - 10	85%
11	84%	11	87%
12	83%	12	89%
13	82%	13	91%
14	81%	14	93%
15	80%	15 or more	95%
16	79%		
17	78%		
18	77%		
19	76%		
20 or more	75%		

Example: John is age 60 and qualified for a \$1000 monthly pension. His wife Mary is age 55. If John elects JSO coverage, he would receive \$850 per month (\$1000 multiplied by .85). Upon John's death, Mary will receive \$425 per month for the rest of her life.

IF WE DECLINE THE JSO COVERAGE, ARE THERE ANY DEATH BENEFITS PAYABLE?

If you do not elect the JSO coverage and are receiving a retirement pension **other than a Vested Pension or Contribution-Based Pension**, your surviving spouse (or other eligible survivor) would be eligible for a death benefit determined by your Benefit Class at the time you retire.

- If you retire under Benefit Class 1 through 3, a \$1000 death benefit is payable regardless of how long you have been receiving a pension benefit. Also, if your spouse dies first you would receive a \$500 death benefit.
- If you retire under Benefit Class 4 or higher and you die before receiving 60 months of benefits, your surviving spouse would receive a monthly benefit equal to your monthly benefit for the remainder of the first 60 months. There are no survivor benefits or death benefits payable after 60 months.

If you are receiving a Vested or Contribution Based Pension and do not elect the JSO coverage, no death benefit or surviving spouse benefit is payable.

WHAT IS OUR "ELECTION PERIOD" TO DECIDE IF WE WANT THE JSO COVERAGE?

The election period starts 90 days prior to the date you retire and extends until the 90th day after the date you begin to receive payment of your retirement pension benefit. During the "election period" you can change your mind as often as you like. Just write the Central States Pension Fund at: P.O. Box 5109, Des Plaines, IL 60017-5109. If you decide to change your election to decline the JSO coverage, both you and your spouse must sign the statement and both signatures must be notarized.

WHAT HAPPENS IF MY SPOUSE DIES FIRST?

If you choose this option and your spouse (or divorced spouse) dies before you, your reduced monthly benefit can generally be restored to the amount you would have received if you had not taken the JSO. Send us a copy of the death certificate of your spouse and include a letter telling us that you wish to have your reduced monthly benefit increased under the "restoration" feature. Please include your Social Security Number on the letter.

WHAT IF I TAKE THE JSO AND WE GET DIVORCED?

Once your "election period" is over, you cannot change back to a full benefit even if you get divorced. You would continue to receive a reduced JSO benefit. However, should your divorced spouse die before you, you would generally be eligible for a benefit increase under the "restoration" feature.

WHAT IF I GET DIVORCED AND MARRY AGAIN?

JSO coverage is only applicable to the spouse to whom you are legally married at the time your JSO benefit begins. A JSO benefit is not payable to a spouse whom you marry after you retire.

IF MY SPOUSE REMARRIED AFTER MY DEATH, DOES THE BENEFIT HE OR SHE RECEIVES AS A RESULT OF THE JSO COVERAGE STOP?

No, your spouse would receive the benefit for life.