

## Pension Plan Changes-2014

### Questions and Answers

1. Q: Why did the Hanford Site Pension Plan Sponsors decide to make the changes to the pension?  
A: The sponsoring employers determined changes were required in order to ensure that future pension benefits are competitive, while still affordable and viable.
2. Q: Do the changes impact pension benefits of current retirees?  
A: No. There is no change to pension benefits that have already been earned.
3. Q: I have an Operations and Engineering pension benefit and have been a Bargaining Unit employee in the past. Will both benefits be impacted?  
A: The changes effective January 01, 2014 are in place for the Hanford Operations and Engineering plan participants.
4. Q: I am currently a represented employee under a collective bargaining agreement. Why did I receive a letter?  
A: Our records indicate you have an accrued pension benefit under the Operations and Engineering plan.
5. Q: How will I know what my potential pension benefit will be?  
A: The Benefits Accounting team is working with our actuaries to provide an estimate of your personal benefit at age 65, both before and after the change is implemented. We anticipate these values to be calculated and delivered to participants in June 2013.
6. Q: What does the term "High 5" mean in the benefit formula?  
A: The term "High 5" is used as an abbreviation in the pension benefit formula for the average of the highest 60 months (5 years) of the latest 120 months of base compensation. Base compensation is your base salary or wage rate and excludes compensation such as overtime, shift differentials, and cash taken in lieu of time off.
7. Q: Is the monthly benefit that I accrued before January 01, 2014 subject to change?  
A: The monthly benefit you accrued before January 01, 2014 is protected by law and cannot be reduced.
8. Q: If I have a prior pension estimate projected beyond January 01, 2014, is it still valid?  
A: No. The PeopleSoft system used to individually calculate the estimates is currently being updated to accommodate the changes. The system updates will be completed in January, 2014. The Benefits Accounting team is working with our actuaries to provide an estimate of your personal benefit at age 65 to be mailed to your home in June 2013.
9. Q: With these reductions, what are my options for meeting my financial goals for retirement?  
A: We encourage you to use the retirement planning resources and tools available from the Hanford Site Pension and Savings Plans and elsewhere to achieve your retirement income. We recommend you contact a certified financial planner to understand how these changes might affect your retirement income planning goals, which can be different for each person.

10. Q: Who are the Hanford Operations and Engineering Pension Plan Sponsors?

A: The following are the Hanford Site Hanford Operations and Engineering Pension Plan Sponsors: Abadan Hanford, LLC; Advanced Technologies and Laboratories International, Inc.; Akima Hanford Services, LLC; Babcock Services PRC, LLC; Bechtel National Inc.; Cavanagh Services Group PRC, LLC; CH2M Hill Plateau Remediation Company; CSC Hanford, LLC; Dade Moeller & Associates Hanford Mission Support, LLC; Eberline Services Hanford, Inc.; EnRep PRC, Inc.; GEM Technology – PRC, Inc.; HPM Corporation-MSA; M&EC PRC, Inc.; Mission Support Alliance, LLC; PSI-Hanford, Inc.; R.J. Lee Group, Inc.-MSA; Washington Closure Hanford, LLC; Washington River Protection Solutions, LLC; and Westech International MSA, LLC.

11. Q: Who do I contact if I have additional questions about the changes?

A: After you have reviewed the information in this packet, if you still have questions, please contact us:

Email contact:

\*Plan Administrator (Onsite/Internal)  
PLAN\_Administrator@rl.gov (Offsite/External)

Plant Mail (Onsite):

Benefits Administration/Pension, H3-08

USPS:

MSA Benefits  
PO Box 650 H3-08  
Richland, WA 99352

Website:

[www.hanford.gov/hr](http://www.hanford.gov/hr) (Internal and External)

11/15/2012:

12. Q: Is the Single Life Annuity replacing the 10 Year Certain and Life Annuity payment? Will the 10 Year Certain and Life Annuity still be offered under the Plan?

A: The normal form of payment for benefits earned will change from the 10 Year Certain and Life Annuity payment form to a Single Life Annuity (also referred to as the Straight Life or Life Annuity) effective January 01, 2014. The 10 Year Certain and Life Annuity will continue to be offered as an option under the Pension Plan when one commences their pension benefit, as will all other options currently offered including the Joint and Survivor options and the Lump Sum.