

Pensions - Handbooks (Company)

Employees'

RETIREMENT
PLAN

CONSOLIDATED VULTEE
AIRCRAFT CORPORATION

INSTITUTE OF
INDUSTRIAL RELATIONS

RECEIVED

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Employees'
RETIREMENT PLAN

**CONSOLIDATED VULTEE
AIRCRAFT CORPORATION**

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To Our Employees

We are pleased to announce that our Group Annuity or Retirement Plan which was started on October 1, 1941, is now available to all employees between the ages of 25 and 64½ years who have had 3 years of continuous service with the company.

The terms and conditions of the Plan which is insured with The Equitable Life Assurance Society of the United States are summarized in the following pages of this booklet.

The retirement income provided under this Plan is to supplement the benefits payable under the Federal Social Security Act so that you will have a more comfortable living scale when you retire from active service.

The Plan is made possible by the joint contributions of the company and the participating employees, each paying about one-half of the cost.

While participation in the Plan on the part of the employee is entirely voluntary, we feel that the benefits are so evident that each employee should join as soon as he or she is eligible.

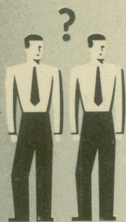
CONSOLIDATED VULTEE
AIRCRAFT CORPORATION

H. Woodhead, President

October 1, 1944

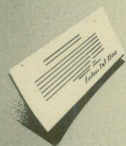
Who is Eligible

Any employee who is less than 64½ years old may become a member of the Group Annuity or Retirement Plan when he or she has completed 3 years of continuous service with the company and has attained age 25.



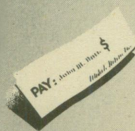
How Do You Become a Member

If you are eligible, all you need to do in order to join the Plan is to sign an application card instructing the company to deduct the applicable premium contribution from your wages and you will be a member as soon as the first payroll deduction is made by the company. A beneficiary card designating the persons who are to receive any death benefits that may become payable under the Plan should accompany the application card. No medical examination is required.

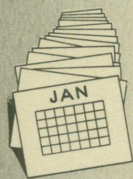


Your Retirement Income Begins

Your normal retirement income will begin at age 65, but with the consent of the company and the insurer it may commence in a reduced amount any time after



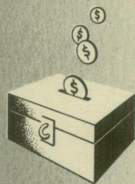
age 55. Generally speaking, a male employee who elects to retire at age 60, instead of age 65, will receive a monthly payment of about 75.8% of the retirement income purchased for him. Retirement payments will be started on the first of the month following the date of your retirement.



Contributions by Employees

Each member of the Plan will contribute approximately $3\frac{1}{2}\%$ of the first \$250 of his monthly base pay and 7% of his monthly base pay in excess of that amount. For convenience, the monthly and hourly wage rates have been grouped into several classes and the contributions applicable to each class are shown in the table at the back of this booklet.

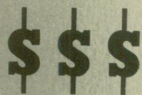
On an overall basis, the company and the employees will each pay approximately one-half of the cost of the Plan.



Ordinarily, changes in the amount of the employee's contributions will be made only once each year on October 1. Therefore, if your base rate of pay changes sufficiently to place you in another salary class, no change in your contributions will be made until the following October, unless this procedure would work a hardship on you.

Determination by the company as to what constitutes an employee's base earnings for the purpose of the Retirement Plan will be conclusive.

Retirement Income



You will receive a monthly retirement income based on the number of years you have contributed to the Plan. To determine the approximate amount to which you will be entitled each month, multiply the sum of 1% of the first \$250 of your average monthly base pay plus 2% of your average monthly base pay in excess of \$250 by the number of years you have participated in the Plan. See examples below:

Example No. 1

Average monthly base pay of an employee who
has participated in the Plan for 20 years..... \$250
Monthly retirement income computed at
 $20 \times 1\%$ of \$250 \$ 50

Example No. 2

Average monthly base pay of an employee who
has participated in the Plan for 30 years..... \$400
Monthly retirement income computed as follows:
 $30 \times 1\%$ of \$250 \$ 75
 $30 \times 2\%$ of \$150 90
Total \$165

Example No. 3

Average monthly base pay of an employee who
has participated in the Plan for 40 years \$600

Monthly retirement income computed as follows :

$40 \times 1\%$ of \$250	\$100
$40 \times 2\%$ of \$350	280
Total	\$380

The actual amount of the monthly income you will receive at age 65 can be calculated from the figures in the table at the back of this booklet.

Retirement Income Options

If you are willing to accept a smaller retirement income, you can provide for your dependents after your death by exercising one of the following options :

(a) Five-year Certain Life Annuity

Under this arrangement, payments to you and your beneficiary of approximately 97% of your normal retirement income are guaranteed for a minimum period of 5 years. If your death should occur before the expiration of this 5-year period, the payments you have been receiving will be continued to your beneficiary until the 5-year period has expired.

(b) Ten-Year Certain Life Annuity

This operates the same as the 5-year Certain Life Annuity, except that the guarantee period is for 10 years instead of 5 years and the retirement income is only 89% of what you would normally receive.

(c) Joint and Survivor Annuity

Under this arrangement, you may name a joint-annuitant who will receive a retirement income as long as he or she lives. The amount of this income will depend on the age and sex of this person at time of your retirement. For example, if the joint-annuitant is your wife who is 5 years younger than you are, your normal retirement income will be reduced by about 34%.

The above options can be exercised at any time prior to retirement, but if they are not exercised at least 5 years prior to retirement, you must submit satisfactory proof to the insurer that you are in good health.

Once you have exercised one of the above options, you cannot make a change without the approval of the insurer.

If you have elected to take a Joint and Survivor Annuity and either you or your joint-annuitant dies before retirement payments begin, the option is cancelled. If, however, your joint-annuitant dies after retirement payments begin, payments will be continued to you at the reduced rate.

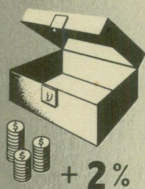
Vesting Privilege

Effective October 1, 1944, title to amounts contributed on your behalf by the company vests in you, subject to certain restrictions, when you have com-

pleted either 15 years of service with the company or 2 years of uninterrupted membership in the Plan. If your contributions are withdrawn at any time, you forfeit your right to the amount contributed on your behalf by the company.

For the purpose of determining the tenure served by an employee, service performed for an affiliate is considered to be service performed for the company, provided there has not been a lapse between the two of more than one year.

Termination of Service



If your services with the company are terminated prior to retirement or death, you may elect either to withdraw the contributions you have made, plus interest at 2% a year, or apply your contributions against the purchase of a retirement income. In the event your termination occurs after you have acquired vesting privileges, the amount contributed on your behalf by the company can also be used by you for the purchase of retirement income.

A transfer to an affiliated company is not considered to be termination of service.

Temporary Absence

During any period in which you are granted an

authorized leave of absence without pay, contributions to the Plan will be suspended until you return to work.

Death Benefits

If you die prior to the time retirement payments begin, the aggregate of the contributions made by you and those made on your behalf by the company, together with interest at 2% a year, will be paid to your beneficiary by the insurer.

If you die after payments have started, all payments will cease, unless you have exercised one of the Retirement Income Options.



Beneficiary

You may name whomever you please to be the beneficiary of the amounts that may be payable under the Plan by reason of your death. A change in beneficiary may be made at any time.

If none of your beneficiaries survive you, payments will be made to the person or persons in the first of the following classes of successive preference beneficiaries: your widow or widower, children, parents, brothers and sisters, executors, or administrators.

If your beneficiary is a minor, not more than \$50 a month will be paid to the person who has assumed the custody and support of this minor.

Maximum Annuity Payable

The amount of the retirement income payable under the Plan is limited to the maximum set forth in the contract with the insurer. When this maximum amount has been purchased, all contributions will cease.

Limitation of Assignment

The retirement income, refunds, and other benefits of the Plan are not assignable.

Annuity Certificates

Shortly after you join the Plan, The Equitable Life Assurance Society of the United States, the insurer, will issue a certificate certifying that you are covered by its Group Annuity Contract with the company.

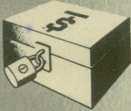
Changes or Discontinuances

The company expects to continue the Plan indefinitely. Every effort has been made to arrange the Plan so that it will meet future conditions. However, in

order to protect you and the company against unforeseen conditions, the right to change, amend, or discontinue the Plan is reserved by the company. No change or discontinuance can affect the retirement income already purchased for you as of the date of such changes or discontinuance.

If the Plan is discontinued, the contributions made by the company will accrue to the benefit of the persons who are members of the Plan as of the date it is discontinued. The company cannot withdraw any contributions it has made.

The annual interest rate of 2%, which is to be paid on refunds made because of death or termination of service, is only guaranteed on contributions made prior to October 1, 1946.



Group Annuity Contract

The benefits of the Plan which are summarized in this booklet will be governed entirely by the Group Annuity Contract with The Equitable Life Assurance Society of the United States, the insurer.

The company reserves the right to decide all questions arising in connection with the administration of this plan, but the decisions must be consistent with the terms of the group annuity contract, as amended.

Table Showing The Contributions Payable By The Employees
In The Various Wage Classifications And The Applicable Monthly Retirement Income:
That Will Be Purchased For Each Full Year Of Participation In The Group Annuity Or Retirement Plan

(1)	(2)	(3)	(4)	(5)	(6)
Class	Monthly Base Wage Rates	Hourly Base Wage Rates	Employee's Semi-monthly Contribution	Employee's Weekly Contribution	Approximate Monthly Retirement Income For Each Full Year of Participation In the Plan Beginning at Age 65
	From	From			
1	Less than \$110.00	Less than \$.64	\$ 1.75	\$.81	\$ 1.00
2	\$110	\$.64	2.10	.97	1.20
3	130	.75	2.45	1.13	1.40
4	150	.87	2.80	1.29	1.60
5	170	.99	3.15	1.45	1.80
6	190	1.10	3.50	1.62	2.00
7	210	1.22	3.85	1.78	2.20
8	230	1.33	4.20	1.94	2.40
9	250	1.45	4.73	2.18	2.70
10	270	1.56	5.43	2.50	3.10
11	290	1.68	6.13	2.83	3.50
12	310	1.79	6.83	3.15	3.90
13	330	1.91	7.88	3.63	4.50
14	370	2.14	9.28	4.28	5.30
15	410	2.37	10.68	4.93	6.10
16	450		12.08		6.90
17	490		13.48		7.70
18	530		14.88		8.50
19	570		16.28		9.30
20	610		17.68		10.10
21	650		19.08		10.90
22	690		20.48		11.70
23	730		21.88		12.50
24	770		23.28		13.30
25	810		24.68		14.10

For additional Earnings Classes, Column 2 will increase by multiples of \$40, Column 4 will increase by multiples of \$1.40, and Column 6 will increase by multiples of approximately \$.80.

