

# Resource

## The ABC-NABET Retirement Trust Plan Newsletter

October 2017  
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## The Important Role of a Pension Plan

### *Why it Matters for Your Financial Future*

We hear a lot in the news today about the concerns people have that they will not be ready for retirement. Workers report they are distracted by day-to-day financial worries and fear they may not be prepared for the future.

You might wonder what this means for yourself. The good news is that you have a defined benefit (DB) pension plan to boost your financial picture. A pension plan provides a guaranteed, **monthly payment for life**, which helps you in planning for retirement security.

Defined benefit pension plans are valuable because they provide:

- **Stability.** Since monthly benefits are determined by a set formula, vested normal retirement benefits do not change with market volatility.
- **Payments for life.** Pension benefits from plans such as ABC-NABET are typically paid as an annuity, which provides a monthly benefit from retirement until death, regardless of how long you live. Because many people are living longer these days, a pension guarantees some income when other sources may run out.
- **No investment decision risk for you.** Generally with pension plans, the Trustees of the plan are responsible for the investment strategy. You, the participant, retiree, or beneficiary, do not make investment choices. Most defined benefit plans use professional asset management services to help in developing policy and strategy. For example, ABC-NABET works with New England Pension Consultants to manage the Plan's investments. The Trustees meet three times a year to discuss returns and any changes to the investment strategy.
- **Increasing value for long-service workers.** Since the benefit formula uses service over your entire career, there is an advantage for longer-term employees.
- **Certainty.** Whereas 401(k) plans do allow withdrawals before retirement, pension plans generally do not. This eliminates the temptation to cash benefits out early and means the pension benefit is there when you actually retire.

Benefits under the pension plan are an important part of your future retirement income. Older Americans with pensions typically have at least twice the annual income than that of retirees receiving Social Security payments alone. The more you understand the plan and how it works, the more you will appreciate the value of your pension benefit and how it fits into retirement.



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Visit the pension estimator. Wondering how to check your pension benefit? Visit the pension estimator at [www.abc-nabetspension.org](http://www.abc-nabetspension.org) to see your benefit at various retirement ages and dates. You can review your personal pension information and also compare your benefit under each of the payment options available.

# Do You Need a Financial Advisor?

## 4 Questions to Ask

In recent years, the retirement landscape has changed significantly, and more responsibility for saving and investing now rests with employees. As a result, appreciation for pension plans such as ours has grown because they provide a regular source of monthly income – something that can be counted on. Planning for retirement, however, can be a daunting task. Many Americans do not feel equipped for managing money and adequately preparing for their financial future. But help is available!

There are several great ways to dive into understanding your finances. First, try researching on your own. Ask a local librarian to point you to resources on financial planning. Talk to someone in your life who works in finance. Research online for resources that apply to your phase of life. Or, if you are more comfortable having help, find a financial advisor.

### Q1: How can a financial advisor help me?

Financial advisors can be valuable for people of all ages and income levels. They can help each person increase their own wealth and savings as they near retirement. Common ways financial advisors help individuals and families include:

- An ongoing plan for managing your money and assets
- Developing a roadmap and personalized plan for your financial future
- Financing education
- Selling a business
- Buying a retirement home
- A targeted plan for getting out of debt

You may want a financial advisor because you are concerned about retirement, savings, or debt. Or, you may prefer to work with a financial advisor for peace-of-mind. If you struggle to navigate your finances on your own, a financial advisor can be a wise investment because he or she can help you maximize your wealth for the future.

### Did you know?

Financial advisors cater to various income levels and are willing to work with you to make sure that you are making wise decisions with your money. You may spend some money for their services, but a good financial advisor will help you make or save more than they cost you in the long run, giving you peace-of-mind and helpful guidance along the way.

### Q2: What type of advisor do I need?

There are good financial advisors for every income level. The three basic types of financial advisors based on how they are paid are:

- Commission-based – Typically brokers or insurance agents, they sell financial products as well as give advice
- Fee-based – Often affiliated with brokers or agents, they provide financial planning for a fixed amount and also sell products and get commissions
- Fee-only – Generally providing more comprehensive advice, they are paid only through flat fees, hourly rates or a percentage of assets managed; no commissions or product sales

### Q3: What should I look for in a financial advisor?

Find out what certificates an advisor holds. The Certified Financial Planner (CFP) designation is the gold standard in the industry. To get the CFP designation, the advisors take specialized course work, pass a 6-hour exam, and have three years of relevant experience. After certification, they must regularly complete continuing education and are held to high ethical standards. To confirm CFP certification, look for the advisor on the CFP Board's web site [www.cfp.net](http://www.cfp.net). Other certificates a financial advisor may have include: Chartered Financial Analyst (CFA), Certified Public Accountant (CPA), Chartered Financial Consultant (ChFC).

Also check to see if an advisor has ever been disciplined for unlawful or unethical behavior. Bankruptcies, certain criminal charges, or investigations can be found by using the Financial Industry Regulatory Authority's (FINRA) BrokerCheck web site: [brokercheck.finra.org](http://brokercheck.finra.org).

Perhaps the most important measure is the **trustworthiness** and **commitment** of the advisor. You must be comfortable with sharing some of your most confidential financial information.



#### Q4: Where do I start in finding a financial advisor?

To find a financial advisor that works for you, ask people in your same stage of life for recommendations. It is helpful to consider those who have successfully assisted clients like you. You can also ask your attorney, tax advisor, or other trusted professionals for a recommendation. Another source is the National Association of Personal Financial Advisors, [www.napfa.org](http://www.napfa.org), which is the country's leading organization of fee-only advisors.

## Looking for Valuable Retiree Living Information?

*Try this link*

For help with retirement decisions such as whether or not to move, finding the right location, etc., The Retirement Living Information Center provides access to a wide variety of resource materials: [www.retirementliving.com](http://www.retirementliving.com). This site is designed to assist individuals in planning and making important decisions about their retirement. From the "About Us" page, here's what you'll find:

- Great places to retire
- Tax information on each state
- Monthly reports on new retirement communities
- Online publications and books
- Information about special products and services to assist the aging

An estimated 10,000 Americans turn 65 each day. At that pace, it is likely that many new resources will soon become available for those who are or will soon be in retirement. So, be watching for opportunities to connect, save money, and live full lives during retirement.

Once you develop a list of potential advisors, it is time for research. Look online to confirm their certification as a CFP at [www.cfp.net](http://www.cfp.net). Also, make sure there are no ethical or legal issues by reviewing **BrokerCheck at [brokercheck.finra.org](http://brokercheck.finra.org)**.

When you have narrowed down your list, set up a consultation with each advisor. Many advisors will offer this initial session free-of-charge. It's important to meet them face-to-face, tell your story, and ask your questions. Make sure you choose someone whose advice you can trust and who will take the time to explain well, so that you can make wise choices in your financial decisions.

## Beware of IRS Scam Calls:

*How to Protect Yourself*

Be alert for telephone calls, some automated and others live, telling you that you owe taxes and requesting a particular type of payment by you to the Internal Revenue Service (IRS). The high-pressure language often used by the callers, especially related to the serious topic of taxes, can be very intimidating. But there are guidelines to help you know that this is a scam, not a genuine call from the IRS:

The IRS does not initiate contact with you by telephone call, email, or social media.

The IRS may not threaten to have you arrested.

The IRS does not ask for personal information from you such as your social security number.

The IRS does not ask that you pay using special arrangements such as wire transfers or pre-paid debit cards.

The IRS does not take credit or debit card information from you by telephone.

Retirees are especially targeted for financial scams such as this, but everyone is susceptible. Remember, never give out personal information to strangers on the telephone or over email.



# Direct Deposit for Your Pension Checks:

## How to Set It Up

If you don't already use direct deposit for your pension payment, why not start today? Direct deposit is a convenient, safe way to receive your monthly pension. Just like paycheck direct deposit, pension direct deposit allows you to receive your money in the fastest, most secure way possible.

To enroll in direct deposit of your monthly pension checks, you must complete and submit a Direct Deposit Authorization form. Here's how:

1. Call the Fund Office at (215) 483-6000 and request the Direct Deposit Authorization form if you are a current retiree. If you are a new retiree, you will receive this form with your first pension check.
2. You complete the top two sections of the form and then have your bank or financial institution do the bottom portion. See the graphic on this page for the details.
3. Mail the completed form along with a cancelled check to the ABC-NABET Retirement Trust Plan at 400 Franklin Avenue, Suite 135, Phoenixville, PA 19460 or fax to (610) 783-6835.

Retiree completes this

Retiree completes this

Financial Institution completes this

ABC-NABET RETIREMENT TRUST PLAN  
400 FRANKLIN AVENUE  
SUITE 135  
PHOENIXVILLE, PA 19460  
(215) 483-6000

AUTOMATIC DIRECT DEPOSIT AUTHORIZATION

New Enrollment  Change of Enrollment  Termination of Enrollment

\*\*\* PLEASE RETURN A VOIDED CHECK WITH COMPLETED FORM \*\*\*

Retiree/Beneficiary Information

Name \_\_\_\_\_  
Home Address \_\_\_\_\_  
Phone Number (\_\_\_\_\_) \_\_\_\_\_  
Social Security # \_\_\_\_\_

Under the terms of the aforementioned Retirement Trust Plan, I am to receive \$ \_\_\_\_\_ each month, payments being due only if I am alive on the date on which said payment is due.

I hereby authorize and request the ABC-NABET Retirement Trust Plan hereinafter called COMPANY to deposit payments of my amount to my (\_\_\_\_\_) Savings \_\_\_\_\_ Checking account # \_\_\_\_\_ by routing credit in the amount owing me to the financial institution named below.

Because of lack of knowledge of my death, any payments are made to said financial institution representing payments for due dates subsequent to my death, I (or behalf of myself, my executors or administrators, hereby authorize and direct \_\_\_\_\_ financial institution) to correct erroneous credits to my account by reason of such payments, by canceling any such credits and refunding the amounts to the ABC-NABET Retirement Trust Plan as payments made under a mistake.

DATED: the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

RETIREE/BENEFICIARY'S SIGNATURE: \_\_\_\_\_

Financial Institution Information

Financial Institution Name \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
ABA Routing/Transit Number \_\_\_\_\_  
Account Number \_\_\_\_\_  
Type of Account  Checking  Savings  
NACHA Member/Do you accept deposit through ACH?  Yes  No

Authorized Signature of Financial Institution \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Return To: ABC-NABET Retirement Trust Plan, 400 Franklin Avenue, Suite 135, Phoenixville, PA 19460  
FAX: (610) 783-6835

After your completed form is received, there are a number of important security checks performed to ensure that the banking information is set up properly. As a result, it can sometimes take up to two months before your first direct deposit is made.

Once you enroll in direct deposit, you will be set up for years to come, with your money arriving in your account each month safely and promptly. Remember to complete a new form if you have any changes to the banking information for your direct deposit.

# Locating Missing Pension Plan Members:

## We'd Like Your Help

There are individuals who formerly worked for the company and may be entitled to a pension benefit from our ABC-NABET pension plan. If you have information about anyone on this list of plan members, please contact Barbara Dziengelski at 215-483-6000 or [bdziengelski@fabianbyrn.com](mailto:bdziengelski@fabianbyrn.com).

Thank you for your help with this.

William Aiken (NJ)  
David Aude (FL)  
Ken Berry (CA)  
Joseph Brown (CA)  
Jacklyn Conway (CA)  
Andrew Dallos (NY)  
P Decker (CA)  
Don De'La'Rosa (CA)  
Carole Demeo (NJ)  
Joseph Eboli (NY)

Mary Gannon (IL)  
Mario Gonzalez (CA)  
Carrie Halperin (NY)  
Rodger Harris (TX)  
Bonnie Huang (CA)  
Robert Keller (CA)  
Lisa Kucukdogerli (CA)  
M Levine (NY)  
M Mezquida (NC)  
Jack Moody (CA)

Frank Rice (IL)  
Stella Sato (NC)  
Carol Shipman (NC)  
Marghiee Teshineh (NY)  
M. Weaver (NY)  
Lawrence Webb (NV)  
Jack Webster (CA)  
Douglas Whitmire (IL)

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