

IMPORTANT!



PLANNING FOR

Retirement

If you have 20 years Service Credit as of January 1, 2006, you may qualify for a **MINIMUM VALUE GUARANTEE**

What is it? A Minimum Value Guarantee is paid in addition to your monthly pension, and increases the total income you receive from the Church during retirement. It is meant to replace the value of the phased-out Spouse Allowance for eligible employees. To determine the value of a Minimum Value Guarantee, the Church subtracts the value of your pension under the new plan rules (which includes a number of enhanced features) from the value of your pension plus Spouse Allowance under the old plan rules. The resulting difference represents the additional guarantee you may receive, provided you meet all of the qualifications when you retire.

Why 20 years? The cutoff point for qualifying for a Minimum Value Guarantee is 20 years Service Credit as of January 1, 2006. The Church did not want to disadvantage employees who already had enough Service Credit to qualify for the phased-out Spouse Allowance, so this point was chosen.

What are the criteria? To receive a Minimum Value Guarantee, you must meet all of the following criteria when you retire:

- You have at least 20 years Service Credit (or your age plus Service Credit totals 70 points) on January 1, 2006.
- You are married for at least one year before retirement.
- Your spouse does not receive retirement income from an employer.

If your spouse receives retirement income from an employer, you may still qualify for a Minimum Value Guarantee, though the amount will be lower.

If your spouse is more than five years younger than you, your Minimum Value Guarantee will also be lower.

What do I receive when I retire? If you do not meet the criteria to receive the Minimum Value Guarantee, you receive your pension based on all new plan rules.

If you meet criteria to receive a Minimum Value Guarantee, then the benefits you receive will depend on when you choose to retire. In this case, if you retire before January 1, 2011 in addition to your monthly pension, you may receive a Minimum Value Guarantee, but no indexing. If, instead, you retire after January 1, 2011, you will receive a monthly pension with indexing, plus a slightly lower Minimum Value Guarantee.

In all cases, you receive the same overall value.

For more information about the Minimum Value Guarantee and/or the pension plan, please contact the Retirement Department.