

Pensions - Handbooks (Company)

pensions ✓

Carrier

EMPLOYEES

SECURITY

PLAN

Carrier Corporation

[Syracuse, N.Y., 1951]

RECEIVED

INSTITUTE OF
INDUSTRIAL RELATIONS

JUN 11 1951



CARRIER CORPORATION

SYRACUSE, NEW YORK

OFFICE OF
THE PRESIDENT

October 1st
1 9 5 1

To the Men and Women of Carrier:

In 1943, Carrier Corporation established the Carrier Employees Security Plan, which is tangible evidence not only of our desire to make this a better place to work but also a place where all of us can look to the future with confidence.

On the pages that follow you will find a broad outline of CESP, its benefits, answers to questions most frequently raised and a simple process for figuring your individual benefits.

CESP provides both a retirement income and death benefits. These benefits, based on your ten highest earning years, are provided with Carrier assuming the full cost. They supplement Social Security.

It seems appropriate to mention that to assure CESP benefits the company must accumulate in the hands of insurance companies approximately \$1,500 for each \$10 of monthly retirement income. This represents a very substantial investment in the future of Carrier employees. To continue such an investment requires that all of us, working together, do our utmost to assure the highest degree of production and, in turn, the profits necessary for the successful operation of Carrier.

With this spirit of teamwork in mind, I commend to your careful attention the outline of CESP contained in the following pages.

Sincerely yours,



Cloud Wampler/nc

THE CARRIER EMPLOYEES

The Carrier Employees Security Plan—known as CESP—is designed to give reality to your hopes for security in those leisure years after retirement. It assures you a steady income when you retire, and in addition provides benefits for those near to you in case you die before retirement or within ten years after retirement.

CESP benefits are based on years of service and earnings. They are paid for entirely by Carrier and require no payments from you. Obviously, however, continuation of the Plan in the years to come depends on the Company's continued successful operation. Thus as you help the Company prosper, you also assure your future security.



SECURITY PLAN

In establishing CESP, recognition was given to the difficulty individuals have in putting aside adequate reserves for the future. Increasing day-to-day expenses, including higher taxes, have added to the problems of long-range planning for retirement.

The Plan rounds out the total Carrier benefit program. It supplements Social Security, so that the two together meet basic retirement needs. It is anticipated that you will also want to provide additional income for retirement through insurance and other personal savings, according to your own needs and plans.

WHAT BENEFITS

CESP offers retirement, death and other benefits to participating employees in several ways:

First, a basic monthly retirement income is assured for as long as you live. This amount, together with Social Security, usually exceeds one-third of your average earnings over a period of the ten consecutive years of highest income. Everyone with 25 years or more of service will receive at least \$100 per month, including primary Social Security.

Second, death benefits are provided for your beneficiaries whether you die before retirement or up to 10 years after

WILL I RECEIVE?

retirement. Under many retirement plans, all benefits terminate upon death of the participant.

Third, should you become disabled before you reach normal retirement age, funds accumulated toward your retirement may be used immediately for your benefit, either in direct payment to you or otherwise.

Fourth, if your service is terminated for any reason after you have completed at least five years of employment, you will be entitled to termination benefits which are usually provided in the form of a paid-up annuity.

WHAT BENEFITS WILL I RECEIVE?

HOW MUCH DOES



Employees pay no part of the cost. Many pension plans require employees to make substantial contributions, but CESP leaves the handling of your own savings up to you. Carrier desires to provide a retirement income with the least strain on your earnings during the years of heaviest family obligations.

The cost to Carrier is substantial. There must be in the hands of insurance companies for your benefit at your retire-

IT COST ME?

ment age approximately \$1,500 for each \$10 of monthly retirement income. Under present law, the bulk of these contributions made for you by Carrier are not taxable income to you until you actually draw the benefits. The government does require Carrier to report, as your current taxable income, that small part of Company contributions which provides the life insurance benefit.

Of course, profitable and successful operation of Carrier is essential to maintaining CESP. Carrier's success and growth are dependent upon your effort and the effort of your fellow employees.

HOW MUCH DOES IT COST ME?

WHEN AM I

You are eligible if you are a regular employee and are actively at work on the October 31 on which the following requirements are met:

If your last employment began before November 1, 1950

(a) you must have completed 22 months of active service; and (b) your last employment must have begun at least ten years prior to the October 31 nearest your 65th birthday.



If your last employment began on or after November 1, 1950

(a) you must have completed five years of service; (b) you must be over 29½ years old; and (c) your last employment must have begun at least ten years prior to the October 31 nearest your 65th birthday.

ELIGIBLE?

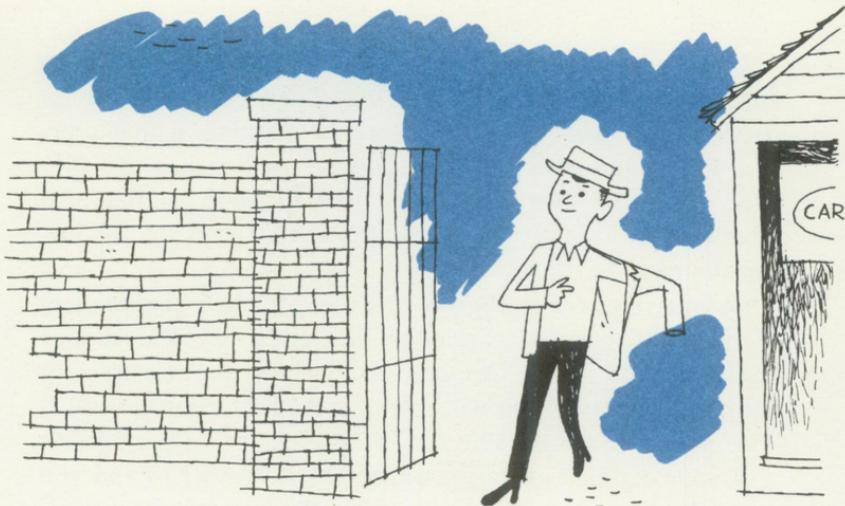
On or about October 31 of each year, employees becoming eligible will receive notice that they have been certified for participation in CESP. If you are not working at that time, you will be brought into the Plan when you return to work, with a date of entry of either the preceding or the next October 31, as may be decided on the basis of all circumstances.

Should you not be eligible because your last employment began less than ten years prior to the October 31 nearest your 65th birthday, on the October 31 you meet the requirement for term of service you will receive a \$1,000 term life insurance policy, made payable to a beneficiary of your choice.

If your certified average earnings are over \$3,250 and you are under age 55, it may be necessary for you to take a medical examination when you enter the Plan, as well as in future years whenever you are entitled to an increased benefit. However, the result of such examination does not affect your benefits in any way.

WHEN AM I ELIGIBLE?

DOES TIME OFF



Military leave, leave taken at Company request for work with a subsidiary, distributor or dealer, or leave due to an injury covered by Workmen's Compensation is counted as work time for purposes of CESP, provided you come back to Carrier at the end of your leave.

AFFECT BENEFITS?

Other leaves of absence are not considered interruption of service, but for purposes of CESP are generally limited to a maximum of one year. One exception is sick leave which may extend for two years.

Participants in the Plan who are laid off for lack of work and return when called are continued in the Plan if the lay-off is less than nine months. Lay-offs for longer than nine months constitute termination of employment.

If a participant does not return to Carrier at the end of a leave or lay-off, any termination benefits will be based upon the date leave or lay-off began.

For employment rendered before October 31, 1950, years of service are based on the period of continuous employment, including leave and lay-off. For employment after October 31, 1950, years of service are determined by the number of hours paid for. Each 400 hours in any year shall be counted as $\frac{1}{4}$ of a year, and anyone paid for 1,600 hours or more in a year gets credit for a full year's work.

DOES TIME OFF AFFECT BENEFITS?



I RETIRE?

Your normal retirement date is the October 31 nearest your 65th birthday.

However, if you are physically able to continue work, you may, upon written notice, delay your retirement up to the automatic retirement date which is the October 31 nearest your 68th birthday.

The one exception to the above provisions is that participants who were employed prior to November 1, 1943, at ages 55 and over retire ten years after entry but in no event later than the October 31 nearest their 70th birthday.

With the consent of Carrier, you may retire at a date earlier than normal retirement date but with reduced benefits. Such benefits will be based on the cash value of the policy or policies held for you.

Also at the request of Carrier, and if you consent, you may retire later than normal retirement date. You will not lose any benefits, but your monthly retirement income will not begin until you actually retire.

WHEN DO I RETIRE?

HOW MUCH RETIREMENT



Normally, your income at retirement will be based on your highest earning years. This is one of the important advantages of the Carrier Plan.

The formula for figuring your ultimate retirement income and related benefits is based on one of the following methods:

1. If your age at date of entry into CESP is 50 or under, your ultimate benefit will be based upon the average of the 10 consecutive years in which your certified earnings* are the highest, ending not later than age 60.

INCOME WILL I GET?

2. If your age at date of entry is over 50, your ultimate benefit will be based upon the average of the years from the time you entered the Plan until the year in which you reach 60. (CESP participants who came into the Plan in 1943, who were over 60, use the average ending five years or less before retirement date.)

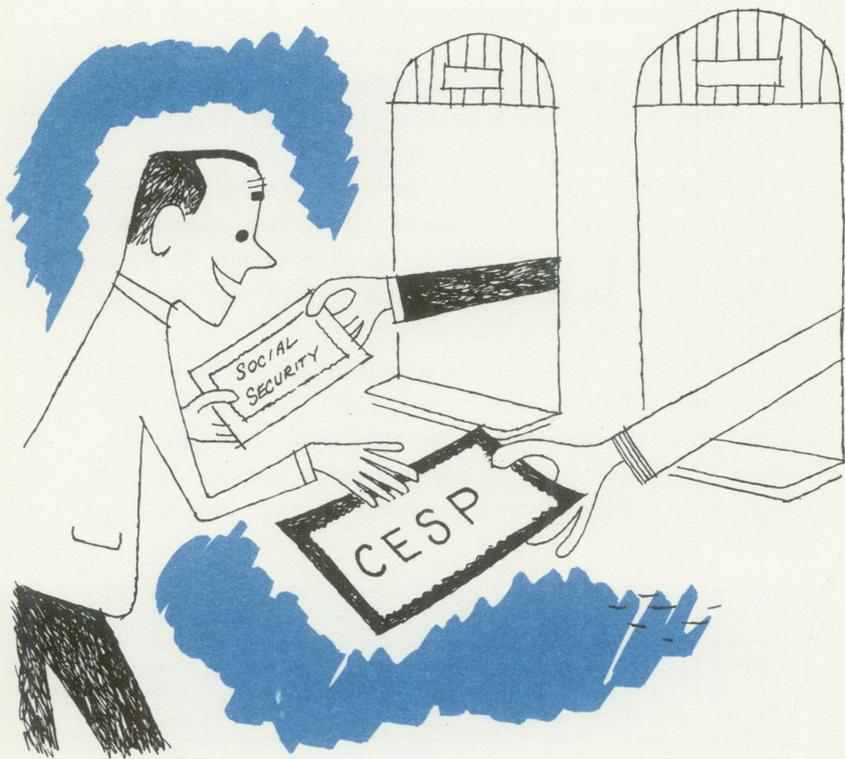
Thus you have the advantage of knowing a full five years before retirement the exact annual earning rate upon which your final pension will be based. The earning rate does not change even if due to health or other reasons your earnings decrease during the five-year period.

The minimum total monthly retirement benefit for an employee with 25 years of service is \$100. For less than 25 years service the minimum is the number of years times \$4. Where CESP and primary Social Security together do not equal the minimum amount, a supplementary pension will be paid for life only.

** The earnings figure certified annually by the Company for CESP purposes is: (a) if you are paid an hourly rate—average hourly rate for the last quarter of the previous calendar year, including incentive but not overtime, multiplied by 2,080 hours (52 40-hour weeks); (b) if you are on salary—your regular annual salary at the rate payable on the preceding December 31. Thus time lost through leave of absence or lay-off does not affect the earnings figure certified to CESP for computing your retirement income.*

HOW MUCH RETIREMENT INCOME WILL I GET?

HOW DOES SOCIAL



SECURITY FIT INTO CESP?

CESP and Social Security fit together. There is no conflict. Security for you is the objective of both. One difference, however, is that the Corporation provides you with CESP benefits without cost to you. In the case of Social Security, both you and Carrier contribute equally to the cost.

CESP, together with Social Security and reasonable personal savings, enable an employee to have an adequate income when ready to retire.

Social Security annual retirement benefits, as shown in columns 3 and 4 of the tables in the back of the booklet, are based on the first \$3,600 of income and are figured as follows:

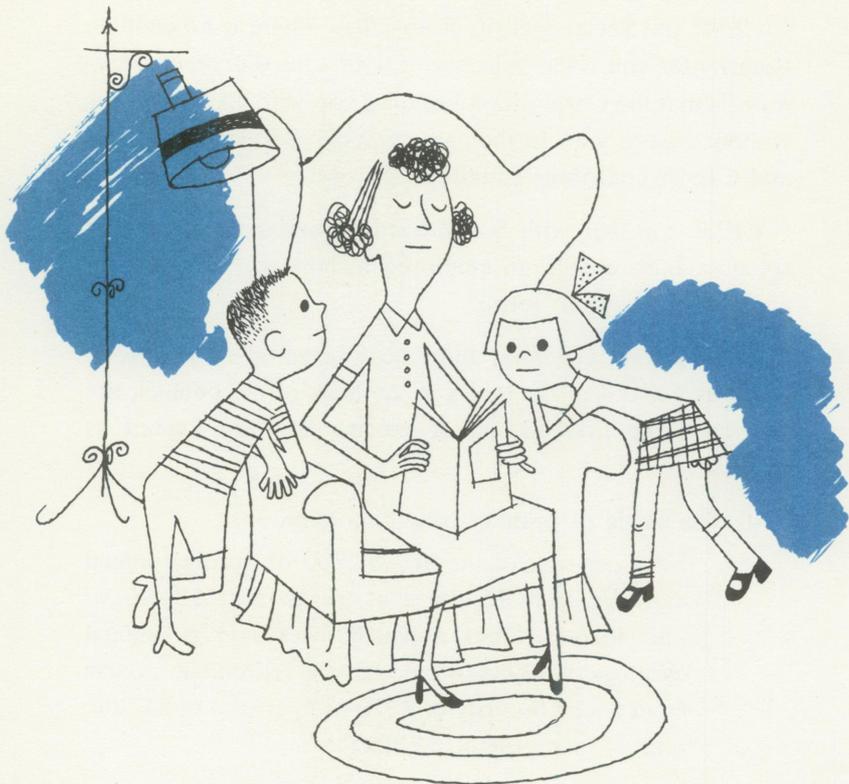
a. The single or primary benefit, column 3:

Fifty per cent of the first \$1,200 of average annual earnings, plus 15 per cent of the next \$2,400 or part thereof. Thus a person with average annual earnings of \$3,000 would have a retirement income from Social Security of \$870 (50 per cent of \$1,200, plus 15 per cent of \$1,800).

b. The wife's Social Security benefit, if she were over 65, would be an additional 50 per cent of the primary amount. In the above example that would be \$435, making a combined total of \$1,305 for both husband and wife (column 4).

HOW DOES SOCIAL SECURITY FIT INTO CESP?

WHAT HAPPENS



IF I DIE?

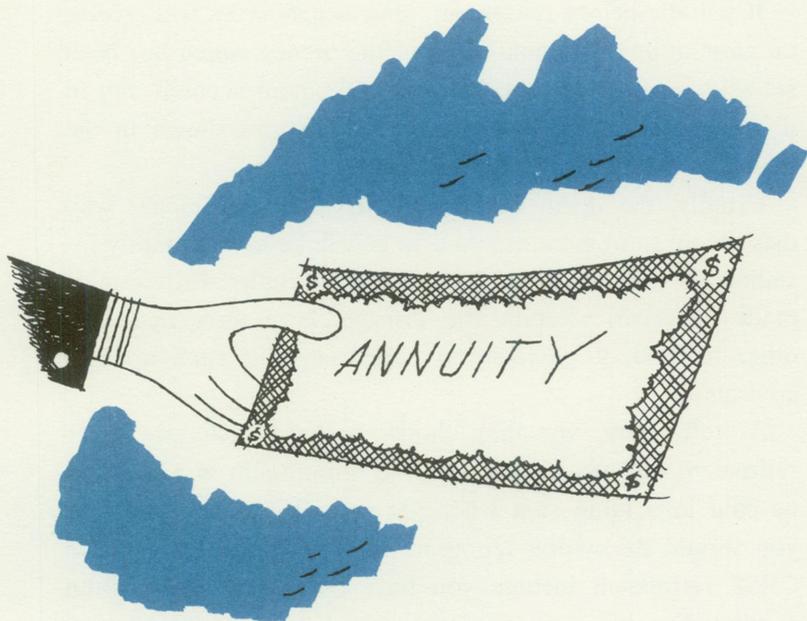
Whether you die before or after retirement your interest in CESP is fully protected.

If you die before retirement, your beneficiaries will receive an amount at least equal to all of the money which has been set aside up to that date for your retirement account and in no event an amount less than the minimums shown in the tables at the back of this booklet.

Usually, the death benefits for a CESP participant who dies before retirement are paid to beneficiaries in monthly installments over a period of about 20 months. Provision is made, however, whereby the Trustees may agree upon another method of payment to beneficiaries if such appears advisable.

At retirement, you may choose to have a slightly lower retirement income, and thus assure a minimum of \$1,000 to be paid in a lump sum whenever you die. In any event, if you should die within ten years after retirement, the basic CESP retirement income you have been receiving will be continued to your beneficiaries for the balance of the 10-year period, or over a longer period if you should choose one of several options. (This does not apply to any supplementary benefits or to the full Social Security payment.)

WHAT IF I LEAVE



CARRIER?

If you resign or your employment is terminated by Carrier, you will receive as a termination benefit a percentage of the values accumulated toward your retirement benefits, as follows:

100% — if you leave within 10 years of normal retirement.

100% — if you leave after completing 25 years of service.

80% — if you leave after 20 years.

60% — if you leave after 15 years.

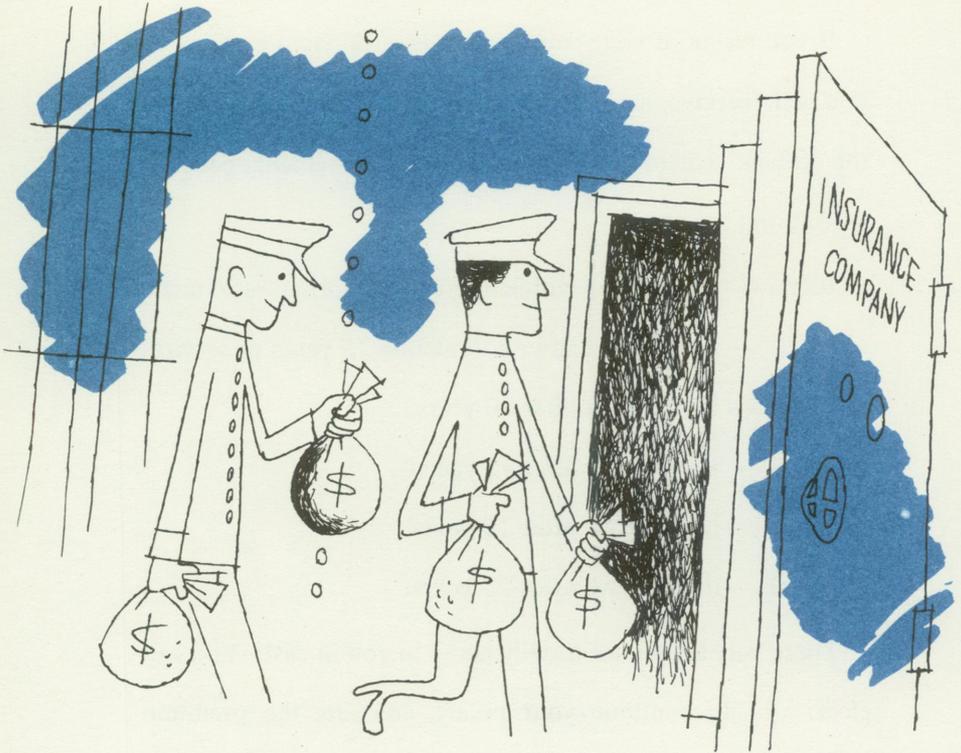
40% — if you leave after 10 years.

20% — if you leave after 5 years.

These benefits do not usually come to you in cash. You can elect: (1) to continue your policy, enjoying the premium advantage you have acquired, and assure full protection for your beneficiaries; or, (2) to receive a paid up annuity for you at age 65, with death benefits in the meantime.

WHAT IF I LEAVE CARRIER?

HOW ARE CESP



Benefits assured to you under CESP are absolutely guaranteed up to the full amount of funds paid in. There are the most rigid safeguards. Neither the Company nor the Trustees desired to assume responsibility for the safety of long-term investments necessary for a program looking so far into the future. Therefore all payments into the fund are placed with carefully selected legal reserve life insurance companies.

BENEFITS SAFEGUARDED?

Current insurers, actual handlers of funds, are the Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin, and the Bankers Life Company of Iowa. The contracts issued by these insurance companies guarantee the values created for participants in CESP.

Even if CESP were ever terminated, no part of the funds so far paid in would be returned to the Company. The full values accrued would remain in the hands of the insurance companies for ultimate distribution to you and other participants.

And speaking of safeguards, the Trust agreement specifically provides that the benefits are intended for the personal protection of participants and are not subject to seizure by legal process on the part of creditors of either a participant or his beneficiary.

CESP is administered by a Board of three Trustees chosen from the elected officers of Carrier Corporation. These individuals are appointed by the Board of Directors. The Trustees are decidedly limited as to their powers; they simply administer CESP in those working details regarding eligibility, contributions and agreements with beneficiaries.

HOW ARE CESP BENEFITS SAFEGUARDED?

HOW CAN I FIGURE



Your benefits can easily be estimated from tables on the following pages which show CESP retirement benefits and minimum death benefits, together with estimated Social Security benefits.

To determine your benefits you must first figure the number of years you will have worked continuously at Carrier when you reach retirement age. Thus, if you were nearest your 35th birthday on the October 31 after you went to work at Carrier, you could have completed 30 full years of service when you reach 65. You should therefore turn to pages 36 and 37, headed "29 or 30 Years of Total Continuous Employment to Normal Retirement Date."

Or if you were nearest your 25th birthday, you could have accumulated 40 years of service, and should turn to pages 42 and 43, headed "35 Years or More of Total Continuous Employment . . ." If you were 45 or more, you will find the table that applies to you on pages 26 and 27, "20 Years or Less . . ."

RETIREMENT INCOME?

When you have located the correct table, underline your appropriate income classification in column 1, headed "Final Annual Earnings." These are your average earnings over the period of 10 consecutive years of highest income prior to age 60. Then draw a line horizontally across the page to find the benefits you or your beneficiaries will receive.

The following examples will clarify the procedure for using the tables:

EXAMPLE No. 1

Age at employment.....	40
Years of service to age 65.....	25
Final Annual Earnings.....	\$3500

Turn to tables on pages 32 and 33 and underline 5th line, "Final Annual Earnings" of \$3250—\$3749. Annual Retirement Income will be:

	<i>Single</i>	<i>With Wife 65</i>
CESP (col. 2).....	\$423	\$423
Social Security (cols. 3 & 4).....	945	1418
Total CESP & Social Security (cols. 5 & 7).....	\$1368	\$1841
Percents of Annual Earnings (cols. 6 & 8).....	39%	53%
Minimum Death Benefits (col. 9).....	\$2516	

EXAMPLE No. 2

Age at employment.....	30
Years of service to age 65.....	35
Final Annual Earnings.....	\$6000

Turn to tables on pages 42 and 43 and underline 10th line, "Final Annual Earnings" of \$5750—\$6249. Annual Retirement Income will be:

	<i>Single</i>	<i>With Wife 65</i>
CESP (col. 2).....	\$1380	\$1380
Social Security (cols. 3 & 4).....	960	1440
Total CESP & Social Security (cols. 5 & 7).....	\$2340	\$2820
Percents of Annual Earnings (cols. 6 & 8).....	39%	47%
Minimum Death Benefits (col. 9).....	\$3530	

All tables are designed to show your normal retirement income and death benefits. When you retire, you may choose any one of several different methods of retirement income in lieu of the standard provision; for instance, a smaller income payable as long as *either* you or your wife may live.

HOW CAN I FIGURE RETIREMENT INCOME?

20 YEARS OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY ^(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	144	750	1,125
2,600 — 3,249	225	870	1,305
3,250 — 3,749	345	945	1,418
3,750 — 4,249	480	960	1,440
4,250 — 4,749	615	960	1,440
4,750 — 5,249	750	960	1,440
5,250 — 5,749	885	960	1,440
5,750 — 6,249	1,020	960	1,440
6,250 — 6,749	1,155	960	1,440
6,750 — 7,249	1,290	960	1,440
7,250 — 7,749	1,425	960	1,440
7,750 — 8,249	1,560	960	1,440
8,250 — 8,749	1,695	960	1,440
8,750 — 9,249	1,830	960	1,440
9,250 — 9,749	1,965	960	1,440
9,750 — 10,249	2,100	960	1,440
10,250 — 10,749	2,235	960	1,440
10,750 — 11,249*	2,370	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+135

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

OR LESS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
750	54	1,065	76	1,086
894	41	1,269	58	1,303
1,095	37	1,530	51	2,036
1,290	37	1,763	50	2,036
1,440	36	1,920	48	2,036
1,575	35	2,055	46	2,036
1,710	34	2,190	44	2,036
1,845	34	2,325	42	2,036
1,980	33	2,460	41	2,036
2,115	33	2,595	40	Same amount for all Subsequent Brackets.
2,250	32	2,730	39	
2,385	32	2,865	38	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,520	32	3,000	38	
2,655	31	3,135	37	
2,790	31	3,270	36	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
2,925	31	3,405	36	
3,060	31	3,540	35	
3,195	30	3,675	35	
3,330	30	3,810	35	
+135	No Increase	+135	No Increase	

21 OR 22

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	180	750	1,125
2,600 — 3,249	240	870	1,305
3,250 — 3,749	371	945	1,418
3,750 — 4,249	510	960	1,440
4,250 — 4,749	649	960	1,440
4,750 — 5,249	787	960	1,440
5,250 — 5,749	926	960	1,440
5,750 — 6,249	1,065	960	1,440
6,250 — 6,749	1,204	960	1,440
6,750 — 7,249	1,342	960	1,440
7,250 — 7,749	1,481	960	1,440
7,750 — 8,249	1,620	960	1,440
8,250 — 8,749	1,759	960	1,440
8,750 — 9,249	1,897	960	1,440
9,250 — 9,749	2,036	960	1,440
9,750 — 10,249	2,175	960	1,440
10,250 — 10,749	2,314	960	1,440
10,750 — 11,249*	2,452	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+138

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)		(6)		(7)		(8)		(9)	
RETIREMENT INCOME								Minimum Death Benefits from Plan at Date of Entry Not Including Social Security	
TOTAL WITH PRIMARY ONLY				TOTAL WITH WIFE 65					
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	Amount	% of Col. 1(b)	Amount	% of Col. 1(b)		
\$ 620	62	\$ 870	87			\$1,086			
750	54	1,065	76			1,086			
930	42	1,305	59			1,629			
1,110	37	1,545	52			2,172			
1,316	38	1,789	51			2,172			
1,470	37	1,950	49			2,172			
1,609	36	2,089	46			2,172			
1,747	35	2,227	45			2,172			
1,886	34	2,366	43			2,172			
2,025	34	2,505	42			2,172			
2,164	33	2,644	41						Same amount for all Subsequent Brackets.
2,302	33	2,782	40						
2,441	33	2,921	39						The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,580	32	3,060	38						
2,719	32	3,199	38						
2,857	32	3,337	37						**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
2,996	32	3,476	37						
3,135	31	3,615	36						
3,274	31	3,754	36						
3,412	31	3,892	35						
+138	No Increase	+138	No Increase						

23 OR 24

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	180	750	1,125
2,600 — 3,249	255	870	1,305
3,250 — 3,749	397	945	1,418
3,750 — 4,249	540	960	1,440
4,250 — 4,749	682	960	1,440
4,750 — 5,249	825	960	1,440
5,250 — 5,749	967	960	1,440
5,750 — 6,249	1,110	960	1,440
6,250 — 6,749	1,252	960	1,440
6,750 — 7,249	1,395	960	1,440
7,250 — 7,749	1,537	960	1,440
7,750 — 8,249	1,680	960	1,440
8,250 — 8,749	1,822	960	1,440
8,750 — 9,249	1,965	960	1,440
9,250 — 9,749	2,107	960	1,440
9,750 — 10,249	2,250	960	1,440
10,250 — 10,749	2,392	960	1,440
10,750 — 11,249*	2,535	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+143

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)		(6)		(7)		(8)		(9)	
RETIREMENT INCOME								Minimum Death Benefits from Plan at Date of Entry Not Including Social Security	
TOTAL WITH PRIMARY ONLY				TOTAL WITH WIFE 65					
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	Amount	% of Col. 1(b)	Amount	% of Col. 1(b)		
\$ 620	62	\$ 870	87			\$1,086			
750	54	1,065	76			1,086			
930	42	1,305	59			1,629			
1,125	38	1,560	52			2,308			
1,342	38	1,815	52			2,308			
1,500	38	1,980	50			2,308			
1,642	36	2,122	47			2,308			
1,785	36	2,265	45			2,308			
1,927	35	2,407	44			2,308			
2,070	35	2,550	43			2,308			
2,212	34	2,692	41						Same amount for all Subsequent Brackets.
2,355	34	2,835	41						
2,497	33	2,977	40						The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,640	33	3,120	39						
2,782	33	3,262	38						
2,925	33	3,405	38						**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,067	32	3,547	37						
3,210	32	3,690	37						
3,352	32	3,832	36						
3,495	32	3,975	36						
+143	No Increase	+143	No Increase						

25 OR 26

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	194	750	1,125
2,600 — 3,249	278	870	1,305
3,250 — 3,749	423	945	1,418
3,750 — 4,249	570	960	1,440
4,250 — 4,749	716	960	1,440
4,750 — 5,249	862	960	1,440
5,250 — 5,749	1,009	960	1,440
5,750 — 6,249	1,155	960	1,440
6,250 — 6,749	1,301	960	1,440
6,750 — 7,249	1,447	960	1,440
7,250 — 7,749	1,594	960	1,440
7,750 — 8,249	1,740	960	1,440
8,250 — 8,749	1,886	960	1,440
8,750 — 9,249	2,032	960	1,440
9,250 — 9,749	2,178	960	1,440
9,750 — 10,249	2,325	960	1,440
10,250 — 10,749	2,471	960	1,440
10,750 — 11,249*	2,617	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+146

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
750	54	1,065	76	1,086
944	43	1,319	60	1,756
1,148	38	1,583	53	2,516
1,368	39	1,841	53	2,516
1,530	38	2,010	50	2,516
1,676	37	2,156	48	2,516
1,822	36	2,302	46	2,516
1,969	36	2,449	45	2,516
2,115	35	2,595	43	2,516
2,261	35	2,741	42	Same amount for all Subsequent Brackets.
2,407	34	2,887	41	
2,554	34	3,034	40	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,700	34	3,180	40	
2,846	33	3,326	39	
2,992	33	3,472	39	
3,138	33	3,618	38	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,285	33	3,765	38	
3,431	33	3,911	37	
3,577	33	4,057	37	
+146	No Increase	+146	No Increase	

27 OR 28

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	210	750	1,125
2,600 — 3,249	300	870	1,305
3,250 — 3,749	450	945	1,418
3,750 — 4,249	600	960	1,440
4,250 — 4,749	750	960	1,440
4,750 — 5,249	900	960	1,440
5,250 — 5,749	1,050	960	1,440
5,750 — 6,249	1,200	960	1,440
6,250 — 6,749	1,350	960	1,440
6,750 — 7,249	1,500	960	1,440
7,250 — 7,749	1,650	960	1,440
7,750 — 8,249	1,800	960	1,440
8,250 — 8,749	1,950	960	1,440
8,750 — 9,249	2,100	960	1,440
9,250 — 9,749	2,250	960	1,440
9,750 — 10,249	2,400	960	1,440
10,250 — 10,749	2,550	960	1,440
10,750 — 11,249*	2,700	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+150

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
750	54	1,065	76	1,086
960	44	1,335	61	1,900
1,170	39	1,605	54	2,715
1,395	40	1,868	53	2,715
1,560	39	2,040	51	2,715
1,710	38	2,190	49	2,715
1,860	37	2,340	47	2,715
2,010	37	2,490	45	2,715
2,160	36	2,640	44	2,715
2,310	36	2,790	43	Same amount for all Subsequent Brackets.
2,460	35	2,940	42	
2,610	35	3,090	41	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,760	35	3,240	41	
2,910	34	3,390	40	
3,060	34	3,540	39	
3,210	34	3,690	39	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,360	34	3,840	38	
3,510	33	3,990	38	
3,660	33	4,140	38	
+150	No Increase	+150	No Increase	

29 OR 30

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	120	630	945
1,800 — 2,599	227	750	1,125
2,600 — 3,249	323	870	1,305
3,250 — 3,749	476	945	1,418
3,750 — 4,249	630	960	1,440
4,250 — 4,749	784	960	1,440
4,750 — 5,249	937	960	1,440
5,250 — 5,749	1,091	960	1,440
5,750 — 6,249	1,245	960	1,440
6,250 — 6,749	1,399	960	1,440
6,750 — 7,249	1,552	960	1,440
7,250 — 7,749	1,706	960	1,440
7,750 — 8,249	1,860	960	1,440
8,250 — 8,749	2,014	960	1,440
8,750 — 9,249	2,167	960	1,440
9,250 — 9,749	2,321	960	1,440
9,750 — 10,249	2,475	960	1,440
10,250 — 10,749	2,629	960	1,440
10,750 — 11,249*	2,782	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+153

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
750	54	1,065	76	1,086
977	44	1,352	61	2,054
1,193	40	1,628	54	2,923
1,421	41	1,894	54	2,923
1,590	40	2,070	52	2,923
1,744	39	2,224	49	2,923
1,897	38	2,377	48	2,923
2,051	37	2,531	46	2,923
2,205	37	2,685	45	2,923
2,359	36	2,839	44	Same amount for all Subsequent Brackets.
2,512	36	2,992	43	
2,666	36	3,146	42	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,820	35	3,300	41	
2,974	35	3,454	41	
3,127	35	3,607	40	
3,281	35	3,761	40	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,435	34	3,915	39	
3,589	34	4,069	39	
3,742	34	4,222	38	
+153	No Increase	+153	No Increase	

31 OR 32

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	180	630	945
1,800 — 2,599	243	750	1,125
2,600 — 3,249	345	870	1,305
3,250 — 3,749	502	945	1,418
3,750 — 4,249	660	960	1,440
4,250 — 4,749	817	960	1,440
4,750 — 5,249	975	960	1,440
5,250 — 5,749	1,132	960	1,440
5,750 — 6,249	1,290	960	1,440
6,250 — 6,749	1,447	960	1,440
6,750 — 7,249	1,605	960	1,440
7,250 — 7,749	1,762	960	1,440
7,750 — 8,249	1,920	960	1,440
8,250 — 8,749	2,077	960	1,440
8,750 — 9,249	2,235	960	1,440
9,250 — 9,749	2,392	960	1,440
9,750 — 10,249	2,550	960	1,440
10,250 — 10,749	2,708	960	1,440
10,750 — 11,249*	2,865	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+158

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
810	58	1,125	80	1,629
993	45	1,368	62	2,199
1,215	41	1,650	55	3,122
1,447	41	1,920	55	3,122
1,620	41	2,100	53	3,122
1,777	39	2,257	50	3,122
1,935	39	2,415	48	3,122
2,092	38	2,572	47	3,122
2,250	38	2,730	46	3,122
2,407	37	2,887	44	Same amount for all Subsequent Brackets.
2,565	37	3,045	44	
2,722	36	3,202	43	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,880	36	3,360	42	
3,037	36	3,517	41	
3,195	36	3,675	41	
3,352	35	3,832	40	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,510	35	3,990	40	
3,668	35	4,148	40	
3,825	35	4,305	39	
+158	No Increase	+158	No Increase	

33 OR 34

OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED			
SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	180	630	945
1,800 — 2,599	260	750	1,125
2,600 — 3,249	368	870	1,305
3,250 — 3,749	528	945	1,418
3,750 — 4,249	690	960	1,440
4,250 — 4,749	851	960	1,440
4,750 — 5,249	1,012	960	1,440
5,250 — 5,749	1,174	960	1,440
5,750 — 6,249	1,335	960	1,440
6,250 — 6,749	1,496	960	1,440
6,750 — 7,249	1,657	960	1,440
7,250 — 7,749	1,819	960	1,440
7,750 — 8,249	1,980	960	1,440
8,250 — 8,749	2,141	960	1,440
8,750 — 9,249	2,302	960	1,440
9,250 — 9,749	2,463	960	1,440
9,750 — 10,249	2,625	960	1,440
10,250 — 10,749	2,787	960	1,440
10,750 — 11,249*	2,947	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+161

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

YEARS TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
810	58	1,125	80	1,629
1,010	46	1,385	63	2,353
1,238	41	1,673	56	3,330
1,473	42	1,946	56	3,330
1,650	41	2,130	53	3,330
1,811	40	2,291	51	3,330
1,972	39	2,452	49	3,330
2,134	39	2,614	48	3,330
2,295	38	2,775	46	3,330
2,456	38	2,936	45	Same amount for all Subsequent Brackets.
2,617	37	3,097	44	
2,779	37	3,259	43	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
2,940	37	3,420	43	
3,101	36	3,581	42	
3,262	36	3,742	42	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,423	36	3,903	41	
3,585	36	4,065	41	
3,747	36	4,227	40	
3,907	36	4,387	40	
	No		No	
+161	Increase	+161	Increase	

35 YEARS OF TOTAL CONTINUOUS EMPLOYMENT

(1)	(2)	(3)	(4)
NORMAL ANNUAL			
ESTIMATED SOCIAL SECURITY(a)			
Final Annual Earnings	C.E.S.P. "Basic Minimum"	Primary	With Wife 65
Under \$1,000	\$ 120	\$500	\$ 750
\$ 1,000 — \$ 1,799	180	630	945
1,800 — 2,599	276	750	1,125
2,600 — 3,249	390	870	1,305
3,250 — 3,749	555	945	1,418
3,750 — 4,249	720	960	1,440
4,250 — 4,749	885	960	1,440
4,750 — 5,249	1,050	960	1,440
5,250 — 5,749	1,215	960	1,440
5,750 — 6,249	1,380	960	1,440
6,250 — 6,749	1,545	960	1,440
6,750 — 7,249	1,710	960	1,440
7,250 — 7,749	1,875	960	1,440
7,750 — 8,249	2,040	960	1,440
8,250 — 8,749	2,205	960	1,440
8,750 — 9,249	2,370	960	1,440
9,250 — 9,749	2,535	960	1,440
9,750 — 10,249	2,700	960	1,440
10,250 — 10,749	2,865	960	1,440
10,750 — 11,249*	3,030	960	1,440

*For each additional \$500 in final annual earnings the increases in each of the following columns 2, 5 and 7 would be

+165

(a) Based on Social Security Law as amended September, 1950.

(b) Approximate percentage of final annual earnings shown in column one.

OR MORE TO NORMAL RETIREMENT DATE

(5)	(6)	(7)	(8)	(9)
RETIREMENT INCOME				Minimum Death Benefits from Plan at Date of Entry Not Including Social Security
TOTAL WITH PRIMARY ONLY		TOTAL WITH WIFE 65		
Amount**	% of Col. 1(b)	Amount	% of Col. 1(b)	
\$ 620	62	\$ 870	87	\$1,086
810	58	1,125	80	1,629
1,026	47	1,401	64	2,498
1,260	42	1,695	57	3,530
1,500	43	1,973	56	3,530
1,680	42	2,160	54	3,530
1,845	41	2,325	52	3,530
2,010	40	2,490	50	3,530
2,175	40	2,655	48	3,530
2,340	39	2,820	47	3,530
2,505	39	2,985	46	Same amount for all Subsequent Brackets.
2,670	38	3,150	45	
2,835	38	3,315	44	The above figures are for male Participants; minimum death benefits for female Participants are approximately 3% smaller.
3,000	38	3,480	44	
3,165	37	3,645	43	**Where total of C.E.S.P. and primary social security is less than \$1,200, a supplementary income will be paid for the life of the Participant only, provided total service equals 25 years or more. For each year less than 25, \$48 will be subtracted from \$1,200 to get the minimum.
3,330	37	3,810	42	
3,495	37	3,975	42	
3,660	37	4,140	41	
3,825	36	4,305	41	
3,990	36	4,470	41	
+165	No Increase	+165	No Increase	

In the foregoing pages, an attempt has been made to highlight the principal features of CESP. It must be pointed out, however, that this booklet is only an outline in the broadest terms. The detailed plan approved by the Board of Directors and stockholders, together with the agreement of trust, are the official documents, and may be reviewed by any employee upon application to the Personnel Division.

The following pages contain work sheets for figuring your expected retirement income as it may change from time to time.

RECORD OF INSURANCE POLICIES

(other than CESP)

<i>Company</i>	<i>Policy Number</i>	<i>Face Amount</i>	<i>Income at Age 65</i>
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WORK SHEET FOR CALCULATING EXPECTED RETIREMENT INCOME

Name..... Date figured

My 65th Birthday will be
MONTH DAY YEAR

My wife's 65th Birthday will be
MONTH DAY YEAR

My normal retirement date will be
MONTH DAY YEAR

My expected retirement date will be
MONTH DAY YEAR

Estimated "Final Annual Earnings"

Retirement Income (Annual):

 From CESP

 From Social Security (Annual):
 Primary

 Add 50% of primary when
 wife reaches 65

 Total

 CESP Plus Social Security

From Personal Holdings (Annual):

 Life Insurance

 Other Property

 Total

Grand Total (Annual)

Monthly Amount

NOTES

WORK SHEET FOR CALCULATING EXPECTED RETIREMENT INCOME

Name.....Date figured

My 65th Birthday will be
.....
MONTH DAY YEAR

My wife's 65th Birthday will be
.....
MONTH DAY YEAR

My normal retirement date will be
.....
MONTH DAY YEAR

My expected retirement date will be
.....
MONTH DAY YEAR

Estimated "Final Annual Earnings"

Retirement Income (Annual):

 From CESP

 From Social Security (Annual):
 Primary

 Add 50% of primary when
 wife reaches 65

 Total

 CESP Plus Social Security

From Personal Holdings (Annual):

 Life Insurance

 Other Property

 Total

Grand Total (Annual)

Monthly Amount

NOTES

WORK SHEET FOR CALCULATING EXPECTED RETIREMENT INCOME

Name..... Date figured

My 65th Birthday will be
MONTH DAY YEAR

My wife's 65th Birthday will be
MONTH DAY YEAR

My normal retirement date will be
MONTH DAY YEAR

My expected retirement date will be
MONTH DAY YEAR

Estimated "Final Annual Earnings"

Retirement Income (Annual):

From CESP

From Social Security (Annual):
Primary

Add 50% of primary when
wife reaches 65

Total

CESP Plus Social Security

From Personal Holdings (Annual):

Life Insurance

Other Property

Total

Grand Total (Annual)

Monthly Amount

