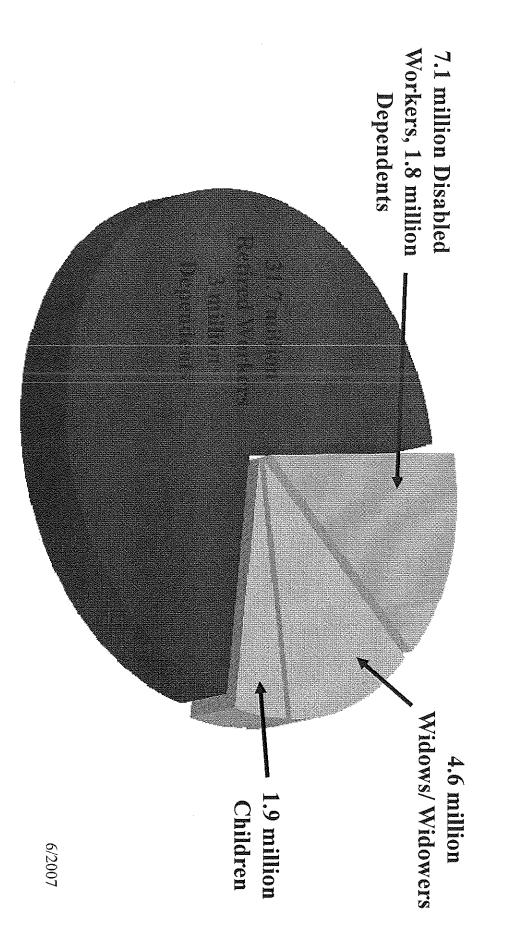
SOCIAL SECURIT



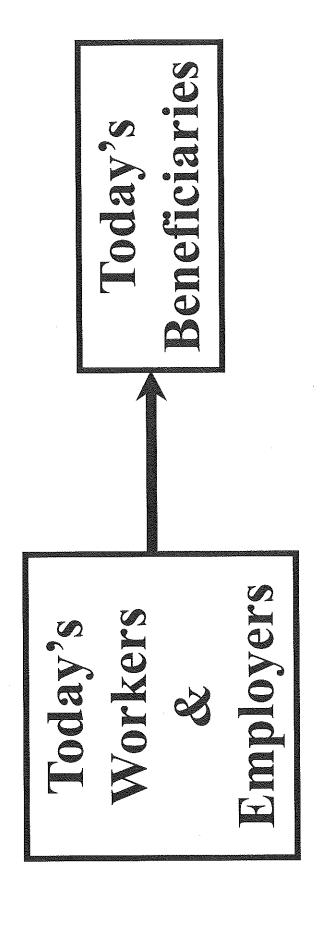


Who Gets Benefits from Social Security?

50 Million People



Who Pays For Social Security?



Social Security Trust Funds During 2009

Where Does the Money Come From?

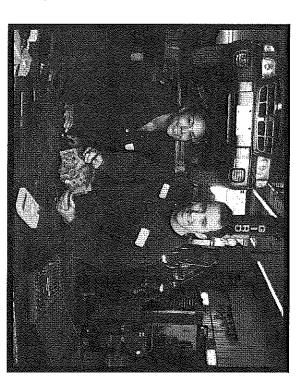
Note that percentages may not add to 100% due to rounding of the individual components.

per Beneficiary is Decreasing The Number of Workers

09677

How Do You Qualify for Retirement Benefits?

- You need to work to earn Social Security "credits"
- > Each \$1,120 in earnings gives you one credit
- You can earn a maximum of 4 credits per year



throughout your working life will qualify you for a at least 4,480. Earning 40 credits (10 years of work) retirement benefit. Example: To earn 4 credits in 2011, you must earn

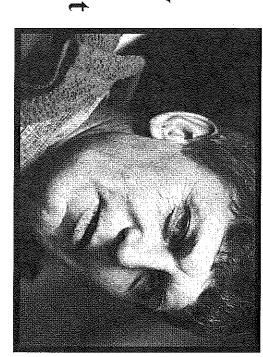
Full Retirement Age

Year of Birth	Full Retirement Age
1937 or earlier	\$9
1938	65 & 2 months
1939	65 & 4 months
1940	65 & 6 months
1941	65 & 8 months
1942	65 & 10 months
1943 – 1954	99
1955	66 & 2 months
1956	66 & 4 months
1957	66 & 6 months
1958	66 & 8 months
1959	66 & 10 months
1960 or later	9

Retirement Benefits Affects the Amount Your Age At The Time You Elect

Hi You're a Worker and Retire

- > At age 62, you get a lower monthly payment (75%)
- > At your full retirement age, you get your full benefit (100%)
- > You get an even higher monthly payment if you work past your full retirement age (8% More Per Year)



Who Else Can Get Benefits? In Addition to the Retiree,

Vour Child

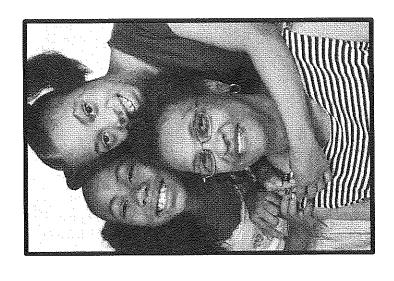
Not married under 18 (under 19 if still in high school)

> Not married and disabled before age 22



> Age 62 or older

> At any age, if caring for a child under age 16 or disabled



Who Else Can Get Benefits? In Addition to the Retiree,

Your Ex-Spouse

- > Marriage lasted at least 10 years
- >Ex-spouse 62 or older and unmarried (you can be married)
- Divorced at least two years and you and your even if you are not retired ex-spouse are at least 62, he or she can get benefits
- Ex-spouse's benefit amount has no effect on the amount you or your current spouse can get

Spouse's Benefit Computation

- > Benefit is 50% of worker's unreduced benefit
- > Reduction for early retirement
- VIf spouse's own benefit is less than 50% of the worker's, the benefits are combined
- > Does not reduce payment to worker

Who Can Get Survivors Benefits?

Your Child if:

- Not married under age 18 (under 19 if still in high school)
- Widow or Widower: > Not married and disabled before age 22
- > Full benefits at full retirement age
- Reduced benefits at age 60
- >If disabled as early as age 50
- At any age if caring for child under 16 or disabled
- Dimental Widnestone man anality Remarriage after age 60 (50 if disabled)

Widow or Widower Benefit Computation

- deceased worker's unreduced benefit > At full retirement age, 100% of
- > At age 60, 71.5% of deceased worker's unreduced benefit
- > Reduced benefits on one record at age 60, reduced or unreduced benefit on other record at age 62 or older
- PFull benefits to both widow or widower and divorced widow or widower

How Social Security Determines Your Benefit

Social Security benefits are based on earnings

Result is "average indexed monthly earnings"	Step 3
Find the average of your 35 highest earnings years	Step 2
Your wages are adjusted for inflation	Step 1

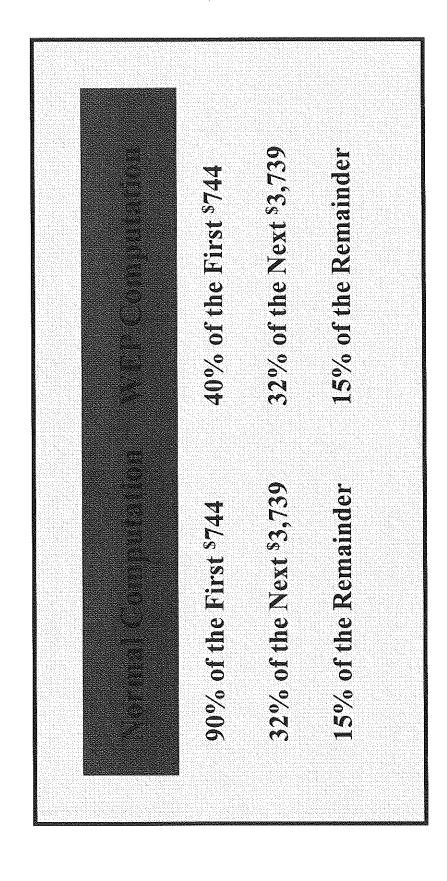
Retirement Benefit Computation Example

Benefit at FRA \$2002 \$1,196 5 8669 8 55,466 \$2,002 11 Ш 11 \$5,400 \$3,739 S744 2017 If your average monthly earnings are Then your monthly benefit would be 32% of Earnings over \$744 through \$4,483 Average Monthly Earnings 15% of Earnings over \$4,483 (55,400-54,483=\$1117)(\$4,483-\$744=\$3,739) 90% of First

Windfall Elimination Provision

If any part of your government pension Social Security, you may be affected by the Windfall Elimination Provision. is based on work not covered by

Windfall Elimination Provision (WEP) - 2011



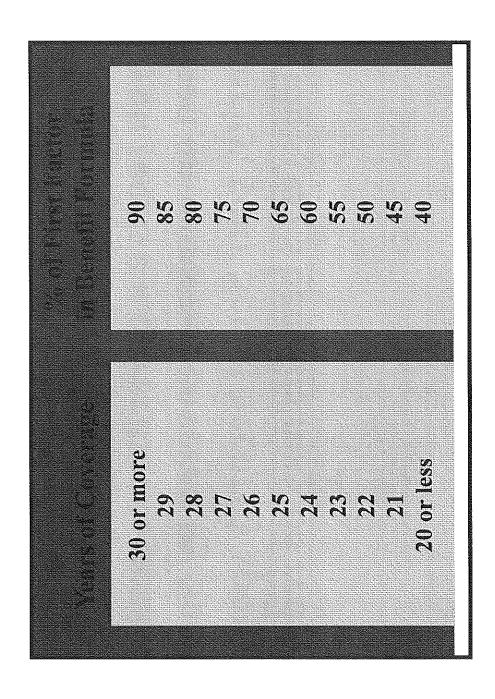
Retirement Benefit Computation Pension Offset 2011

15% of Earnings over \$4,483 (\$5,400-\$4,283=\$917)	32% of Earnings over \$744 through \$4,483 (\$4,288-\$711=\$3,577)	40% of First	Average Monthly Earnings	Then your monthly benefit would be	If your average monthly earnings are
8917	\$3,739	\$ 744	^{\$} 5,400	4	П
	11	П		1,630	\$5,400
\$137	^{\$} 1,196	\$297			

Maximum offset - \$374.50

Benefit at FRA \$1,630

Exception to the Windfall Elimination Provision



Government Pension Offset (GPO)

or widow(er)'s benefits may be reduced. Security, your Social Security spouse's based on work not covered by Social If you receive a government pension

Government Pension Offset (GPO)

Spouse's Benefits Only

2/3 of amount of Government pension will be used to reduce the Social Security spouse's benefit



Exable:

8900 of government pension

No cash benefit payable by Social Security Social Security Spouse Benefits

2/3 = \$600= \$500

You Can Work & Still Receive Benefits

If You Are

You Can
Make Up To

If You Make More, Some Benefits Will

Be Withheld

Under Full Retirement Age

\$14,160/yr. (\$1,180/mo.)

\$1 for every \$2

The Year Full Retirement Age is Reached

\$37,680/yr. (\$3,140/mo.)

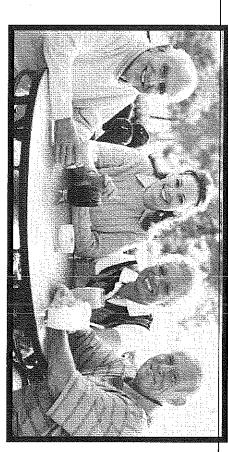
\$1 for every \$3

Month of Full Retirement

Age and Above

No Limit

No Limit



Note: If some of your retirement benefits are withheld because of your earnings, your benefits will be increased starting at your full retirement age to take into account those months in which benefits were withheld.

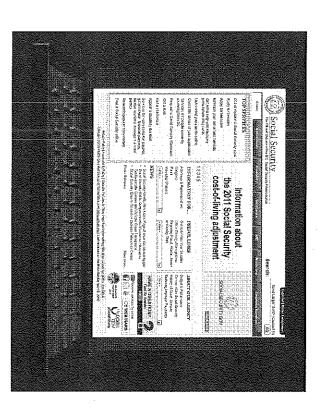
Use the New Retirement Estimator

Vou can get estimates of your	future Social Security retirement	benefits using our new online Refirement Estimator.		No manual keying of		What if' scenarios are easy	
ocal Security Online Benefit Calculators From Continue C	How the Retirement The Editernatic Estimator broduces externates that are based on your activities Countries and Social Security earthings record. Retirement estimates are just that estimates. They will yary stightly from the actual benefit you may receive an the futue (statement because).	Your Social Security Permings record is consistently being updated, contently receive calculators use different parameters and assumptions (is g., deficient stop work siges, future earlings projections, etc.), and your earlings or social future benefit will be adjusted for inflation. Your actual future benefit will be adjusted for inflation.	Who Can Use the You can use the <u>Retirential Estimator</u> Retirement Estimator • You are not currently receiving benealts on your own Social Security Colling Retirent record.	You are not at Medicare beneficiary. You are anough Social Security credits of this time to quality for benefice, and Pow are not eligible for a Penison Research Walts Mid. Consider By Social Security.	How Long Can You Stay For security reasons, there are time finits for verwing each page. You will extense a westing after 25 minutes without doing anything, and you will be able to extend your time on the page. After the third varieting on a page, you must move the parties will run out and you work on that page vife to be lost.	you fumed Janascript off in your browser, you will not receive the s. After you spend प्रेप्त tohildes on a page, you must move to and De tojpsed out	There seems that there is the treatest of the treatest and the treatest of the

It's convenient, secure and quick. www.socialsecurity.gov/estimator

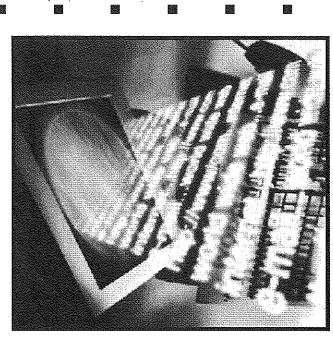
Prepare for Your Retirement? What Should You Do to

Get estimates of benefits using different retirement ages and wage estimates



www.socialsecurity.gov

Social Security's Online Services



- Retirement & Disability Applications
- File an appeal on your disability
- Apply for Extra Help
- Retirement/Survivors/Disability Planner
- Request a Statement
- Change of Address
- Medicare Card Replacements
- Request a Benefit Verification Letter
- Start or Change Direct Deposit
- Schedule an appointment