

Enhanced Benefit



Share Account Enrollment
ATU Local 1596 Pension Plan



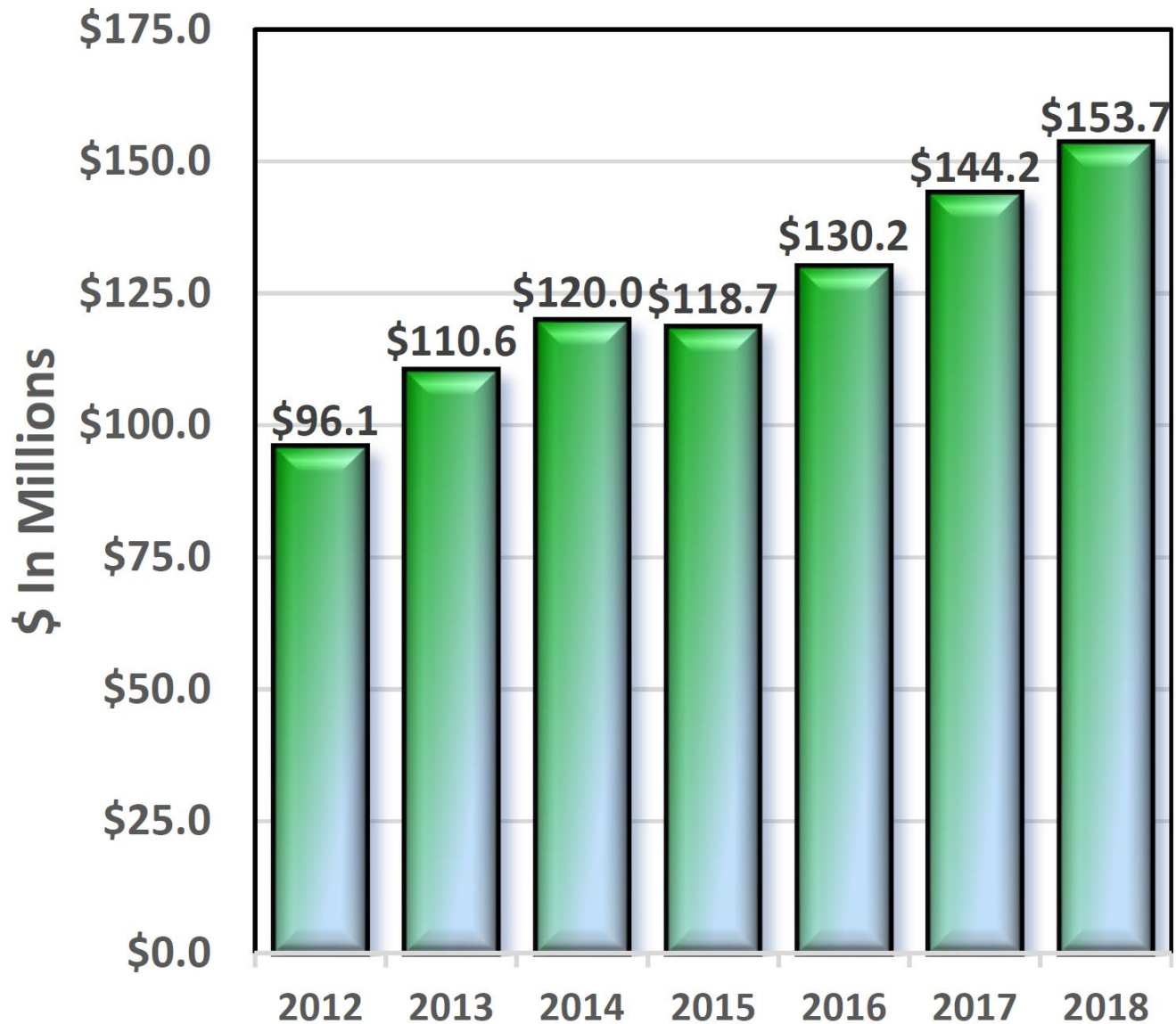
Defined Benefit Pension Plan



THE RESOURCE CENTERS

*How are we
doing?
(Plan Update)*

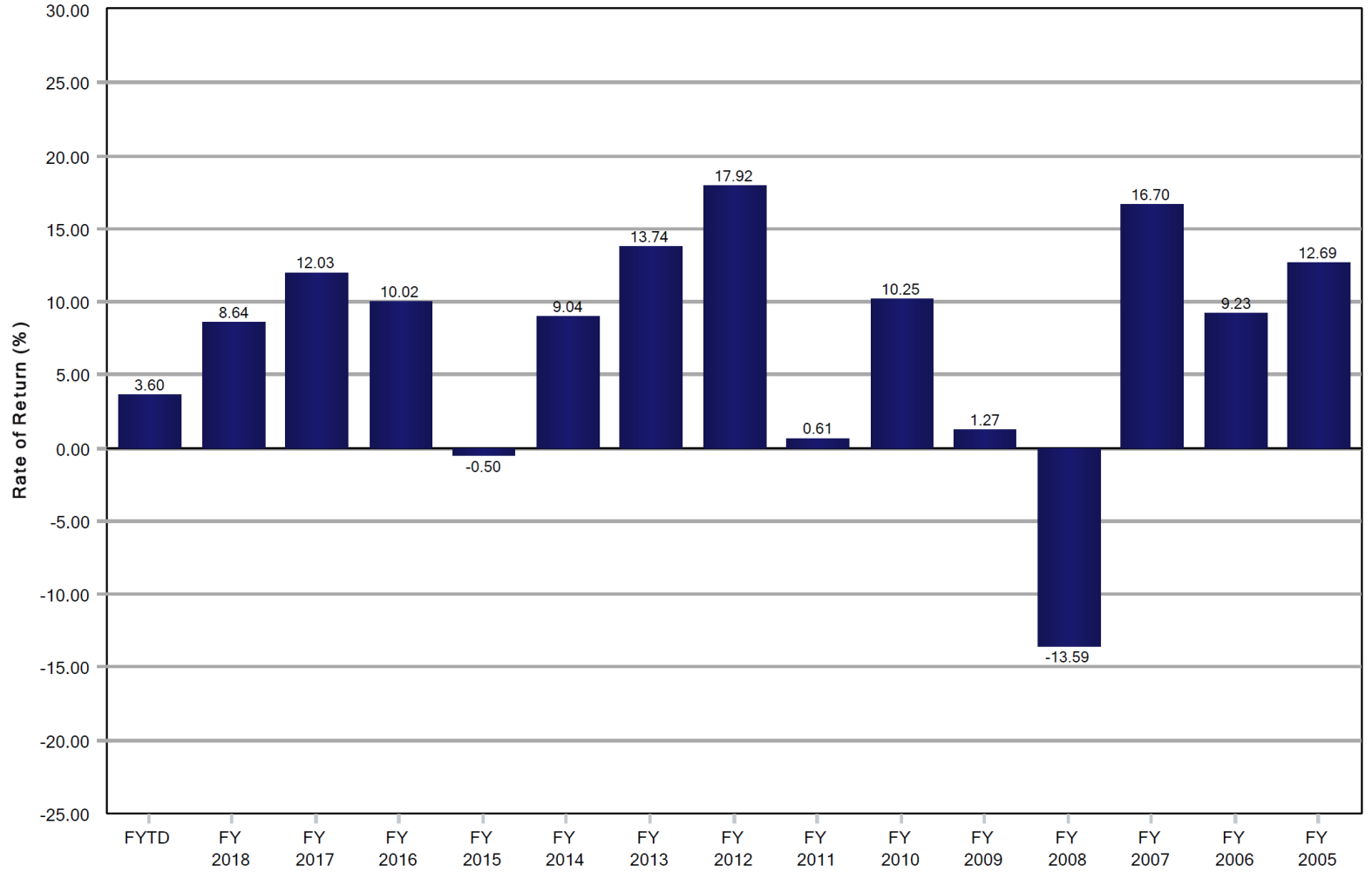
Plan Assets



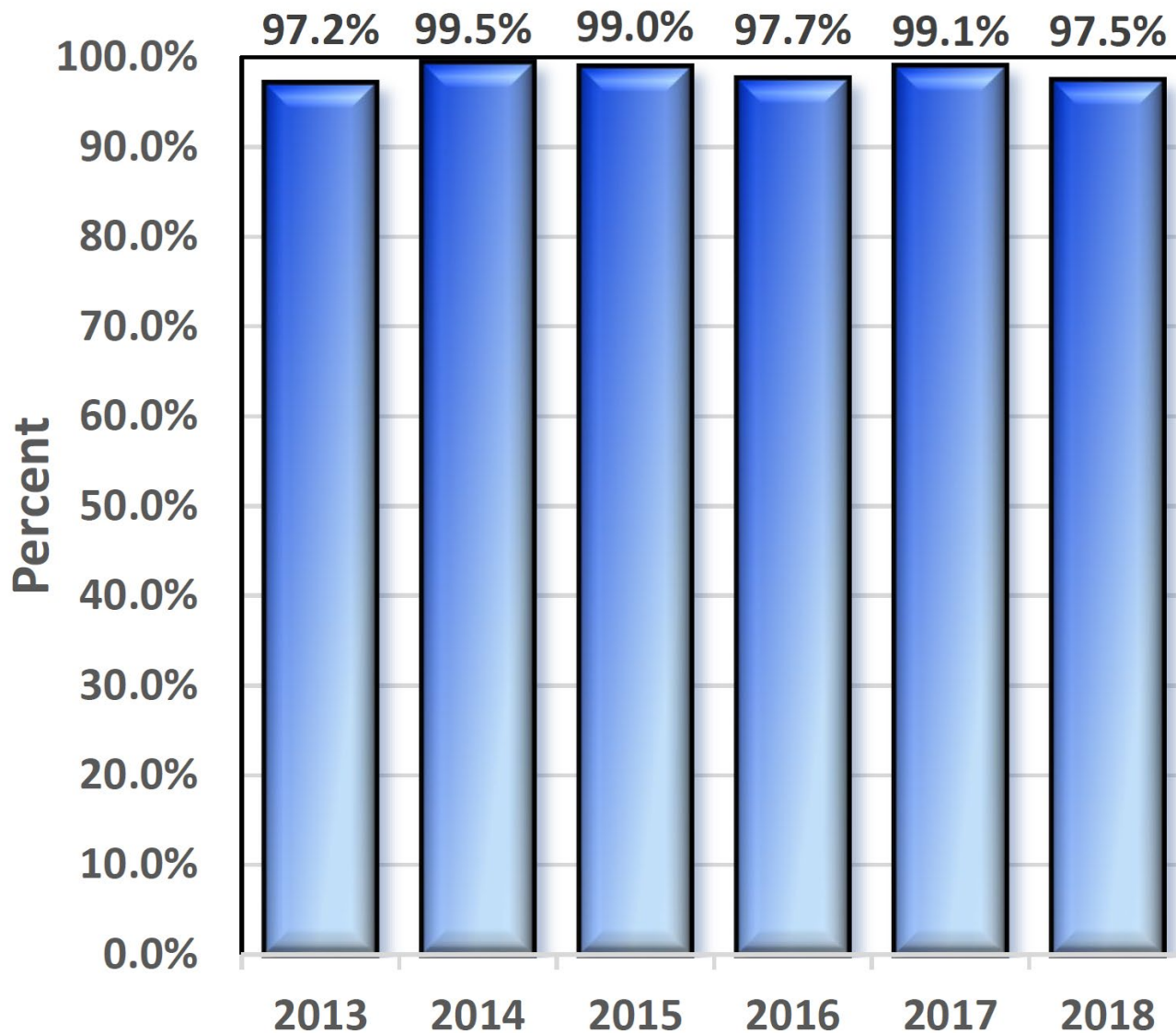
The **Total Assets** owned by the Plan. The Plan is 97.5% funded with total assets of \$153.7 Million.

Plan Performance

Amalgamated Transit Union Local 1596 Pension Fund
Fiscal Year Rates of Return
June 30, 2019



Plan Funded Ratio



The **Funded Ratio** notes the percentage of the Plan liabilities covered by the Plan assets. The **Funded Ratio** remains consistently near 100%.



Pension Benefit



Eligibility for Retirement

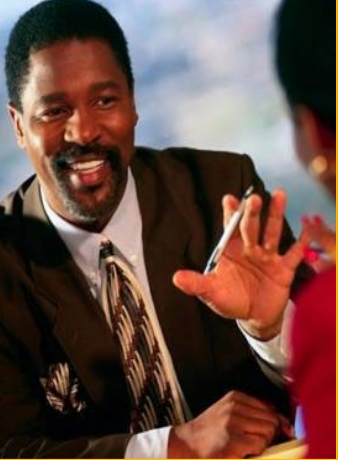
- *Normal retirement*
 - Age 62 with any amount of benefit credits
 - Age 58 with 20 years of vesting service
- *Early retirement*
 - Age 55 with 10 years of vesting service and 10 benefit credits
 - For members with 20 years of vesting service, benefit reduced 5/9% for each month retirement precedes age 58
 - For members with less than 20 years of vesting service, benefit reduced 5/9% for each month retirement precedes age 62
- *Vested deferred benefit payable at normal retirement date based on vesting percentage*

Benefit Formula

- *Pension Formula:*

*(Average of Highest 5 Years of Salary) x
(Benefit Credits) x 2.13%*

- *Maximum benefit cannot exceed 100% of final average salary*
- *Benefit always paid for life of member*
- *Optional forms of benefit available to provide survivor income to spouse or beneficiary*





Enhanced Benefit

- *Increase multiplier by 0.25% or 0.5%*
- *Member contributions additional 2.5% or 5.0% of payroll (7.82% or 10.32% Recommended as of October 1, 2019)*
- *Enrollment effective on October 1 each year*
- *Cannot change or revoke election for Enhanced Benefit*

DROP Plan

- *Participant must be eligible for retirement*
- *Retirement benefit paid into account while participant continues to work*
- *Maximum participation for five years, up to 10 years from Retirement Date*
- *Member receives quarterly statements*





Share Accounts



Share Accounts

- *Member contributions 3% or 6% of payroll*
 - Member contributions immediately vested
 - Contributions invested with plan assets
 - Interest credited at net investment return for plan
- *Quarterly statements*
- *Enrollment effective on October 1 each year*
- *Member can increase or decrease contribution each year*

Share Account Performance

Year ending Sep. 30	Investment Return*	Year ending Sep. 30	Investment Return*
2009	1.27%	2014	9.04%
2010	10.25%	2015	-0.50%
2011	0.61%	2016	10.02%
2012	17.92%	2017	11.60%
2013	13.74%	2018	8.60%

** The Pension Plan invests assets for the long-term to obtain the greatest return with the least risk. Actual returns vary from year to year, and past performance does not guarantee future results.*



Share Account Withdrawals

- *Distribution Options*
 - Lump Sum Distribution
 - Partial Distribution
 - Systematic Withdrawals
 - NO Distributions until pension starts
- *10% IRS Penalty + Income Tax for Early Distributions*
- *Rollovers to Deferred Comp or IRA Accounts*