



HRD-BEN-2012-0102

To: SRNS and SRR Incumbent Employees (Pension Plan Participants)

From: SRNS Benefits Administration

Re: Removal of the Restricted Income Leveling Option for Employees beginning their Pension Benefit on or after November 1, 2012

Date: September 19, 2012

The SRNS, LLC Multiple Employer Pension Plan has removed the restriction on Income Leveling Option for employees retiring on or after November 1, 2012. The funding level of the Plan has been updated based on current requirements and the Plan has been certified to be funded at 81% for Plan Year 2012. The 81% funding level permits us to remove the benefit restrictions on the Income Leveling Option. Employees retiring and beginning their pension benefits on or after November 1, 2012 and prior to the next scheduled certification date of March 31, 2013 will **NOT** be subject to the restriction on benefits under the Plan.

Employees electing to retire and begin their pension benefit anytime between now and March 1, 2013 will not be subject to restricted benefits. This would include employees retiring and beginning their pension benefit prior to April 1, 2013 under any present or future Workforce restructuring programs announced by either SRNS or SRR. The valuation of the Plan funding level as of March 31, 2013 will determine if there are any future restrictions on the Income Leveling Option for those beginning pension benefits as of March 1, 2013 and later.) **The OnPoint Pension Estimator Tool has been updated to reflect the lifting of the income leveling restriction. You should run an updated pension estimate in OnPoint if you are considering retiring in the near future.**

The Income Leveling Option is an optional form of pension payment available to employees retiring under the Early, Normal or Optional provision of the Plan. Under this option, the monthly benefit amount under the Pension Plan is adjusted actuarially to provide for a larger monthly benefit prior to age 62 and a smaller monthly benefit beginning at age 62.

The general effect of the Income Leveling Restriction for some employees resulted in a decrease in the monthly benefit prior to age 62, with an increase in the monthly benefit beginning at age 62.

If you have any questions, please contact the Benefits Solutions Service Center at service-center@srs.gov, (803) 725-7772 or (800) 368-7333.