



Benefit Accruals for Working Retirees under a Waiver the Suspension of Benefits Rule

When retirees return to work under a waiver of the suspension of benefits rule, they continue to receive monthly benefit payments while earning a paycheck and accruing additional benefits under the pension plan.

The pension plan may opt to offset additional benefit accruals by the actuarial value of benefits received while working. Below are examples for two different participants who returned to work. Each example shows their new monthly benefit amount both with an offset for benefit payments received and without an offset.

Participant A	
(a) Participant's age at initial retirement	72
(b) Spouse's age at initial retirement	70
(c) Initial monthly benefit (50% J&S)	\$957.13
(d) Months worked while receiving benefit payments	6
(e) Accumulated benefits received while working	\$5,841.41
(f) Additional accrual while receiving benefit payments (50% J&S)	\$54.94
(g) Monthly value of accumulated benefits received while working	\$48.40
(h) Additional monthly benefit [(f) - (g), but not less than zero]	\$6.54
(i) New monthly benefit upon re-retirement, offset by benefits received [(c) + (h)]	\$963.67
(j) New monthly benefit upon re-retirement, no offset by benefits received [(c) + (f)]	\$1,012.07
(k) Resulting difference between utilizing an offset and not utilizing an offset [(j) - (i)]	\$48.40

Participant B	
(a) Participant's age at initial retirement	73
(b) Spouse's age at initial retirement	65
(c) Initial monthly benefit (50% J&S)	\$961.95
(d) Months worked while receiving benefit payments	12
(e) Accumulated benefits received while working	\$11,915.22
(f) Additional accrual while receiving benefit payments (50% J&S)	\$41.55
(g) Monthly value of accumulated benefits received while working	\$99.03
(h) Additional monthly benefit [(f) - (g), but not less than zero]	\$0.00
(i) New monthly benefit upon re-retirement, offset by benefits received [(c) + (h)]	\$961.95
(j) New monthly benefit upon re-retirement, no offset by benefits received [(c) + (f)]	\$1,003.50
(k) Resulting difference between utilizing an offset and not utilizing an offset [(j) - (i)]	\$41.55