APPENDIX I to § 2520.105-3 – Model Benefit Statement Supplement

Statement Period: [*Insert beginning and ending dates*]

This statement provides you with information about how much monthly income you could collect at retirement based on your current account balance. The estimated monthly payments in this statement are for illustrative purposes only; they are not a guarantee. Having this information now may help you plan how much money to save for your retirement.

Your account balance is [*insert statement balance*] as of [*insert last day of statement period*]. Below are estimates of how much money you could receive each month if you were to receive payments in one of the following two payment forms:

1. A single life annuity is an arrangement that pays you a fixed amount of money each month for the rest of your life. Following your death, no further payments would be made to your spouse or heirs.

   If you receive payments in this form, we estimate you would receive [*insert single life annuity amount*] per month starting at retirement.

2. A qualified joint and 100% survivor annuity is an arrangement that pays you and your spouse a fixed monthly payment for the rest of your joint lives. In addition, after your death, this type of annuity would continue to provide the same fixed monthly payment to your surviving spouse for their life.

   If you receive payments in this form, we estimate you would receive [*insert qualified joint and 100% survivor amount*] per month starting at retirement and, after your death, your surviving spouse would receive [*insert qualified joint and 100% survivor amount*] per month.

   An annuity with a lower survivor percentage may be available, and reducing the survivor percentage (below 100%) would increase monthly payments during your lifetime, but would decrease what your surviving spouse would receive after your death.

The following information is to help you understand these estimated monthly payments.

- The estimated monthly payments in this statement assume that your account balance is 100% vested and, if you have taken a loan from the plan and you are not in default, the loan has been fully repaid.

- The estimated monthly payments in this statement assume that payments begin [*insert the last day of statement period*] and that you are [*insert 67 or current age if older*] on this date. Monthly payments beginning at a younger age would be lower than shown since payments would be made over more years. Monthly payments beginning at an older age would be higher than shown since they would be made over fewer years.

- The estimated monthly payments for a qualified joint and 100% survivor annuity in this statement assume that you are married with a spouse who is the same age as you (even if you do not currently have a spouse, or if you have a spouse who is a different age). If your spouse is younger, monthly payments would be lower than shown since they would be expected to be paid over more years. If your spouse is older, monthly payments would be higher than shown since they would be expected to be paid over fewer years.

- The estimated monthly payments in this statement are based on an interest rate of [*insert rate*], which is the 10-year constant maturity U.S. Treasury securities yield rate as of [*insert date*], as required by federal regulations. This rate fluctuates based on market conditions. The lower the interest rate, the smaller your monthly payment will be, and the higher the interest rate, the larger your monthly payment will be.

- The estimated monthly payments in this statement are based on how long you and a spouse, who is assumed to be your age, are expected to live. For this purpose, federal regulations require that your life expectancy be estimated using gender neutral mortality assumptions established by the Internal Revenue Service.

- The estimated monthly payments in this statement are the same whether you are male or female. This is required for annuities payable from an employer's plan. However, the same amount paid for an annuity available outside of an employer's plan may provide a larger monthly payment for males than for females since females are expected to live longer.

- The estimated monthly payments in this statement are based on prevailing market conditions and other assumptions required under federal regulations. If you decide to purchase an annuity, the actual payments you receive will depend on a number of factors and may vary substantially from the estimated monthly payments in this statement. For example, your actual age at retirement, your actual account balance (reflecting future investment gains and losses, contributions, distributions, and fees), and the market conditions at the time of purchase will affect your actual payment amounts.

- Unlike Social Security payments, the estimated monthly payments in this statement do not increase each year with a cost-of-living adjustment. Therefore, as prices increase over time, the fixed monthly payments will buy fewer goods and services.

**APPENDIX II to § 2520.105-3 – Model Benefit Statement Supplement –
Plans That Offer Distribution Annuities**

Statement Period: [*Insert beginning and ending dates*]

This statement provides you with information about how much monthly income you could collect at retirement based on your current account balance. The estimated monthly payments in this statement are for illustrative purposes only; they are not a guarantee. Having this information now may help you plan how much money to save for your retirement.

Your account balance is [*insert statement balance*] as of [*insert last day of the statement period*]. Below are estimates of how much money you could receive each month if you were to receive payments in one of the following two payment forms:

1. A single life annuity is an arrangement that pays you a specified amount of money each month for the rest of your life. Following your death, no further payments would be made to your spouse or heirs.

   If you receive payments in this form, we estimate you would receive [*insert single life annuity amount*] per month starting at retirement.

2. A qualified joint and survivor annuity is an arrangement that pays you and your spouse a specified monthly payment for the rest of your joint lives. When one spouse dies, monthly payments continue to the surviving spouse for their life.

   If you receive payments in this form, we estimate you would receive [*insert monthly payment amount*] per month starting at retirement. If you die first, your spouse will receive [*insert X %*] of the monthly payment payable during your life. If your spouse dies first, you will receive [*insert Y %*] of the monthly payment.

The following information is to help you understand these estimated monthly payments.

- The estimated monthly payments in this statement assume that your account balance is 100% vested and that, if you have taken a loan from the plan and you are not in default, the loan has been fully repaid.

- The estimated monthly payments in this statement assume that payments begin [*insert the last day of statement period*] and that you are [*insert 67 or current age if older*] on this date. Monthly payments beginning at a younger age would be lower than shown since payments would be made over more years. Monthly payments beginning at an older age would be higher than shown since they would be made over fewer years.

The estimated monthly payments for a qualified joint and survivor annuity in this statement assume that you are married with a spouse who is the same age as you (even if you do not currently have a spouse, or if you have a spouse who is a different age). If your spouse is younger, monthly payments would be lower than shown since they would be expected to be paid over more years. If your spouse is older, monthly payments would be higher than shown since they would be expected over fewer years.

- The estimated monthly payments in this statement are based on an interest rate offered by [i*nsert name of insurer*] under a contract with the plan. This rate may fluctuate. The lower the interest rate, the smaller your monthly payments will be, and the higher the interest rate, the larger your monthly payments will be.

- The estimated monthly payments in this statement are based on how long you and a spouse who is assumed to be your age are expected to live. Life expectancy is estimated by using mortality assumptions adopted by [*enter name of insurance company*].

- The estimated monthly payments in this statement are based on prevailing market conditions and other assumptions. If you decide to purchase an annuity, the actual payments you receive will depend on a number factors and may vary substantially from the estimated monthly payments in this statement. For example, your actual age at retirement, your actual account balance (reflecting future investment gains and losses, contributions, distributions, and fees), and the market conditions at the time of purchase will affect your actual payment amounts. The estimated monthly payments in this statement are the same whether you are male or female. This is required for annuities payable from an employer's plan. However, the same amount paid for an annuity available outside of an employer's plan may provide a larger monthly payment for males than for females since females are expected to live longer.

- [Unlike Social Security payments, the estimated monthly payment amounts in this statement do not increase each year with a cost-of-living adjustment. Therefore, as prices increase over time, the fixed monthly payments will buy fewer goods and services] OR [The amounts shown in this statement will increase over time based on [*insert general explanation of how any adjustment is determined, e.g., to reflect inflation, a cost-of-living adjustment, etc.*]]