

Did You Know?

If You Start Your Monthly Benefit Before Age 65, It Will Be Reduced

To begin your American Federation of Musicians and Employers' Pension Fund (AFM-EPF) benefit before age 65, you must meet all these requirements:

- You are at least age 55
- You are 100% vested in your benefit, and
- You retire from all employment with all employers contributing to the Plan.

Your Monthly Benefit Will Be Lower Than If You Wait Until Age 65

Pension plans are generally designed to produce a benefit that starts at normal retirement age – usually age 65. The AFM-EPF, like many plans, allows you to retire and start benefits earlier – from age 55 through 64. Your benefit is calculated based on your age when your benefit begins (called the Pension Effective Date). The younger you are, the lower the benefit multiplier. It's similar to Social Security: You can start your Social Security benefit as early as age 62, but it will be lower than what you'd receive at normal retirement age.

Here's Why

The Plan is designed to pay everyone a benefit for their lifetime starting at age 65. When someone retires earlier than that, the Plan doesn't have additional funding to pay them for "extra" years. So, the benefit payment is adjusted so the early benefit is equivalent in value to the age 65 benefit. This calculation requires actuaries to use assumptions, such as how long people are expected to live and what interest rate will determine the money's time value. Example:

$\$1.00$ multiplier at age 65 = $\$0.37$ multiplier at age 55

This reduction isn't a penalty. It's simply a way to make the early benefit equivalent in value to the age 65 benefit.

If You Retire Early, You Must Intend to Stop Working

Special rules apply when you start your pension early, as described in the [Early Retirement Procedures – Participant Notice](#).

This is only a summary of the rules. For more detailed information, please review the Plan's [early retirement procedures](#) at www.afm-epf.org.