

PRE-RETIREMENT DEATH BENEFIT STUDY CONSIDERATIONS

CONSIDERATIONS FOR RECIPIENTS:

- Provide to beneficiary of employees that have reached Magic 80

LOWER COST

- Provide to beneficiary of employees who are vested.

HIGHER COST

CONSIDERATIONS FOR BENEFIT PAID:

- Provide Social Security Option

LOWEST COST (Depending on Eligibility Date)

- Provide 50% of Normal Survivors Benefit

HIGHER COST

- Provide 75% of Normal Survivors Benefit

HIGHER COST

- Provide 100% Normal Survivors Benefit

HIGHEST COST

CALCULATIONS USED:

- Ave. Wage x Years of Service x 2.1% (LOWER COST)
- Ave. Wage x Years of Service x 2.1% as if employee had reached normal retirement age (HIGHEST COST)

WHEN RECEIVED (Eligibility):

- When employee would have reached normal retirement age (LOWER COST)
- When employee would have reached Magic 80 (HIGHER COST)
- Upon death of employee (HIGHEST COST UNLESS = TO ABOVE)