

Pensions
(1957 folder)

Employees' Retirement Plan

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Greyhound Lines

1957 EDITION

(GREYHOUND PENSION BOARD)

1957



TO: All Covered Greyhound Employees

FROM: The Pension Board

The revised plan presented here represents a great forward stride that will enable you to look expectantly toward retirement with financial security.

You will find that there have been substantial improvements in the retirement guarantees for those retiring on and after age 60.

You will find other notable improvements for those physically disqualified.

You will find a minimum retirement pension at age 65 amounting to 35% of your final average earnings, in addition to Social Security, if you have been with the Company twenty years.

Present pensioners on low pension levels will receive a needed addition to their pensions.

The additional benefits involve no additional cost to you.

These benefit improvements, liberalized eligibility requirements, and other changes are the result of collective bargaining between Greyhound Lines and the various Divisions of the Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America comprising the National Committee of Greyhound Divisions.

Negotiations were conducted by both parties with YOU and YOUR SECURITY in mind. The younger employees can look forward to substantial annual accruals toward retirement. Senior employees will be particularly interested in the increased guarantees and reduced eligibility requirements. The new disability provisions assure larger benefits.

An important forward step in relations was taken when you were given an equal voice in the pension program and its administration through the Amalgamated representatives who now sit on the Pension Board, together with an equal number of Management representatives.

Our efforts will be aimed at assisting every person to obtain the type of pension benefit best fitting his financial security, so that his retirement years will provide happiness and security.

Sincerely yours,

PENSION BOARD

Pension Board

Union Representatives

Micheal M. Mastrian
William C. Marshall
Van Creech
Edward J. Lund
William P. Arthur

Management Representatives

Earl N. Cannon
Walter W. Hanes
Walter Myalls
A. P. Sledz
Norman L. McCready

Consultants

McCready Pension Engineers, Inc., Indianapolis

Maurice Wolfman, Actuary
Labor Bureau of Middle West

This Plan covers the employees of Greyhound Lines represented by the various Divisions of the Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, comprising the National Committee of Greyhound Divisions.

F O R M A L
E X P L A N A T I O N

Introduction

1. The Plan was established on July 1, 1941.

Effective July 1, 1955 there was an indefinite suspension for all supervisory employees and all other employees not represented by a collective bargaining agent, by reason of a successor Retirement Trust Plan covering this group.

Prior to January 1, 1957, the benefits under the Plan were partially funded for participating employees through two Group Annuity Contracts—sometimes referred to below as the “group contracts”—one with Aetna Life Insurance Company, No. GA-242, and the other with Connecticut General Life Insurance Company, No. GR-122. The remaining benefits for all such employees were payable by Greyhound Lines.

Effective January 1, 1957, pursuant to an agreement with the various Divisions of the Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, comprising the National Committee of Greyhound Divisions, it was agreed that the Plan would be jointly administered by a Pension Board consisting of five representatives of the Divisions and an equal number of representatives from the Companies. The Board will be provided with all data it deems necessary in the administration of the Plan and shall assist the parties hereto to make effective their joint intent that a Trust Fund be established so as to amortize the benefits herein provided and heretofore paid by the Greyhound Lines within a reasonable number of years. Within the first two years the parties shall agree upon the amounts of money that the Greyhound Lines shall contribute in order to amortize the accrued and accruing benefits under this Plan on a basis or bases which will be acceptable under the Internal Revenue Department Rules with respect to Pension Trust Funds for minimum contributions. Such contributions to such Trust Fund shall begin as of January 1, 1959, but shall only be in an amount applicable to that year and shall be in the form of monthly contributions.

This agreement is to be in effect to October 31, 1959 and subsequent three year period with right of either party to propose changes or amendments not less than 120 days prior to October 31, 1959 or the beginning of any subsequent period.

Until such time as such a Trust Fund is established the benefits provided for under this Plan which are not insured shall be paid by the Pension Board on a pay-as-you-go basis. To enable the Pension Board to make such payments under the Pension Plan as herein amended, other than those under the group annuity plan, Greyhound Lines will pay such sums as may be necessary to carry out the provisions hereof.

Who Is Eligible

2. Membership in the Plan is mandatory for all eligible employees on and after July 1, 1957. You become eligible to participate in the Plan on the July 1 after you have completed at least one year of service with the Greyhound Lines if you are under age 65 at nearest birthday.

In cases where operations become a part of the Greyhound Lines through acquisition by the Greyhound Lines of Properties and rights of other operators or control thereof, the period of service required for eligibility to join the Plan of employees of the former operator who become employees of the Greyhound Lines as a result of such transaction shall be computed from the date when they last entered the employment of such former operator, but no such employees shall be entitled to insured benefits under this Plan on account of service prior to the date when they become employees of the Greyhound Lines.

If an employee covered by this Plan transfers to or from a successor Retirement Trust Plan such transfer shall become effective on the July 1 following the date of transfer.

How To Join

3. When eligible to join or participate in the Plan you sign the form provided and authorize the required payroll deductions. If you are absent on the effective date of eligibility due

to sickness or authorized leave of absence, your membership will become effective on the day you return to work.

Normal Retirement

5. Your normal retirement date is the first day of the month coincident with or next following your 65th birthday. For normal retirement at an earlier age refer to Sections 7 and 27(a).

6. You may at your own discretion retire at age 65, or you may be retired at the discretion of your employer at age 65, the normal retirement date, and receive the Retirement Annuity and other benefits which have been provided to commence on such date.

Earlier Optional Retirement

7. Upon 90 days' written notice to your employer you may advance your Retirement Date to the first day of any month not more than 10 years before your Normal Retirement Date. In case of such earlier retirement your contributions and the contributions of your employer will then cease and the Retirement Annuities already provided under Section 12 will commence at that time, but for a reduced amount as determined by your age at such time.

8. If the Contingent Annuitant Option (provided in Sections 17-20) has been elected previously, commencement of Retirement Annuity payments before the Normal Retirement Date will be subject to the approval of any Insurance Companies or Pension Board involved.

Postponed Retirement

9. You may, with the consent of your employer, be allowed to remain in service after the Normal Retirement Date. In such event your contributions and those of your employer will cease on your Normal Retirement Date and payment of Retirement Annuities provided under Section 12 will then commence regardless of the fact that you remain in service.

Contributions

10. The Plan calls for contributions from both you and your employer. The rate of contribution by an employee in each year will be 4% of earnings in that year.

11. Your contribution will be deducted currently from your earnings and your employer will contribute the additional cost necessary to purchase or provide the Retirement Benefits to which you are entitled under the Plan.

Retirement Annuity For Service After July 1, 1953—(Future Service)

12. The amount of yearly Retirement Annuity for service after July 1, 1953, payable monthly as long as you live from Normal Retirement Date, is equal to 1½% of the aggregate earnings after July 1, 1953 on which you have contributed. This Retirement Annuity, which shall be known as the single-life annuity, will be built up by the combined contributions by you and your employer over the whole period of your participation in the Plan.

Retirement Annuity for Service Prior to July 1, 1953

If you have been a participant in the Pension Plan at any time since July 1, 1941 your Retirement Annuities for service prior to July 1, 1953 will be computed on the following percentages of your aggregate earnings during the period of participation in the Plan.

<u>Period of Participation</u>	<u>Percentage of Earnings</u>
Basic Plan	
July 1, 1941 to June 30, 1953	1.00%
Supplementary Plan	
July 1, 1949 to June 30, 195323%

Payment of Retirement Annuities

15. The first payment of your Retirement Annuities will be made on your Normal Retirement Date, unless an Earlier Optional Retirement Date has been elected as provided in Sections 7 and 8. Subsequent payments ordinarily will be made monthly thereafter, ceasing with the last payment preceding death, subject, however, to the continuation of payments to a surviving Contingent Annuitant if one has been designated (as provided in Sections 17-20).

Social Security Adjustment Option

16. At present, Primary Insurance Benefits under the Social Security Act do not ordinarily commence before the 65th birthday for both men and women. Accordingly, an employee retiring on an Earlier Retirement Date may elect to provide for larger monthly Retirement Annuity payments, commencing at his retirement date, to be reduced after his 65th birthday by the estimated amount of his Primary Insurance Benefit in order to produce insofar as is practicable a uniform amount of income, inclusive of his monthly Primary Insurance Benefit under the Federal Social Security Act, throughout his lifetime after retirement.

Contingent Annuitant Option

17. In lieu of the single-life annuities payable at Normal Retirement Date, an employee may elect to receive reduced Retirement Annuities, all or a designated portion of which will be continued for life to a designated Contingent Annuitant after the employee's death after retirement. (The Contingent Annuitant is usually the husband or wife or a dependent of the employee). The amount of the reduced Retirement Annuities depends upon the age and sex of the Contingent Annuitant and of the employee and upon the portion of the reduced Retirement Annuities elected to be continued to the Contingent Annuitant.

Examples

Assuming a male employee is entitled to a regular monthly annuity at age 65 \$210.00

1. If all of annuity to be continued for life to wife, who is also age 65, after death of the employee:

Monthly reduced annuity to employee	\$150.36
Social Security—Employee and wife	162.80

Total	\$313.16
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After death of employee after retirement:

Monthly annuity to wife	\$150.36
Social Security	81.40

Total	\$231.76
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2. If 50% of annuity to be continued for life to wife after death of the employee:

Monthly annuity to employee	\$175.35
Social Security—Employee and wife	162.80

Total	\$338.15
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After death of employee after retirement:

Monthly Annuity to wife	\$ 87.68
Social Security	81.40

Total	\$169.08
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18. If this Option is elected at least five years before the employee's Normal Retirement Date, or Earlier Optional Retirement Date, no medical examination is required. If it is elected later, the employee may be required to furnish evidence of good health satisfactory to any Insurance Companies involved. The Contingent Annuitant is to be designated by the employee when he elects this Option.

19. If this Option is elected, it cannot subsequently be changed or rescinded, nor can the date for commencement of Retirement Annuity payments be changed without the consent of any Insurance Companies or the Pension Board, which consent may be made subject to satisfactory evidence of either the Contingent Annuitant's or the employee's good health. However, if either the employee or the designated Contingent Annuitant should die before the Normal Retirement Date or Earlier Optional Retirement Date, the election of the Option becomes void.

Certain and Continuous Annuity Option

20. In lieu of a single-life annuity payable at Normal Retirement Date, an employee may elect a 5, 10, 15 or a 20 year Certain and Continuous Annuity Option, which would provide monthly annuity payments, in a reduced amount, as long as the employee lives. In the event of his death before the monthly annuities have been paid to him for the number of years certain, elected under this option, then such monthly payments will be continued to the named beneficiary until the expiration of the 5, 10, 15 or 20 year period elected. This option must be elected at least one year prior to retirement date.

Example

Male Employee entitled to a regular monthly annuity
at age 65 \$210.00

Annuity Payments
guaranteed for the
number of years
designated:

The reduced monthly
annuity will be as follows:

5 Years Certain	\$204.12
10 " "	188.16
15 " "	167.16
20 " "	146.37

If the employee lives beyond the number of years designated the annuity payments will be continued until he dies.

Other Annuity Options

20a. An employee may elect a different Optional Form of Retirement Annuity on terms acceptable to any Insurance Companies involved (or to the Pension Board in the case of any income payable from the Pension Board).

Death Benefit

21. If you die before your Normal (or Earlier) Retirement Date, an amount equal to your total contributions under the Plan with 2% interest compounded annually will be paid to your beneficiary. Interest will be credited on each contribution from the July 1, following the date on which it is made to the first day of the month in which death occurs.

22. If you die after your Normal (or Earlier) Retirement Date, and if neither the Contingent Annuitant Option nor the Certain and Continuous Annuity Option is in effect, the excess, if any, of your total contributions under the Plan with 2% interest compounded annually over the total Retirement Annuity payments which have been made, will be paid to your beneficiary. Interest will be credited on each contribution from the July 1, following the date on which it is made to your Normal (or Earlier) Retirement Date.

23. If you die after your Normal (or Earlier) Retirement Date, and if the Contingent Annuitant Option is in effect, the excess, if any, of your total contributions under the Plan with 2% interest compounded annually over the total Retirement Annuity payments which have been made to you and the Contingent Annuitant, will be paid to your beneficiary upon your death or upon the death of the Contingent Annuitant whichever is last to occur. Interest will be credited on each contribution from the July 1 following the date on which it is made to your Normal (or Earlier) Retirement Date.

Termination of Service

24. If your service is terminated before retirement for any reason other than death, you will be entitled to the following

rights or options, dependent upon your period of service at the time of termination.

(1) If In Service Less Than Five Years

- (a) You may have all your own contributions returned to you with 2% interest compounded annually, or
- (b) You may leave your contributions and without further contributions you will be entitled to receive an annuity commencing on your Normal Retirement Date, in the amount which your own contributions have provided.

(2) If In Service Five Years or More

- (a) You may have all your own contributions returned to you with 2% interest compounded annually, or
- (b) You may leave your contributions and without further contributions you will be entitled to receive an annuity commencing on your Normal Retirement Date, in the amount provided by your own contributions plus a portion or all of the Retirement Annuity already provided for by your employer's contributions.

<u>Termination of Service After:</u>	<u>Portion of Retirement Annuity Provided by Your Employer's Contri- butions Which is Included:</u>
5 years but less than 10	One-fourth
10 years but less than 15	One-half
15 years but less than 20	Three-fourths
20 years or more	All

In determining length of service for the purposes of this Section, any service prior to July 1, 1926, will be disregarded.

If you withdraw your own contributions at a later date, you will receive no benefit under the annuities provided by your employer's contributions.

In the case of the return of your contributions in cash under this Section interest will be credited on each contribution from the July 1st following the date on which it is made to the first day of the month in which the Option is exercised. The cash payment may be spread over one year.

25. Upon termination of service after July 1, 1956, by reason of physical disqualification for your job with Greyhound Lines (not constituting total and permanent disability, as defined in Section 27 hereof, and not constituting cause for discharge), if you elect to take your accumulated annuity, and if you have had at least 10 years of service with Greyhound Lines, and if you are under 65 years of age, you will be entitled to an annuity equal to the sum of the monthly amount of Retirement Annuities which have then been provided for you, payable at age 65.

If service is terminated during any leave of absence, termination of service shall be deemed to have occurred at the date of interruption of active service for the purpose of this Section 25. Furthermore, if physical disqualification shall be deemed to exist, such physical disqualification shall be deemed to have occurred at the date of interruption of active service for the purpose of this Section 25 and the following Section 26, anything herein to the contrary notwithstanding.

NOTE: The benefits described in Sections 26, 27, and 27(a) below are to be provided by Greyhound or the Trust Fund established under this Plan and are not covered by any Group Annuity Contracts.

26. In cases covered by Section 25, the Pension Board will pay you from the date of your physical disqualification (so long as such disqualification continues), a monthly allowance equal to the monthly amount of the Retirement Annuities including any pension from a predecessor company plan, which have then been provided for you with your own and your employer's contributions; provided, however, that if you accept other employment with the Greyhound Lines you will not be entitled

to such payments so long as such employment continues. When an employee, receiving an allowance under this Section, reaches age 65, the allowance will be reduced by the amount of Retirement Annuity then becoming payable.

The minimum monthly payment for physical disqualification will be \$90 or 20% of average final earnings, whichever is greater, for employees with ten or more years of service who are members of the Plan on July 1, 1953, or become members at the earliest date they are eligible. The Pension Board will pay any allowance necessary to provide this minimum.

Effective January 1, 1957, benefits payable by the Pension Board will be reduced by 70% of the amount of earned income from other sources in excess of 50% of your average final earnings during your last twelve full months of service. An employee receiving a disability allowance on attainment of age 60 shall be entitled to the early retirement allowance as provided in Section 27(a), if such early retirement allowance is greater.

A disabled employee returning to active service shall resume participation in the Plan and his period of continuous service shall not be considered broken by reason of receipt of disability payments under this Section. However, the period of time during which such employee is drawing disability payments (or is eligible to draw) shall not be used as service in determining benefits under this Plan.

27. Effective January 1, 1957, if in line of duty, i.e., as the result of an accident occurring, or an occupational disease contracted, in the course of your employment, you are totally and permanently disabled from engaging in any occupation for wages or profit regardless of age or length of service, and if you elect to take your accumulated annuity, the Pension Board will undertake to assure you a monthly income for life (so long as such disability continues) equal to 50% of your average monthly earnings during the twelve full months next preceding your disability, but not to exceed \$300.00 per month, and

will pay you the difference between this amount and any amounts to which you are entitled pursuant to Future Service Retirement Annuities, group insurance, compensation insurance, unemployment insurance, and any Social Security or other similar benefits to which you may be entitled under any present or future legislation. Any failure on the part of the employee to take the necessary steps to collect the amounts to which he may be entitled from any such sources or any action taken by the employee which results in a waiver of or a bar to his right to collect any such benefits shall not change the Pension Board's obligation, and the Pension Board will be entitled to credit for the amount the employee could have collected had he taken the necessary steps or had he refrained from taking action resulting in a waiver of or a bar to the collection of such benefits.

No representative of Greyhound or the Pension Board has any power or authority to waive or otherwise modify the right to credits against obligations under this Section of the pamphlet.

Greyhound Minimum Pension (Effective July 1, 1956)

27a. If at retirement date, age 65 or over, you have completed at least 20 consecutive years of service with the Greyhound Lines, including service with a recognized predecessor company, you will be entitled to a minimum retirement allowance of either 50% of your average final earnings inclusive of Social Security, or 35% of such amount, exclusive of Social Security, whichever is higher. The applicable minimum shall be reduced pro rata if you have less than 20 years of service. The minimum shall be computed on the basis of a single-life annuity payable under the Plan, including any pension from a predecessor company plan. The Pension Board will undertake to pay you any supplement necessary to provide the minimums under this Section.

Average final earnings shall mean the monthly average of earnings of the last five years of employment. Such average shall be computed by dividing the total earnings of such period by the number of months the employee has actually worked one-half or more of said months, excluding all months (and earnings) which the employee did not work one-half of such month. Social Security shall mean your Primary Social Security Benefits.

The following table sets forth the minimum percentages provided for retirements on or after age 65.

<u>Consecutive Years of Service</u>	<u>Percentage of Average Final Earnings (Whichever is Higher)</u>	
	<u>Inclusive of Social Security</u>	<u>Exclusive of Social Security</u>
20 or over	50%	35%
19 - 20	47½	33¼
18 - 19	45	31½
17 - 18	42½	29¾
16 - 17	40	28
15 - 16	37½	26¼
14 - 15	35	24½
13 - 14	32½	22¾
12 - 13	30	21
11 - 12	27½	19¼
10 - 11	25	17½

The minimum for employees retiring between the ages of 60 and 65 with 20 or more consecutive years of service shall be as follows, reduced pro rata for service under 20 years but more than 10 years.

Percentage of Average Final Earnings Exclusive of Social Security		
Retirement Age	Payable from Early Retirement Date to	Payable for Life
	<u>Age 65</u>	<u>After Age 65</u>
64	38 $\frac{1}{2}$ %	31%
63	38 $\frac{1}{2}$	29
62	38 $\frac{1}{2}$	27
61	38 $\frac{1}{2}$	26
60	38 $\frac{1}{2}$	25

The annuity options as provided for in the Employee's Retirement Annuity Plan shall be applicable to the above supplements.

The above minimums are predicated on the basis that the employee joined the Plan when first eligible and continued active participation during his entire service with Greyhound. If such employee had not joined the Plan when first eligible nor continued active participation during his entire service with Greyhound, the aggregate retirement benefits to which he would otherwise be entitled hereunder shall be reduced by the amount he would have accumulated through his own and the Company's contributions had he so participated.

Withdrawal of Contributions

28. You may not withdraw your contributions so long as you remain in the service of the Greyhound Lines, nor borrow against them at any time, for to do so would defeat the purpose of the Plan.

Leave of Absence

29. Your Retirement Annuity is in every case dependent upon your contributions, and no such Retirement Annuity will be provided for any period during which such contributions are

not made. Interruption of active service on account of sickness, accident, military service or leave of absence authorized by your employer for other cause (either with or without pay) will not be considered termination of service. In such a case, during the period when the employee is paid, contributions will be continued and Retirement Annuity will be provided. During such a period when an employee is not paid, contributions will cease but the Retirement Annuity previously provided will not be affected. Upon resumption of active service, contributions will be resumed.

An employee who returns to the service of the Company from the armed service or the Merchant Marine within the period prescribed by Law, if any, and who remains in the service of the Greyhound Lines until retirement after such return, shall be credited with all years of service under the Plan as though he had been in the service of the Company during such leave of absence.

Compensation not exceeding \$7,500 per annum received as a result of an employee engaging in duties pertaining to the relationship of the various Amalgamated Divisions with the Greyhound Lines shall be considered as salary paid within the meaning of this Section and the employee will be required to make contributions when so paid.

31. If your service is terminated for any reason during a period of sickness, accident or authorized leave of absence, the provisions of the Section headed "Termination of Service" (Section 24) will apply.

Re-Employment

32. If your service terminates for any reason and you are later re-employed, for the purposes of the Plan you will be considered a new employee.

Beneficiary

33. When you join the Plan, you designate a beneficiary to receive any death benefit under the Plan, and you may change the beneficiary from time to time by completing a form furnished for that purpose.

Retirement Plan

34. The information contained in this Booklet is intended to be only a summary of the principal features of the Plan. Certain of the benefits provided by the Plan are presently covered by, and will be governed in every respect by the Group Annuity Contracts between the Greyhound Corporation, acting on behalf of all companies comprising the Greyhound Lines, and the Insurance Companies. The Aetna Life Insurance Company and the Connecticut General Life Insurance Company each hold half of the contributions under the Plan and each guarantee half of the benefits and refunds afforded by these contributions.

Benefits not covered by the Group Annuity Contracts will be governed in every respect by the Pension Agreement.

Certificates

35. When you join the Plan you will receive a certificate describing your benefits under the Group Annuity Contracts. At the time of retirement you will receive a supplemental certificate outlining the amount of annuity to be received and the conditions of payment.

Limitation of Assignment

36. Unless otherwise provided by law, the benefits provided by this Plan are non-assignable.

Right To Employment or Retirement Annuity

37. This Plan shall not be construed to give any employee the right to be retained in the service of the Greyhound Lines, or any right or claim to a Retirement Annuity unless the right to such Retirement Annuity has specifically accrued under the terms of this Plan.

Joint Administration

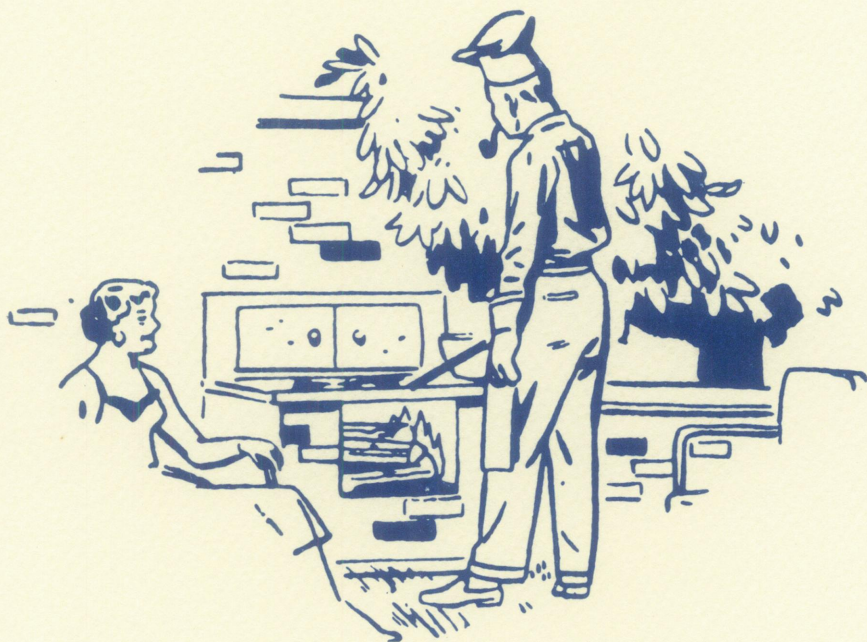
38. The Plan as hereby amended shall be (jointly) administered by a Pension Board operating under the Greyhound Pension Agreement. The Board shall decide all questions arising in the administration of the Plan consistently with the terms of the Group Annuity Contracts and the Pension Agreement by which this Plan has been amended.

Future of the Plan

39. It is the hope and expectation to continue the benefits under the Plan indefinitely, and every effort has been made to arrange the Plan so that it will meet future conditions insofar as they can be foreseen.

If the Plan is discontinued, each employee will be entitled to receive a Retirement Annuity commencing at Normal Retirement Date, including the regular death benefit provisions, but without the right to withdraw contributions. Whether or not the employee remains in the service of the Greyhound Lines, the amount of such Retirement Annuity will be that purchased by both the employee's and his employer's contributions before discontinuance.

The employer shall have no beneficial interest in the fund or any part thereof, and no part of the fund shall ever revert or be repaid to the employer, either directly or indirectly, unless payment by the employer to the fund is made in excess of its legal obligation because of a mistake in fact or because of an erroneous actuarial computation.



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