

2/6/2017

**To: NRLN DuPont Retiree Chapter Members**

**Subject: Company Paid Survivor Benefit**

A few weeks ago I attended a retiree breakfast and the subject of "the Company paid pension survivor benefit" came up. Since I have been retired for 3 years this past month my memory had failed me on this aspect of our pension benefit so I decided to look into it. I learned a few things that I had forgotten about my own survivor benefit. There is nothing actually new here, but if you are not completely clear on your survivor benefits, it might be a good idea to go back and review them.

[Here is the link to the latest version of the Pension Summary Plan Description or SPD dated July, 2013.](#) The information on the Company paid survivor benefit starts on page 13.

You can also:

- Review the documents that DuPont provided when you retired.
- Call DuPont Connection to get your exact survivor benefits – but they could only provide me with the survivor benefit dollar value (which was correct), not how that was calculated, based on service, age, earnings and selected options. I believe they are not set up to furnish any such information to confirm the basis of the survivor benefits.

Additional key points, which may or may not be relevant to your situation, are summarized below. But please recognize that I am simply describing my own best understanding of how the system works, and I am NOT offering any official explanations – you need to get that from DuPont Connections, as needed.

1. If you retired before 12/31/2007, the Company paid survivor benefit is about 41.7% of your pension. **If a spouse is named and the spouse is significantly younger than the retiree the benefit may be reduced due to the longer life expectancy just as it would if minor children are named.** See points 4 and 5 below if you chose income leveling or if you retired with an early retirement incentive.
2. If you retired after 12/31/2007, the Company paid survivor benefit was frozen on 12/31/2007, so the formulas calculate the survivor benefit as though you had retired on or before that date. Since I retired in 2014, my Company paid survivor benefit is about 32%.
3. If you and your spouse opted to take a greater survivor benefit, by accepting a reduced pension, that would change the survivor benefit which would otherwise apply in 1 or 2 above.
4. You may have retired with an enhanced pension due to an early retirement offer, but that does not change the \$ value of the survivor benefit, which is calculated on the basis of your un-enhanced pension.
5. You may have elected income leveling when you retired - but this does not affect the survivor benefit \$ value.

6. You might want to take a look at who you can name to receive the survivor benefit. It is not just a spouse. According to the SPD you can change the beneficiary at any time. See page 13 of the SPD. This seems to be about the only thing you can change with regard to your pension once started except for things like tax withholding, bank information, etc. But while the beneficiary may or may not be the spouse, the spouse has certain protected legal rights that has to be considered if the beneficiary is changed.

Again, this is based on my understanding of how the pension plan works. Please read the SPD and talk to DuPont Connections to confirm details of your own situation.

I hope you find this helpful. If you have better information or think I may have gotten something wrong please let me know and I will correct/reissue this note.

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