



# Carpenters Southwest Administrative Corporation

ADMINISTRATIVE OFFICE: 533 S Fremont Ave. • Los Angeles, CA 90071-1706 • Tel: (213) 386-8590 • Toll Free (800) 293-1370

www.carpenterssw.org

## Changes to Early Retirement Pensions

The examples below show the impact of the change to the age reduction factors used to calculate the portion of Early Retirement Pensions accruing on or after January 1, 2011.

This change applies to Early Retirement Pensions, but does NOT apply to Service or Disability Pensions. Benefits accrued prior to January 1, 2011 also are not affected.

### Age reduction for benefits accrued up through December 31, 2010:

¼ of 1 % for each month that the Early Retiree is younger than age 62. There is no age reduction for retirement at age 62 or older.

### Age reduction for benefits accrued on and after January 1, 2011:

¼ of 1 % for each month that the Early Retiree is younger than age 65. There is no age reduction for retirement at age 65 or older; thus, there will be a reduction for retirement before age 65 unless you qualify for a Service or a Disability Pension.

The following table shows the reduction percentages under both the current formula through December 31, 2010 and the new formula starting January 1, 2011 for various ages.

Age at Retirement	Reduction for benefits accrued up through 12/31/2010		Reduction for benefits accrued on and after 1/1/2011	
	Years younger than Age 62	Reduction Percentage	Years younger than Age 65	Reduction Percentage
64	0	n/a	1	3.0%
63	0	n/a	2	6.0%
62	0	n/a	3	9.0%
61	1	3.0%	4	12.0%
60	2	6.0%	5	15.0%
59	3	9.0%	6	18.0%
58	4	12.0%	7	21.0%
57	5	15.0%	8	24.0%
56	6	18.0%	9	27.0%
55	7	21.0%	10	30.0%

**Arizona**  
Satellite Office  
4547 W. McDowell Rd. Ste. 6  
Phoenix, AZ 85035-4124  
(602) 352-6805

**Nevada**  
Satellite Office  
980 Kelly Johnson Dr., Ste. 180  
Las Vegas, NV 89119-3722  
(702) 851-4510 • (800) 501-0210

**New Mexico**  
Satellite Office  
3900 A Pan American Freeway, NE Ste. 120  
Albuquerque, NM 87107-4747  
(505) 266-8869

Examples:

1. Assume a participant has an accrued benefit of \$1,000 per month payable at age 65 and decides to retire early at age 57 on January 1, 2011. His monthly pension at age 57 would be reduced by 15% to \$850 per month.

2. Assume a participant has an accrued benefit of \$1,000 per month payable at age 65 and decides to retire early at age 57 on January 1, 2015. Further assume that \$500 of his monthly benefit was accrued before January 1, 2011. His monthly pension at age 57 would be \$500 reduced by 15%, plus \$500 reduced by 24%, for a total pension of \$805.