

**MARTA/ATU LOCAL 732 EMPLOYEES
RETIREMENT PLAN**

**AMALGAMATED TRANSIT UNION
LOCAL 732
*"Freedom Through Organization"***

SUMMARY PLAN DESCRIPTION
Effective January 1, 2019

**MARTA/ATU LOCAL 732 EMPLOYEES
RETIREMENT PLAN**

RETIREMENT ALLOWANCE COMMITTEE

Union Members

Mr. Michael Majette (Co-Chair)
Mr. Britt Dunams
Mr. David Ward
Ms. Pat Giles (Alternate)

Employer Members

Mr. Gordon Hutchinson (Co-Chair)
Ms. LaShanda Dawkins
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PLAN ADMINISTRATOR

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BHA Consulting LLC

INVESTMENT CONSULTANT

Marquette & Associates, Inc.

AUDITOR

Mauldin & Jenkins, CPA, LLC

IMPORTANT

It is important that you notify the Plan Administrator whenever:

1. You change your name.
2. You change your home address.
3. You wish to change your Named Beneficiary.
4. You return to work after Disability ceases.
5. You get married, separated, or divorced.
6. You become Disabled.
7. You transfer to or from one of the MARTA Non-Represented retirement plans.
8. You enter or return from Military Service.
9. You return to work from Worker's Compensation.
10. You return to work after a grievance.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

To All Active Participants:

We are pleased to present you with this booklet that has been published to give you an up-to-date description of the benefits provided by the MARTA/ATU Local 732 Employees Retirement Plan (the "Plan") for Active Full-Time Employees as of January 1, 2019. Please keep it with your important papers so that you can refer to it as needed.

The amount of your benefits, and the time and manner of their payment, may require that you make certain elections within specified time periods. We urge you to read this booklet carefully. It summarizes the most important features of the Plan. Please understand that no general explanation can adequately give you all of the details of the Plan. This general explanation does not change or expand or otherwise interpret the terms of the Plan. Your rights can be determined only by referring to the full text of the Plan. **IF ANY CONFLICT EXISTS BETWEEN THIS SUMMARY AND THE ACTUAL PROVISIONS OF THE PLAN, THE PLAN WILL CONTROL.**

If you have any particular questions about the Plan, or if you are not sure whether you, your spouse or your beneficiaries may be eligible for benefits, you should contact the Plan Administrator.

You should keep the Plan Administrator advised of your current mailing address to ensure that you receive all required communications.

Sincerely,

Retirement Allowance Committee

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DEFINITION OF TERMS

The following are general definitions of some terms used in explaining the Plan. The actual text of the Plan includes these and other definitions in greater detail.

ACCRUED BENEFIT – The portion of your retirement benefit attributable to accumulated years of Credited Service.

ACTUARIAL EQUIVALENCE – Used to determine equal values for amounts expected to be received under different payment forms. Actuarial Equivalence is determined using the 1983 Group Annuity Mortality Table with equal weighting for males and females and a 7.5% interest rate assumption.

AVERAGE HIGHEST MONTHLY COMPENSATION (“AHM Comp”) – The average of the Monthly Compensation received during the highest three (3) complete Plan Years out of the last eight (8).

BENEFICIARY OR NAMED BENEFICIARY – Any person or legal entity designated by a Participant to receive benefits in the event of the Participant’s death prior to retirement or Disability. If no Named Beneficiary is designated at the time of your death, it will be your spouse.

COMMITTEE – The MARTA/ATU Local 732 Retirement Allowance Committee, consisting of three (3) members appointed by MARTA and three (3) members appointed by the Union.

COMPENSATION – Total earnings, including any back pay awarded as the result of any grievance, the Employee Contributions deducted from your paycheck and certain qualified transportation fringes, but excluding commissions and non-cash benefits. Compensation is limited to earnings received for the first 2,300 Pay Hours during any Plan Year.

CREDITED SERVICE – The number of years and whole months of employment as a Full-Time Employee for which you earn credit toward benefits.

DISABILITY or DISABLED – A Temporary Disability or a Total and Permanent Disability, as defined under the Section entitled “Disability Benefits.”

EARLY RETIREMENT DATE – The date you are entitled to an Unreduced Early Retirement Benefit or a Reduced Early Retirement Benefit as follows:

Unreduced Early Retirement Benefit – An unreduced Normal Retirement Benefit payable upon attainment of the earlier of 85 Points or age 52 and 80 Points.

Reduced Early Retirement Benefit – A Normal Retirement Benefit payable in a reduced amount as follows: (i) if you first became an Active Participant prior to 2015, payable upon attainment of at least 52 Points, but reduced by 3% per year for every Point less than 85 Points, or (ii) if you first became an Active Participant on or after January 1, 2015, payable upon attainment of at least age 52, but reduced by 3% per year for every Point less than 85 Points.

EMPLOYEE – Any person who is a member of the Bargaining Unit covered by the Labor Agreement between the Employer and the Union who is employed by the Employer Full-Time or is employed by the Employer and is temporarily absent from work (not to exceed 18 months) because of illness, injury, approved leave of absence (including an absence from work for the Employer because the individual is holding office in the Union), or vacation. MARTA C-Tran employees are specifically excluded from participation in the Plan. “Employee” also includes employees of MARTA who have a change in employment status from Union to non-represented and elect to continue to participate in the Plan in accordance with the Transfer Agreement.

FULL-TIME EMPLOYEE – Any Employee classified by the Employer as a full-time Employee where contributions under the Plan are required, except due to the Uniformed Services Employment and Reemployment Rights Act (USERRA), Workers’ Compensation or approved sick leave.

JOINT PENSIONER – The person designated by the Participant to receive the survivor’s portion of any Joint and Survivor annuity optional benefit form.

LUMP SUM RETURN – For Employees who first became Active Participants prior to 2015, the return of Employee contributions with interest compounded annually at 5% from May 1, 1989 until the date of termination of employment. For Employees who first became Active Participants on or after January 1, 2015, the return of Employee contributions with interest compounded annually at 3% from January 1, 2015 until the date of termination of employment.

MARTA or the EMPLOYER – Metropolitan Atlanta Rapid Transit Authority (MARTA), its successors or assigns, its predecessors and entities merged into or controlled by MARTA. The terms MARTA and the Employer are used interchangeably.

MONTHLY COMPENSATION – One-twelfth of the Compensation for any Plan Year.

NORMAL RETIREMENT DATE – The later of the date you reach age 65 and completion of 5 years of Credited Service.

PARTICIPANT – Participants are separated into the following categories:

1. Active Participants are those persons in the Plan who are Full-Time Employees.

2. Inactive Participants are Retirees, Disabled Participants, Named Beneficiaries or Joint Pensioners who are receiving benefits.
3. Terminated Vested Participants are persons who are at least 50% Vested but are no longer Full-Time Employees.

PAY HOURS – The number of hours, not to exceed 2,300 in a Plan Year, determined by dividing your gross pay for each pay period by your hourly rate in effect during that period. Note this means that all overtime hours and holiday pay will be converted back to regular time hours for purposes of determining Compensation under the Plan.

PLAN ADMINISTRATOR – Zenith American Solutions or any other person or service provider appointed by the Committee to maintain the daily operations of the Plan.

PLAN YEAR – The 12-month period beginning on January 1 and ending on December 31.

POINTS – The sum of your age and Credited Service both rounded down to the nearest number of years and whole months.

RETIREE – Any person who has qualified for Normal, Early, or Deferred Vested Retirement Benefits under the Plan and is currently receiving a pension, excluding a Lump Sum Return.

SICK LEAVE – The hours of long term sickness granted to a Full-Time Employee by MARTA. They will be divided by 160 hours to determine your additional months of Credited Service for purposes of calculating your Normal or Early Retirement Benefit.

TERMINATION DATE – The date a Participant is no longer a Full-Time Employee.

TRANSFER AGREEMENT – The agreement entered into by MARTA and the Union, which governs the treatment of participants in one MARTA retirement plan transferring to another MARTA retirement plan due to a change in employment status.

UNION – Amalgamated Transit Union Local 732 and its successors and assigns, including its International Office.

VESTING – The ability to establish a permanent right to a Plan benefit through employment and Plan participation.

VESTED or VESTED PERCENTAGE – The number of years and whole months of employment for which you earn credit toward Vesting.

PARTICIPATION

You become a Participant in the Plan on the first day of the first pay period in which you become a Full-Time Employee and contribute the required amount to the Plan.

You are not eligible to participate in the Plan if you contribute to, or participate in, the MARTA Non-Represented Pension Plan (“Non-Rep Pension Plan”) or the MARTA Non-Represented Defined Contribution Plan (“Non-Rep DC Plan”).

CREDITED SERVICE

You will be credited with one (1) month of Credited Service for each calendar month during which you were a Full-Time Employee throughout the entire month. You will be credited with one (1) year of Credited Service for each twelve (12) months of Credited Service whether or not the months are consecutive. Partial years of Credited Service are granted by multiplying the number of full months in the partial year by 1/12 or .083. All calculations are based on complete months and years of Credited Service, including unused accrued Sick Leave.

To the extent required by law as prescribed by the Uniformed Services Employment and Reemployment Rights Act (USERRA), you will be granted Credited Service in the Plan for periods spent in the Armed Forces of the United States. You may also be granted Credited Service for time spent on Workers’ Compensation, up to 18 months.

EXAMPLE 1 – CREDITED SERVICE

If you started working on March 1, 1999 and terminated June 30, 2018, your Credited Service would be determined as follows:

- (A) 19 years and 4 complete months between March 1, 1999 and June 30, 2018
= 19.333 years

If you terminated with unused Sick Leave totaling 330 hours your additional Credited Service would be determined as follows:

- (B) 330 hours of unused Sick Leave divided by 160 hours in a month
= 2.063 or 2 complete months (no credit for partial months) or 0.167 years
- (C) 19 years and 4 months + 2 months of unused Sick Leave
= 19 years and 6 months or 19.500 years

LOSS OF CREDITED SERVICE

If your employment with the Employer is terminated and you elect to receive a Lump Sum Return for a period of Credited Service that you have completed, that Credited Service will be disregarded when calculating any future benefits payments. Special provisions allow for the repayment of the Lump Sum Return with interest from the date of receipt to the date of repayment compounded annually at 5.0% to have that Credited Service reinstated. A description of that provision is provided in the section on Buy Back Rights.

FORFEITURES

You will forfeit Credited Service upon final conviction of certain public employment related crimes pursuant to the Office Code of Georgia Annotated (OCGA) §47-1-20 *et seq.* Further, no additional Credited Service will be granted upon the final conviction of certain drug related crimes pursuant to OCGA §47-1-22.1.

GRACE PERIODS

- (A) **MILITARY SERVICE** – Your participation in the Plan will not terminate if you cease working for MARTA to serve in the Armed Forces of the United States, provided you return to employment with MARTA within the time period required by the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- (B) **GRIEVANCE** – If your employment is terminated by MARTA and you are later rehired and reinstated in the Plan as a result of a grievance procedure or similar proceedings, the Credited Service you earned prior to termination will be restored and added to any Credited Service you earn thereafter.

VESTING

Your Vested Percentage is the percentage of your Accrued Benefit to which you are entitled. You will be 100% Vested upon attainment of your Normal Retirement Date. It is determined as follows:

<u>Credited Service</u>	<u>Vested Percentage</u>
Less than 5 years	0%
5 years but less than 6 years	50%
6 years but less than 7 years	60%
7 years but less than 8 years	70%
8 years but less than 9 years	80%
9 years but less than 10 years	90%
10 years or more	100%

CONTRIBUTIONS

EMPLOYEE CONTRIBUTIONS – Employee Contributions will be made by payroll deduction, in the amount of 4.41% of your Compensation, limited to the first 2,300 Pay Hours in a Plan Year.

- (A) If you are an Employee represented by the Union during any period of employment, you must make the required contributions, unless you participate in another MARTA retirement plan in accordance with the Transfer Agreement.
- (B) If you are an Employee not represented by the Union but you elect to participate in the Plan in accordance with the Transfer Agreement, you must make the required contributions to the Plan.
- (C) If you are an Employee not represented by the Union, you must make the required contributions to the Plan, provided you are not making contributions to the Non-Rep Pension Plan or the Non-Rep DC Plan for the same period of time.

Your contributions are deposited on a pre-tax basis.

EMPLOYER CONTRIBUTIONS – MARTA will contribute 8.09% of your Compensation to the Plan on your behalf, limited to the first 2,300 Pay Hours in a Plan Year.

TERMINATION

Generally, if your service with MARTA is terminated and you have 5 or more years of Credited Service or you are eligible for a Normal or Early Retirement Benefit, you may elect to receive an immediate or deferred retirement benefit or a Lump Sum Return.

If your service with MARTA is terminated and you have less than 5 years of Credited Service, you are entitled only to receive an immediate Lump Sum Return. By receiving a Lump Sum Return, you forfeit your rights to all other benefits.

EXAMPLE 2 – LUMP SUM RETURN CALCULATION

Assuming you were employed from January 1, 2016 until December 31, 2018, and assuming the compensation amounts shown below, your Lump Sum Return would be calculated as follows:

<u>Plan Year</u>	<u>Annual Compensation</u>	<u>Employee Contribution</u>	<u>Interest Formula *</u>	<u>Interest</u>
2016	\$42,000	\$1,852.20	3% for 2 yrs.	\$ 112.80
2017	44,000	1,940.40	3% for 1 yr.	58.21
2018	46,000	<u>2,028.60</u>	No Interest	<u>0.00</u>
		\$5,821.20		\$ 171.01

You would receive a Lump Sum Return of \$5,821.20 + \$171.01 or \$5,992.21.

* For Employees who first became Active Participants prior to 2015, the return of Employee contributions with interest compounded annually at 5% from May 1, 1989 until the date of termination of employment. For Employees who first became Active Participants on or after January 1, 2015, the return of Employee contributions with interest compounded annually at 3% from January 1, 2015 until the date of termination of employment.

WITHDRAWAL OF CONTRIBUTIONS

You may not borrow against or pledge as security for any loan any contributions made to the Plan. However, if you terminate your employment with MARTA, you may apply for a Lump Sum Return or a retirement benefit, if eligible. A Lump Sum Return will be issued within two (2) months of your written request. By receiving a Lump Sum Return, you forfeit your rights to all other benefits.

NORMAL RETIREMENT

Your Normal Retirement Date is the later of the date you attain age 65 and completion of 5 years of Credited Service. If you reach the Normal Retirement Date, you are eligible for a Normal Retirement Benefit. Additionally, you can receive an immediate Unreduced Early Retirement Benefit if you have attained 85 Points or if you have reached age 52 and attained 80 Points.

Your monthly Normal Retirement Benefit will be the greater of:

- (A) Your Formula Monthly Benefit: Your Credited Service (“YOS”), multiplied by your Average Highest Monthly Compensation, multiplied by your Benefit Service Percentage, or
- (B) Your Minimum Monthly Benefit.

AVERAGE HIGHEST MONTHLY COMPENSATION (“AHM Comp”) is 1/12th of the average of the three (3) highest Plan Years of Compensation out of the last eight (8) Plan Years of Compensation. The three (3) Plan Years need not be consecutive. Special rules apply if you worked less than eight (8) Plan Years. Compensation is measured in calendar years and limited to the first 2,300 Pay Hours in a Plan Year.

BENEFIT SERVICE PERCENTAGE is one of the following percentages based on your total years of Credited Service, as shown below:

<u>Credited Service</u>	<u>Benefit Service Percentage*</u>
Less than 25 years	2.00%
25 or more years	2.40%
27 or more years	2.44%
28 or more years	2.46%
29 or more years	2.48%
30 or more years	2.50%

* For Participants who retired prior to January 1, 2009, the Benefit Service Percentage is:

- (1) 2.0% for each year of Credited Service if you have less than 25 total years of Credited Service; or
- (2) 2.4% for each year of Credited Service if you have 25 or more total years of Credited Service.

MINIMUM MONTHLY BENEFIT

- (A) If you have at least 5 but less than 25 years of Credited Service:

The Minimum Monthly Benefit is \$650 per month. However, if you retire with less than 10 years of Credited Service, the Minimum Monthly Benefit will be reduced by 10% for each complete and partial year by which your total Credited Service is less than 10 years even if you are 100% Vested because of attainment of your Normal Retirement Date. This Minimum Monthly Benefit only applies to Active Participants who have reached their Normal Retirement Date.

- (B) If you have 25 or more years of Credited Service:

The Minimum Monthly Benefit is \$85 per month per year of Credited Service and applies to all forms of retirement (such as Early Retirement, Disability or death) where the participant has earned 25 or more years of Credited Service.

EXAMPLE 3 – AVERAGE HIGHEST MONTHLY COMPENSATION (“AHM Comp”)

If you stopped working in 2019, your Average Highest Monthly Compensation would be determined as follows:

Compensation History:

<u>Plan Year</u>	<u>Annual Compensation (Limited to the first 2,300 Pay Hours)</u>
2012	\$37,700
2013	39,700
2014	42,400
2015	45,000
2016	43,200
2017	45,500
2018	46,300
2019	39,740

Based on the chart above, the three (3) Plan Years with the highest Compensation are 2015, 2017, and 2018. Therefore your Average Highest Monthly Compensation is \$3,800 and calculated as follows:

$$\frac{\$46,300 + \$45,500 + \$45,000}{3} \times \frac{1}{12} = \$3,800$$

EXAMPLE 4 – NORMAL RETIREMENT WITH 8.75 YOS

If you retired at age 65 with 8.75 years of Credited Service and Average Highest Monthly Compensation of \$2,900, your Normal Retirement Benefit would be calculated as the greater of (A) or (B) as follows:

(A) Formula Monthly Benefit:

		<u>AHM</u>		<u>AHM</u>		Benefit		Monthly
		<u>Comp</u>		<u>Comp</u>		Service		<u>Accrued</u>
<u>YOS</u>						<u>Percentage</u>		<u>Benefit</u>
8.750	<u>x</u>	<u>\$2,900</u>	x	<u>\$2,900</u>	<u>x</u>	2.00%	=	\$507.50

(B) Minimum Monthly Benefit:

(1) Initial Minimum Monthly Benefit of \$650

- (2) Reduction for total Credited Service less than 10 years =
 $10 - 8.75 \text{ YOS} = 1.25 \text{ years}$, which results in a 20% reduction
 $\$650 \times 20\% = \130 reduction
- (3) $\$650 - \$130 = \$520 \text{ Minimum Monthly Benefit}$

The benefit payable would be the greater of (A) \$507.50 or (B) \$520. Therefore, your monthly benefit would be \$520, payable for the rest of your life, unless you elect an optional form of payment.

EXAMPLE 5 – NORMAL RETIREMENT WITH 25 YOS

If you retired at age 65 with 25 years of Credited Service and Average Highest Monthly Compensation of \$3,800, your Normal Retirement Benefit would be calculated as the greater of (A) or (B) as follows:

(A) Formula Monthly Benefit:

<u>YOS</u>	<u>AHM Comp</u>	x	<u>AHM Comp</u>	x	<u>Benefit Service Percentage</u>	=	<u>Monthly Accrued Benefit</u>
25.000	<u>\$3,800</u>	x	<u>\$3,800</u>	x	2.40%	=	\$2,280

(B) Minimum Monthly Benefit for 25 or more years of Credited Service:
 $\$85 \text{ minimum} \times 25 \text{ YOS} = \$2,125$

Therefore, your monthly benefit would be \$2,280 payable for the rest of your life, unless you elect an optional form of payment.

EXAMPLE 6 – NORMAL RETIREMENT WITH ~~29.9167~~29.917 YOS

If you retired at age 65 with ~~29.9167~~29.917 years of Credited Service and Average Highest Monthly Compensation of \$3,000, your Normal Retirement Benefit would be calculated as the greater of (A) or (B) as follows:

(A) Formula Monthly Benefit:

<u>YOS</u>	<u>AHM Comp</u>	x	<u>AHM Comp</u>	x	<u>Benefit Service Percentage</u>	=	<u>Monthly Accrued Benefit</u>
	<u>\$3,000</u>	x	<u>\$3,000</u>	x		=	

$$29.917 \times \underline{\$3,000} \times \underline{\$3,000} \times 2.48\% = \underline{\$2,225.82}$$

(B) Minimum Monthly Benefit for 25 or more years of Credited Service:

$$\$85 \text{ minimum} \times 29.917 \text{ YOS} = \underline{\$2,542.95}$$

Therefore, your monthly benefit would be \$2,542.95 payable for the rest of your life, unless you elect an optional form of payment.

NOTE: The Benefit Service Percentage only changes when you have completed the specified number of years of Credited Service.

DELAYED RETIREMENT

You will not be required to retire solely because of age. If you remain a Full-Time Employee after your Normal Retirement Date (the later of the date you reach age 65 or earn five (5) years of Credited Service), your benefit will be calculated and paid in the same manner as a Normal Retirement Benefit.

EARLY RETIREMENT

You may decide to retire early, before your Normal Retirement Date.

If you first became an Active Participant prior to January 1, 2015 and have 5 or more years of Credited Service and elect to retire prior to your Normal Retirement Date, but fewer than 52 Points, you will be eligible for one of the following:

- (A) An immediate Lump Sum Return;
- (B) A deferred Reduced Early Retirement Benefit based on Credited Service at your Termination Date payable any time after you attain 52 Points; or
- (C) A deferred Unreduced Early Retirement Benefit based on Credited Service at your Termination Date payable any time after you attain the earliest of (i) 85 Points, (ii) age 52 and 80 Points, or (iii) your Normal Retirement Date.

If you first became an Active Participant on or after January 1, 2015 and have 5 or more years of Credited Service, but have not attained age 52, and you elect to retire prior to your Normal Retirement Date, you will be eligible for one of the following:

- (A) An immediate Lump Sum Return;

- (B) A deferred Reduced Early Retirement Benefit based on Credited Service at your Termination Date payable any time after you attain age 52; or
- (C) A deferred Unreduced Early Retirement Benefit based on Credited Service at your Termination Date payable any time after you attain the earliest of (i) 85 Points, (ii) age 52 and 80 Points, or (iii) your Normal Retirement Date.

If you (i) first became an Active Participant prior to January 1, 2015 and have 5 or more years of Credited Service and with at least 52 Points, or (ii) first became an Active Participant on or after January 1, 2015 and have 5 or more years of Credited Service and have reached age 52, and you elect to retire prior to your Normal Retirement Date, you will be eligible for one of the following:

- (A) An immediate Lump Sum Return;
- (B) An immediate or deferred Reduced Early Retirement Benefit based on Credited Service at your Termination Date; or
- (C) A deferred Unreduced Early Retirement Benefit based on Credited Service at your Termination Date, payable at any time after you attain the earliest of (i) 85 Points, (ii) age 52 and 80 Points; or (iii) your Normal Retirement Date.

If you terminate with at least 5 years of Credited Service and have attained the earlier of 85 Points or age 52 and 80 Points, you are eligible for one of the following:

- (A) An immediate Lump Sum Return; or
- (B) An immediate Unreduced Early Retirement Benefit based on Credited Service on your Termination Date.

If you have 25 or more years of Credited Service, the Minimum Monthly Benefit of \$85 per month per year of Credited Service (see Section (B) under “Minimum Monthly Benefit”) applies when calculating your Early Retirement Benefit. The Minimum Monthly Benefit of \$650 per month (see Section (A) under “Minimum Monthly Benefit”), however, does not apply if you have less than 25 years of Credited Service.

Please note that, if you elect to retire prior to your Normal Retirement Date, your benefit will be multiplied by your Vested Percentage (discussed on page 5) at your Termination Date.

DEFERRED VESTED RETIREMENT

Instead of receiving monthly benefits upon termination of employment, you may elect to have benefit payments start at a later date (but no later than the “required beginning date,” as discussed below). Your benefit prior to reduction for Early Retirement will not change after you terminate; however, your Points will be calculated based on your Credited Service at your Termination Date and your age at the date you begin benefits.

If you wait until you attain your Normal or Unreduced Early Retirement Date there will be no reduction in your benefits.

EXAMPLE 7 – REDUCED EARLY RETIREMENT

Suppose you joined the Plan prior to January 1, 2015, and you terminate employment at age 51 with 25 years of Credited Service (76 Points) and Average Highest Monthly Compensation of \$3,800.

You may elect one of the following benefits:

- (A) A Lump Sum Return
- (B) An immediate Reduced Early Retirement Benefit calculated as follows:

(1) Formula Monthly Benefit:

<u>YOS</u>	<u>AHM</u> <u>Comp</u>	<u>AHM</u> <u>Comp</u>	Benefit Service Percentage	<u>Monthly</u> <u>Accrued</u> <u>Benefit</u>
25	≥ <u>\$3,800</u>	× <u>\$3,800</u>	2.40%	= \$2,280

(2) Minimum Monthly Benefit for 25 or more years of Credited Service:

$$\$85 \text{ minimum} \times 25 \text{ YOS} = \$2,125$$

(3) Your Initial Monthly Benefit would be the greater of:

(1) \$2,280 or (2) \$2,125

(4) 3% Reduction for each Point less than 85 Points

$$(85 \text{ Points} - 76 \text{ Points}) \times 3\% = 27\%$$

$$\$2,280.00 \times 27\% = \$615.60 \text{ reduction}$$

$$\$2,280.00 - \$615.60 = \$1,664.40$$

Your Immediate Monthly Benefit would be \$1,664.40 payable for the rest of your life unless you elect an optional form of payment.

(C) A Deferred Unreduced Early Retirement Benefit

If you work two more years until age 53 with 27 years of Credited Service, you would have 80 Points and be over age 52, qualifying you for Unreduced Early Retirement and the monthly benefit you earned at that point would be paid without reduction. Using the same Average Highest Monthly Compensation of \$3,800, the 27 years of Credited Service and the increased percentage factor of 2.44% (recognizing 27 years of Credited Service) your unreduced Immediate Monthly Benefit would be determined as follows:

(1) Formula Monthly Benefit

<u>YOS</u>	<u>AHM</u> <u>Comp</u>	<u>AHM</u> <u>Comp</u>	<u>Benefit</u> <u>Service</u> <u>Percentage</u>	<u>Monthly</u> <u>Accrued</u> <u>Benefit</u>
27	≥ <u>\$3,800</u>	× <u>\$3,800</u> ×	2.44%	= \$2,503.44

(2) Minimum Monthly Benefit for 25 or more years of Credited Service

$$\$85 \text{ minimum} \times 27 \text{ YOS} = \$2,295.00$$

(3) Your Initial Monthly Benefit would be the greater of:

(1) \$2,503.44 or (2) \$2,295

Therefore, your monthly benefit would be \$2,503.44 payable for the rest of your life unless you elect an optional form of payment.

If you are considering retirement, please contact the Plan Administrator at least two months prior to your projected date of retirement.

Federal regulations require that your benefit payments begin no later than your “required beginning date.” Generally, your required beginning date will be the April 1st of the calendar year following the calendar year in which you attain age 70-1/2 or, if later, the date you retire. If you retire after age 70-1/2, your benefits will be actuarially increased to take into account the period after age 70-1/2 during which you do not receive benefits under the Plan. Failure to begin to receive your retirement benefits by your required beginning date may result in you being subject to an excise tax.

DISABILITY BENEFITS

ELIGIBILITY

If you become Disabled while you are an active Participant, you will be eligible to receive a Disability Benefit if your disability meets the criteria established by the Committee. You should apply to the Committee for Disability Benefits in a timely manner, but in all events, before your return to work.

For Disability Benefit applications made on or after January 1, 2015, you must have earned at least ten (10) years of Credited Service to receive a Service Related Disability Benefit or a Non-Service Related Disability Benefit.

You may be required to submit to physical examination by one or more independent physicians chosen by the Committee to qualify for a Disability Benefit.

No Disability Benefits are payable for any period in which you receive Compensation or Credited Service.

For more information concerning the Disability Benefit application procedures, please see the Disability Handbook available from the Plan Administrator.

TOTAL AND PERMANENT DISABILITY

You will be considered Totally and Permanently Disabled if, on the basis of medical evidence satisfactory to the Committee, the Committee determines that you are totally and permanently unable, as a result of injury or illness, to engage in any further employment. Such Disability must be permanent and continuous during the remainder of your life.

Proof of Total and Permanent Disability is either a determination of Total and Permanent Disability from the Social Security Administration or the concurring opinion of two Committee-appointed physicians certifying Total and Permanent Disability.

If you are eligible for Total and Permanent Disability Benefits, you will receive your benefit as an annuity for your life beginning on the earlier of: (A) the date of your Social Security Disability Award, or (B) the first of the month following six (6) consecutive months from the Date of Disability.

“Date of Disability” means the onset date, as determined by the Social Security Administration or the date the Committee deems you to have become Disabled, as appropriate.

TEMPORARY DISABILITY

You will be considered Temporarily Disabled if you incur a disability which prevents you from performing the duties of your job with MARTA.

If you are eligible for Temporary Disability Benefits, you will receive Temporary Disability Benefits for up to eighteen (18) months for all Disability applications made on or after January 1, 2015. Payments will commence on the first of the month following six (6) consecutive months after your Date of Disability, as determined by the Committee.

A second Temporary Disability for a separate incident must be separated by at least six (6) months of Credited Service from the end of the initial Temporary Disability.

Under no circumstances will the Plan pay more than seventy-two (72) months of Temporary Disability Benefits to you during your lifetime.

SERVICE RELATED AND NON-SERVICE RELATED DISABILITY

A “Service Related Disability” is a disability that is the result of injury or illness which arises out of, or occurs in the course of, your employment with the Employer that results in Workers’ Compensation Benefits from the Employer. Any other Disability is considered a “Non-Service Related Disability.”

AMOUNT OF DISABILITY BENEFIT

A. TOTAL AND PERMANENT DISABILITY – The Service Related Disability Benefit is the greater of: (1) Normal Retirement Benefit with no reduction if you have fewer than 85 Points or (2) \$1,000 per month. The Non-Service Related Disability Benefit is the greater of: (1) Normal Retirement Benefit with no reduction if you have fewer than 85 Points or (2) \$650 per month. If you have 25 or more years of Credited Service when you become Totally and Permanently Disabled, the Minimum Monthly Benefit of \$85 per month per year of Credited Service (see Section (B) under “Minimum Monthly Benefit”) applies when calculating your Total and Permanent Disability Benefit. The Minimum Monthly Benefit of \$650 per month (see Section (A) under “Minimum Monthly Benefit”), however, does not apply if you have less than 25 years of Credited Service.

B. TEMPORARY DISABILITY – The Service Related Disability Benefit is \$1,000 per month. The Non-Service Related Disability Benefit is \$650 per month.

EXAMPLE 8 – TOTAL AND PERMANENT DISABILITY - SERVICE RELATED

Suppose you became Totally and Permanently Disabled at age 52 due to a job related injury with a total of 20 years of Credited Service and your Average Highest Monthly Compensation is \$3,800, your Disability Benefit would be calculated as follows:

(A) Formula Monthly Benefit:

20 YOS x \$3,800 AHM Comp x 2.0% Benefit Service Percentage = \$1,520
No reduction for less than 85 Points.

(B) Minimum Monthly Service Related Disability Benefit = \$1,000

The benefit payable would be the greater of (A) \$1,520 or (B) \$1,000. Therefore your monthly benefit would be \$1,520 payable for life.

EXAMPLE 9 – TOTAL AND PERMANENT DISABILITY - NON-SERVICE RELATED

Suppose you became Totally and Permanently Disabled at age 52 due to an injury not related to your employment with MARTA with a total of 11 years of Credited Service and your Average Highest Monthly Compensation is \$3,800, your Disability Benefit would be calculated as follows:

(A) Formula Monthly Benefit:

11 YOS x \$3,800 AHM Comp x 2.0% Benefit Service Percentage = \$836
No reduction for less than 85 Points.

(B) Minimum Monthly Service Related Disability Benefit = \$650

The benefit payable would be the greater of (A) \$836 or (B) \$650. Therefore your monthly benefit would be \$836 payable for life.

TEMPORARY TO TOTAL AND PERMANENT DISABILITY

If your Temporary Disability is changed to a Total and Permanent Disability because of a Social Security Administration award or otherwise, your Disability Benefit will be increased to the amount of a Total and Permanent Disability Benefit retroactively to your Date of Disability.

If you are eligible for a Non-Service Related Disability Benefit pending a determination on a Service Related Disability Benefit, the Plan will pay the Non-Service Related Disability Benefit pending resolution of the matter. If you are later approved for a Service Related Disability Benefit, the difference between the two benefit amounts will be paid retroactively, provided you submit such evidence within one hundred eighty (180) days after it becomes available to you. Otherwise, the difference in benefits will be paid starting the first of the month following the month the evidence is submitted.

SUSPENSION OF DISABILITY BENEFITS

Disability Benefits will stop under any of the following circumstances:

- (A) If you are no longer Disabled.
- (B) If your total income in any one year, excluding Workers' Compensation payments, exceeds the annual rate of pay for the position you held when you became Disabled.
- (C) If you refuse to submit to a physical examination by a physician selected by the Committee or fail to cooperate with the Committee in determining your income or the continued status of your Disability.

DISABILITY OFFSET

Disability Benefits will be reduced dollar for dollar by the amount by which your total earnings including Disability Benefits exceeds the annual rate of pay for the position you held when you became Disabled.

EXAMPLE 10 – DISABILITY OFFSET

Assume you become Totally and Permanently Disabled and are eligible for Disability Benefits of \$1,200 per month. Also assume the annual rate of pay for the position you held when you became Disabled is currently \$45,600 or \$3,800 monthly. Your Disability Benefits will be suspended if you work and your total income exceeds \$3,800 monthly. Your Disability Benefits will be reduced if you work and earn more than \$2,600 per month.

Suppose you earn \$3,000 per month. Then your Disability Benefits will be offset by the amount by which your total earnings exceed the current annual rate of pay for your position, \$3,800.

The offset is calculated as follows:

- (A) \$ 3,000 Your Earnings
+ 1,200 Disability Benefit
\$ 4,200 Total Current Earned Income
- (B) \$ 4,200 Total Current Earned Income
- 3,800 Current Earnings Limit
\$ 400 Disallowed Earnings or Disability Offset
- (C) \$1,200 Disability Benefit

- 400 Disability Offset
\$ 800 Reduced Disability Benefit.

This offset will be calculated each year and adjustments will be made as needed.

DEATH BENEFITS

ACTIVE PARTICIPANTS

If you die while working for MARTA, have at least five (5) years of Credited Service but less than 66 Points, and have not yet reached your Normal Retirement Date, your Named Beneficiary will be eligible for the Lump Sum Return, payable immediately, or a deferred Survivor Pension Benefit, payable when you would have reached 66 Points had you survived. The Survivor Pension is not reduced for early receipt as for Early Retirement.

If you die while working for MARTA, have at least five (5) years of Credited Service, and have either attained 66 Points or reached your Normal Retirement Date, your Named Beneficiary will be eligible for a Survivor Pension Benefit, payable immediately. Your Named Beneficiary may elect to receive the Lump Sum Return instead of the Survivor Pension Benefit. The Survivor Pension is not reduced for early receipt as for Early Retirement.

If you die while working for MARTA and do not have at least five (5) years of Credited Service, your Named Beneficiary will receive a Lump Sum Return.

Please note that a Survivor Pension Benefit will be multiplied by your Vested Percentage (discussed on page 5) as of your date of death.

INACTIVE PARTICIPANTS PRIOR TO BENEFIT COMMENCEMENT

If you terminate your employment and receive a Lump Sum Return and then die, your Named Beneficiary will not be eligible for any Death Benefits.

If you terminate your employment without a Vested Benefit and die, your Named Beneficiary will receive a Lump Sum Return.

If you terminate your employment with a Vested Benefit but you have not yet qualified for Normal or Unreduced Early Retirement, your Named Beneficiary will receive a deferred Survivor Pension Benefit based on Credited Service as of your Termination Date, payable when you would have reached 66 Points had you survived and continued as a Terminated Vested Participant. The Survivor Pension is reduced for early receipt as for Early Retirement. Your Named Beneficiary may elect to receive a Lump Sum Return instead, payable immediately.

If you terminate your employment with a Vested Benefit and you qualified for a Normal or Unreduced Early Retirement and die, your Named Beneficiary will receive a Survivor Pension Benefit based on Credited Service as of your Termination Date, payable immediately. Your Named Beneficiary may elect to receive a Lump Sum Return instead, payable immediately.

Please note that any Survivor Pension Benefit will be multiplied by your Vested Percentage (discussed on page 5) as of your Termination Date.

INACTIVE PARTICIPANTS AFTER BENEFIT COMMENCEMENT

If you die after commencement of your Normal, Early, or Deferred Vested Retirement, your death benefits will be paid out in accordance with the alternative benefit form you selected. If you die after commencement of a Disability Benefit, your Named Beneficiary will receive the Survivor Pension Benefit based on Credited Service through your Date of Disability.

NAMED BENEFICIARY

You may designate a Named Beneficiary on a beneficiary designation form filed with the Plan Administrator to receive benefits that may become payable under this Plan in the event of your death prior to commencement of benefits for Normal, Early, or Deferred Vested Retirement or Disability. You can change the Named Beneficiary at any time simply by filing a new beneficiary designation form with the Plan Administrator.

Note that if your Named Beneficiary is your spouse and you get divorced, that ex-spouse will remain entitled to any benefits payable under the Plan unless you change your Named Beneficiary.

NO NAMED BENEFICIARY

If no Named Beneficiary exists at the time of your death and you are married, your spouse at the time of your death will be considered your Named Beneficiary. If no Named Beneficiary exists and you are not married or your Named Beneficiary is also deceased or cannot be located within two (2) years from the time of your death, the Plan will pay the Lump Sum Return to your estate.

MINIMUM DEATH BENEFIT

The minimum death benefit in cases where retirement benefits have not yet commenced is the Lump Sum Return. If your Named Beneficiary dies soon after Survivor Pension Benefits begin, your Named Beneficiary's estate will receive the balance of your Lump Sum Return after reduction for the amount of benefits received prior to death.

Similarly, the minimum death benefit in cases where retirement benefit payments have commenced is a Lump Sum Return. If you and your Joint Pensioner die soon after retirement benefits begin, you or your Joint Pensioner’s estate (based on whoever died last) will receive the balance of your Lump Sum Return after reduction for the amount of benefits received prior to death.

SURVIVOR PENSION BENEFIT

A monthly benefit payable for the life of the Named Beneficiary determined as if you terminated employment on your date of death, survived to your earliest retirement date, retired and selected the Modified 100% Joint and Survivor Benefit Form and then died the next day. Payments continue for the life of the Named Beneficiary.

If you have 25 or more years of Credited Service on the date of your death, the Minimum Monthly Benefit of \$85 per month per year of Credited Service (see Section (B) under “Minimum Monthly Benefit”) applies when calculating the Survivor Pension Benefit. The Minimum Monthly Benefit of \$650 per month (see Section (A) under “Minimum Monthly Benefit”), however, does not apply if you have less than 25 years of Credited Service.

EXAMPLE 11 – DEATH BENEFIT PRIOR TO RETIREMENT WITH AT LEAST 66 POINTS

Suppose you are the 48 year old spouse of a Participant who died at age 51 with a total of 25 years of Credited Service and a Lump Sum Return of \$29,700. Assuming Average Highest Monthly Compensation is \$3,800, your death benefit would be calculated as follows:

You may elect one of the following benefits:

- (A) A Lump Sum Return of \$29,700.
- (B) An immediate Survivor Pension Benefit calculated as follows:
 - (1) Formula Monthly Benefit:

<u>YOS</u>	<u>AHM</u> <u>Comp</u>	<u>AHM</u> <u>Comp</u>	<u>Benefit</u> <u>Service</u> <u>Percentage</u>	<u>Monthly</u> <u>Accrued</u> <u>Benefit</u>
25	≥ <u>\$3,800</u>	x <u>\$3,800</u>	2.40%	= \$2,280

- (2) Minimum Monthly Benefit for 25 or more years of Credited Service:

\$85 minimum x 25 years = \$2,125

- (3) Your Initial Monthly Benefit would be the greater of:

- (1) \$2,280 or (2) \$2,125
- (4) This amount would then be converted from a Life Annuity to a Modified 100% Joint & Survivor Benefit Form.
 - (a) Adjustment factor for a Participant age 51 and a Named Beneficiary age 48 is 91.9%
 - (b) \$2,280.00 Life Annuity x 91.9% Adj. Factor= \$2,095.32
 - (c) \$2,095.32 Survivor Pension Benefit to Named Beneficiary for Life

Once you elect a benefit, your election is irrevocable and cannot be changed.

PURCHASE OF ADDITIONAL BENEFIT FOR PART-TIME SERVICE

You may purchase up to three (3) years of part-time service with MARTA at the time of your retirement. You must be at least age 52 and have earned 10 years of Credited Service at retirement. Part-time service with MARTA is not used to determine Plan benefits and will not count toward eligibility for other benefits or Vesting.

The benefit you purchase will equal one-twelfth of 1.0% of your Average Highest Monthly Compensation for each month of part-time service purchased. The cost will be a single payment of 4.0% of your Average Highest Monthly Compensation for each month of part-time service purchased. This cost is deducted from your Lump Sum Return at retirement.

Note that if you purchase part-time service, you cannot receive a lump sum cash-out of your remaining benefit.

EXAMPLE 12 – PART-TIME SERVICE

Assume you are about to retire, your Average Highest Monthly Compensation is \$3,800 and you are eligible to purchase six months of part-time service.

- (A) Part-Time Service Benefit = $1/12 \times 1\% \times \$3,800 \times 6 \text{ months} = \19 per month
- (B) Cost = $4\% \times \$3,800 \times 6 \text{ months} = \$912 \text{ one-time payment from Lump Sum Return for six months of part-time service}$

The purchase of part-time service requires the election of a Partial Lump Sum. For the purchase of six months of part-time service in this example, the benefit would be \$19 per month for the rest of your life, and the cost would be a one-time amount of \$912 taken from the Lump Sum Return.

OPTIONAL FORMS OF BENEFIT PAYMENT

NORMAL FORM OF BENEFITS

Your Normal, Early, or Deferred Vested Retirement Benefit will be paid in the form of a Life Annuity unless you elect otherwise. This means a monthly benefit will be paid for your lifetime and will cease at your death.

ALTERNATIVE BENEFIT FORMS

You may elect to receive one of the alternative benefit forms instead of the Life Annuity. Because this alternate form provides benefit payments for more than one person's lifetime, the monthly amount will be reduced accordingly. Note that once you make your election, your election is irrevocable and can never be changed.

MODIFIED JOINT AND SURVIVOR ANNUITY WITH POP-UP

Under this form, you may elect to receive a reduced monthly pension for your lifetime, in exchange for a guarantee that 50%, 75% or 100%, whichever you choose, of the monthly benefit you are receiving, will be continued to the Beneficiary you name as your Joint Pensioner. Your Joint Pensioner is whoever you designate at the time of your election and can never be changed regardless of future circumstances. The adjusted monthly benefit payments under this alternative form will be calculated based on your age and the age of your Joint Pensioner at the time you commence retirement benefits.

If your Joint Pensioner dies within the first five (5) years after you have begun receiving benefits, your benefit payments will be increased back to the amount you would have received if you had elected the Life Annuity when you retired.

EXAMPLE 13 – ALTERNATIVE BENEFIT CALCULATION

Suppose you become eligible for a monthly Life Annuity at age 55 of \$2,280 and your Joint Pensioner is age 52. If you elect a Modified Joint and Survivor Annuity, your benefit will be reduced to an Actuarially Equivalent Benefit payable to you for life with your Joint Pensioner receiving a percentage of that benefit for life following your death. The amount of the reduced benefit is found by multiplying the Life Annuity benefit by an adjustment factor from one of the Joint and Survivor Benefit Factors Tables in the back of this booklet.

Your benefit will be payable as shown below; however, if your Joint Pensioner dies within five (5) years of the start of your benefit payments, your benefit will revert back to the Life Annuity amount of \$2,280.

<u>Option</u>	<u>Participant Monthly Benefit Payable for Life</u>	<u>Survivor Monthly Benefit Payable for Life upon Death of Participant</u>
Life Annuity	\$2,280.00	\$ 0.00
50% Joint & Survivor	\$2,161.44	\$1,080.72
75% Joint & Survivor	\$2,106.72	\$1,580.04
100% Joint & Survivor	\$2,056.56	\$2,056.56

LUMP SUM RETURN

The return of Employee Contributions with interest compounded annually at 5% from May 1, 1989, until the date of termination of employment. If you became an Active Participant on or after January 1, 2015, the return of Employee Contributions with interest compounded annually at 3% from January 1, 2015, until the date of termination of employment.

PARTIAL LUMP SUM: MONTHLY BENEFIT WITH LUMP SUM RETURN

If you first became an Active Participant prior to January 1, 2015, you may elect to receive a Partial Lump Sum comprised of the Lump Sum Return with the Actuarial Equivalent of the remaining benefit paid as either a Life Annuity or a Modified Joint and Survivor Annuity with Pop-Up. However, if your remaining benefit payable after adjustment for the Lump Sum Return provides a monthly pension benefit of less than \$300.00, you may elect to receive a lump sum payment equal to the present value of the Actuarial Equivalent of your remaining benefit in lieu of the Life Annuity or Modified Joint and Survivor Annuity with Pop-Up.

If you first became an Active Participant on or after January 1, 2015 and have attained age fifty-two (52) and sixty-six (66) Points, you may elect to receive a Partial Lump Sum comprised of the Lump Sum Return with the Actuarial Equivalent of the remaining benefit paid as either a Life Annuity or a Modified Joint and Survivor Annuity with Pop-Up. However, if your remaining benefit payable after adjustment for the Lump Sum Return provides a monthly pension benefit of less than \$300.00, you will receive a lump sum payment equal to the present value of the Actuarial Equivalent of your remaining benefit in lieu of the Life Annuity or Modified Joint and Survivor Annuity with Pop-Up.

EXAMPLE 14 – MONTHLY BENEFIT WITH LUMP SUM RETURN

Assume you were retiring at age 55 with a Lump Sum Return of \$34,500 after crediting interest compounded annually and electing the Partial Lump Sum option. The benefit amount adjusted for the Lump Sum Return would be calculated as follows:

- (A) Monthly Benefit payable as a Life Annuity = \$2,280
- (B) Lump Sum Return = \$34,500
 - (1) Annuity Conversion Factor at Age 55 = 135.50
 - (2) Reduction for electing a Partial Lump Sum
 $\$34,500 \div 135.50 = \254.61
- (C) Reduced Monthly Benefit payable as a Life Annuity
 $\$2,280.00 - \$254.61 = \$2,025.39$

You would receive a one-time Lump Sum Return of \$34,500 and your monthly benefit would be \$2,025.39, payable for the rest of your life, unless you elect an optional form of payment.

The impact on the optional forms of payment after election of a Partial Lump Sum:

<u>Option</u>	<u>Participant Monthly Benefit Payable for Life</u>	<u>Survivor Monthly Benefit Payable for Life upon Death of Participant</u>
Life Annuity	\$2,025.39	\$ 0.00
50% Joint & Survivor	\$1,920.07	\$ 960.03 <u>960.04</u>
75% Joint & Survivor	\$1,871.46	\$1,403.60
100% Joint & Survivor	\$1,826.90	\$1,826.90

EXAMPLE 15 – MONTHLY BENEFIT LESS THAN \$300 WITH LUMP SUM RETURN

Assume you were retiring at age 55 with 12 years of Service with a Lump Sum Return of \$18,000 after crediting interest compounded annually. The benefit amount adjusted for the Lump Sum Return would be calculated as follows:

- (A) Monthly Benefit payable as a Life Annuity = \$368

- (B) Lump Sum Return = \$18,000
- (1) Annuity Conversion Factor at Age 55 = 135.50
- (2) Reduction for electing a Partial Lump Sum
 $\$18,000 \div 135.50 = \132.84
- (C) Reduced Monthly Benefit payable as a Life Annuity
 $\$368.00 - \$132.84 = \$235.16$
- (D) The Reduced Monthly Benefit of \$235.16 is less than \$300.00
- Present Value of Remaining Benefit
 $\$235.16 \times 135.50 = \$31,864.18$
- (E) Total Lump Sum Return (no Life Annuity)
 $\$18,000 + \$31,864.18 = \$49,864.18$

You may elect to receive the present value of your remaining benefit for a total Lump Sum Return of \$49,864.18 or a Lump Sum Return of \$18,000 with your monthly benefit of \$235.16, payable for the rest of your life, unless you elect an optional form of payment. However, if you first became an Active Participant on or after January 1, 2015, you will receive the present value of your remaining benefit for a total Lump Sum Return of \$49,864.18 since your monthly benefit is less than \$300.

HOW TO APPLY FOR BENEFITS

APPLICATION FOR BENEFITS

To apply for benefits, you must request an application for benefits from the Plan Administrator at the address shown on the inside front cover of this booklet. Your application must be completed, signed and filed with the Plan Administrator at least thirty (30) days before your retirement date, together with any other information required in the application, before your benefits can start. Your retirement date is the first day of the month following your election to retire.

You must send satisfactory proof of your date of birth with your application. To receive a Modified Joint and Survivor Annuity, you will need to provide proof of your Joint Pensioner's date of birth.

If you are applying for Disability Benefits, you will be required to have a complete disability evaluation. The Committee will review your application and you will be advised if your application is approved or denied, based on the medical evaluation.

You may be required to furnish such other information or proof reasonably required to determine your benefit at the request of the Committee.

The Committee has the right to recover any benefits paid in reliance on any false statement, information, or proof submitted by a claimant (including withholding of material fact) plus interest and costs, including without limitation recovery through offset of benefit payment to the extent permitted by law.

PAYMENT OF BENEFITS

All pensions will be paid on the last business day of each month for which a pension is due and will continue through the last day of the month following your death or your Beneficiary's or Joint Pensioner's death, if applicable. Disability benefits will be discontinued at the end of the duration of the Disability (not to exceed 18 months for applications made on and after January 1, 2015) for a Temporary Disability and after the end of the month in which it is determined you are no longer disabled for a Total and Permanent Disability.

If your Named Beneficiary dies prior to your Retirement, your election of a Named Beneficiary will be null and void. You may elect a new Named Beneficiary in the manner required by the Committee.

If your Named Beneficiary dies before you, but after benefit payments have begun, your election remains in effect.

RETURN TO WORK

RETURN TO WORK BEFORE RETIREMENT – BUY BACK RIGHTS

If you return to work after receiving a Lump Sum Return, you will lose all of the years of Credited Service attributable to your previous employment unless you repay to the Plan the amount of the Lump Sum Return, plus interest from the date of receipt to the date of repayment, compounded annually at 5.0%. You must repay the Plan in one lump sum within one year of your date of rehire.

If you do not exercise your Buy Back Rights within one year of your rehire, you will permanently forfeit your right to any benefits related to your prior period of service from this Plan.

RETURN TO WORK AFTER BENEFITS BEGIN

If you return to work as a Full-Time Employee after your retirement benefits have begun, your benefit payments will be suspended for as long as you remain a Full-Time Employee. When you

subsequently retire again, you will receive a benefit equal to your prior retirement benefit plus any accruals earned after you returned as Full-Time Employee. All previously earned Credited Service will be combined for eligibility and vesting purposes for calculation of such additional accruals.

However, in the event that changes in the benefit structure occur after your initial retirement, you must complete at least five (5) additional years of Credited Service to have all prior Credited Service recalculated at the higher benefit level.

GRIEVANCE PROCEEDINGS

If your termination is the subject of any grievance or similar proceeding which may result in your rehire or reinstatement, you may not elect a Lump Sum Return until the final resolution of the matter.

If you are eligible, you may commence retirement benefits while your grievance is being resolved; however, you cannot elect a Partial Lump Sum prior to resolution of the grievance. In the event you are reinstated as a Full-Time Employee, your Credited Service and contributions will be adjusted accordingly. Your monthly benefits will stop upon your return to work. You must notify the Plan Administrator immediately upon your return to work.

TRANSFERS TO OR FROM THIS PLAN

Under the Amended and Restated Transfer Agreement between MARTA and the Union, if your employment status changes on or after January 1, 2018 and you become a non-represented employee, you may elect to continue to participate in the Plan or transfer to the Non-Rep DC Plan if you have at least two years of Credited Service. You may not transfer into the Non-Rep Pension Plan, as it is closed to all transfers. You must make your election in a Transfer Agreement Acknowledgement which the Committee will provide to you. If you have less than two years of Credited Service, you will automatically be transferred to the Non-Rep DC Plan when your employment status changes.

If you transferred between the Plan, the Non-Rep Pension Plan or the Non-Rep DC Plan prior to January 1, 2018, different rules may apply in accordance with the Transfer Agreement then in effect.

The rules regarding the determination and payment of benefits of transferred Employees are quite complex. If you contemplate a transfer from one Plan to the other, the Committee will furnish a more detailed explanation of those rules. Please be sure you understand those rules BEFORE you decide to transfer. A TRANSFER MAY HAVE A SIGNIFICANT EFFECT ON THE BENEFITS YOU ULTIMATELY RECEIVE.

HOW TO APPEAL A DENIAL OF BENEFITS

If your claim is denied, a written denial will be provided which includes:

- (1) Specific reason for denial;
- (2) Reference to the specific Plan provisions on which the denial is based;
- (3) Description of any additional materials or information necessary to perfect the claim and the reason why such material or information is needed; and
- (4) Explanation of the claims review procedure.

If your claims is not resolved within sixty (60) days (or one hundred twenty (120) days if requested), you may presume the claim has been denied.

If your claim for benefits is denied in whole or in part and you believe you are entitled to a benefit, you may petition for a review of the denial. The petition must be in writing and should state clearly the reasons why your benefit should not be denied. You may review all pertinent documents relating to the denial and may submit issues and comments in writing. Your appeal must be received by the Plan Administrator within 60 days (or 120 days if requested) after the date shown on the notice denying your benefits. The Committee may grant a hearing to receive any evidence or argument that cannot be satisfactorily presented by correspondence. If the petition is not filed within the required 60-day (or 120-day) period, the right to a review of the denial is waived.

The Committee will make a decision within 60 days after receipt of the petition, unless there are special circumstances (such as a request for a hearing) that require an extension of time for processing. In that case the decision will be rendered, in writing, as soon as possible, but not later than 120 days after the request for the review of the denial. The Committee's decision will be in writing, include the specific reasons for the decision and be final and binding.

If your claim on appeal is denied, your exclusive remedy is to submit your claim to arbitration pursuant to the Plan's arbitration procedure. Any request for arbitration must be submitted to the Plan Administrator in writing within 90 days after you received notice that your appeal was denied.

NON-ASSIGNMENT OF BENEFITS

No Employee or Beneficiary shall have any right to assign, transfer, encumber or anticipate their interest in any benefit under the Plan and any attempt to do so shall be void. Qualified Domestic Relations Orders (QDROs) are not permitted or recognized under this Plan. Benefit payments shall not in any way (so far as lawful) be subject to any legal process to levy, execution upon, attachment, or garnishment proceeding against the same for the payment of any claim against any Participant or other person entitled to such benefit, nor shall benefits be subject to the jurisdiction of any bankruptcy court or insolvency proceeding.

RECOVERY OF OVERPAYMENTS

If you or your beneficiary receive a benefit greater than the benefit payable under the terms of the Plan, the Committee may take reasonable steps to recover the excess benefit amount, including but not limited to eliminating or reducing future benefit payments.

TERMINATION OF THE PLAN

MARTA and the Union intend that this Plan continue indefinitely. However, under certain circumstances it is possible that the Plan could be terminated.

Upon termination of the Plan, the rights of Employees to benefits, to the extent then funded, shall not be forfeitable. Amounts would first be set aside to defray expenses associated with Plan termination after which assets in the trust fund would be applied in the following order:

- (A) To refund Participants' Lump Sum Return, less any benefits already received from the Plan.
- (B) To provide Retirees' and Beneficiaries' benefits in current payment status, and to provide benefits to Participants delaying retirement or eligible for retirement.
- (C) To provide all remaining Participants their Plan benefits determined as of the date of termination.

Benefits payable under any of the items listed above shall be properly adjusted to reflect any benefits payable under any prior item.

If assets in the Plan are insufficient to fully fund the Plan benefits for all Participants in any class, then such Plan benefits shall be deemed to have been funded in the proportion which the then actuarially determined present value of the Plan benefit for each Participant in such class bears to the then actuarially determined present value of the Plan benefit for all Participants in such class.

OTHER FACTS YOU SHOULD KNOW

CHANGE AND AMENDMENTS

The Plan is an agreement between MARTA and the Union and may be changed or amended from time to time.

TYPE OF PLAN

The Plan is a governmental "defined benefit" pension plan. You will be paid a benefit at the time of retirement and guaranteed for your life and the life of your designated Beneficiary if you so choose.

This Plan is not a “defined contribution” plan where participants have an account balance with no guaranteed benefit.

PLAN ADMINISTRATION

The Committee, which consists of three representatives of MARTA and three representatives of the Union, administers the Plan according to the requirements of the applicable State and Federal law. MARTA and the Union may appoint an alternate member to the Committee. The Committee is responsible for administering and interpreting all the Plan’s provisions, providing forms required for use by Participants, and authorizing benefit payments from the Plan. Correspondence to the Committee should be addressed to the Plan Administrator as shown on the inside front cover of this booklet.

The Committee has the full and exclusive authority to determine all questions to accomplish the purpose of this Plan and related matters. The determination and interpretation of the Plan by the Committee shall be binding upon all parties. Matters arising under this Plan are subject to the Plan’s appeal and arbitration procedures. Such matters are not subject to the grievance or arbitration procedure under the Labor Agreement between the Employer and the Union; provided, however, rights and liabilities of any party under the Labor Agreement shall not be affected by this Plan.

AGENTS FOR SERVICE OF LEGAL PROCESS

This Plan’s Agents for Service of Legal Process are:

Tessa A. Warren, Esq.
Quinn, Connor, Weaver, Davies & Rouco LLP
3516 Covington Highway
Decatur, GA 30032

Edmund Emerson III, Esq.
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1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326

HISTORY OF RECENT PLAN CHANGES

Effective Date:	Benefit Modification:
March 26, 2001	Increase the Benefit Accrual Rate Increase the benefit rate for future Retirees with less than 25 Years of Service from 1.75% to 2.0%. Increase the benefit rate for future Retirees with 25 or more Years of Service from 2.05% or 2.10% to 2.4%. Provide a minimum benefit for 25 or more Years of Service of \$85 per month per Year of Service.
March 26, 2001	Increase the Minimum Normal Retirement Benefit Increase the Minimum Normal Retirement Benefit from \$450 per month to \$650 per month.
March 26, 2001	Increase the Minimum Disability Retirement Benefit Increase the Minimum Disability Benefit from \$450 per month to \$1,000 per month and eliminate the offset for Workers' Compensation for Job-Related Disability.
March 26, 2001	Additional Benefit Payment for Retirees Provide all current Retirees and Disabled Participants receiving benefit payments as of March 26, 2001 with a one-time \$500 benefit payment and all current beneficiaries with a one-time \$300 benefit payment.
March 26, 2001	One-Time Cost-of-Living Adjustment Increase the monthly benefit for all Retirees, Disabled Participants and Beneficiaries receiving benefit payments as of March 26, 2001 with a one-time 5% cost-of-living increase.
March 26, 2002	One-Time Cost-of-Living Adjustment Increase the monthly benefit for all Retirees, Disabled Participants and Beneficiaries receiving benefit payments as of March 26, 2002 with a one-time 2% cost-of-living increase.
March 26, 2003	One-Time Cost-of-Living Adjustment Increase the monthly benefit for all Retirees, Disabled Participants and Beneficiaries receiving benefit payments as of March 26, 2003 with a one-time 2% cost-of-living increase.

January 1, 2003	<p>Separate Disability Into Total and Permanent and Temporary</p> <p>The Plan separated lifetime benefits for those who cannot perform any job into a Total and Permanent Disability and established a 30-month annuity for employees who would be unable to perform their current job but could retrain for another position.</p>
January 1, 2003	<p>Provide Free Pop-Up Provision</p> <p>The Joint and Survivor alternative benefit forms were modified to provide for a free five (5) year Pop-Up. A Pop-Up provides that the retirement benefit will increase back to the Life Annuity amount in the event the Joint Pensioner dies within the first five years of retirement.</p>
July 2004	<p>One-Time Additional Payment</p> <p>Provide each Normal, Early, or Disability Retiree who retired before March 26, 2001 with an additional \$500 payment.</p>
July 1, 2005	<p>Disability Benefit Qualification</p> <p>Change administrative policy to permit eligibility for Total and Permanent Disability Benefits to be granted upon the approval of two physicians prior to a Social Security Administration determination.</p>
August 2005	<p>One-Time Additional Payment</p> <p>Provide each Normal, Early, or Disability Retiree who retired before March 26, 2001 with an additional \$500 payment.</p>
November 2006	<p>One-Time Additional Payment</p> <p>Provide each Normal, Early, or Disability Retiree who retired before March 26, 2001 with an additional \$700 payment. Provide each Normal, Early, or Disability Retiree who retired on or after March 26, 2001 with an additional \$350 payment.</p>
July 1, 2007	<p>Disability Benefits</p> <p>Increase the maximum duration for Temporary Disability to 36 months and eliminate 12-month extension for retraining. Increase eligibility requirement for Non-Service-Related Disability to 10 years of service. Limit Maximum Temporary Disability Benefit to \$1,000 and \$650 for Service and Non-Service-Related Disability respectively.</p>
July 1, 2007	<p>Purchase Part-Time Service</p>

Permit purchase of part-time service at one-twelfth of 1% of Average Highest Monthly Compensation (up to 3 years) at retirement using lump sum distribution for a one-time fee of 4% of Average Highest Monthly Compensation. That service may be used to determine the amount of benefit but not to determine eligibility for benefits.

December 2007

One-Time Additional Payment

Provide each Normal, Early, or Disability Retiree who retired before March 26, 2001 with an additional \$700 payment. Provide each Normal, Early, or Disability Retiree who retired on or after March 26, 2001 with an additional \$350 payment.

January 1, 2009

Increase Benefit Service Percentage -- Long-Service Employees

Increase the Benefit Service Percentage to 2.44% for 27 years of service, 2.46% for 28 years of service, 2.48% for 29 years of service and 2.50% for 30 years of service.

May 1, 2011

Increase Employer and Employee Contribution Rates

Increase the Employer Contribution rate to 8.09% (6.22% for the 2012 calendar year) of Compensation and the Employee Contribution rate to 4.41% of Compensation, beginning May 1, 2011.

September 2014

One-Time Additional Payment

Provide each Normal, Early, or Total and Permanent Disability Retiree who retired before March 26, 2001 with an additional \$1,000 payment. Provide each Normal, Early, or Total and Permanent Disability Retiree who retired on or after March 26, 2001 with an additional \$500 payment.

January 1, 2015

Interest Rate of Employee Contributions

For Employees who first became Active Participants on or after January 1, 2015, interest on Employee Contributions is compounded annually at 3% until the date of termination of employment.

January 1, 2015

Early Retirement Eligibility

Amend Early Retirement eligibility for employees who first became Active Participants on or after January 1, 2015.

January 1, 2015

Disability Benefits

Increase eligibility requirement for Service Related Disability to 10 years of Credited Service. Decrease the maximum duration for Temporary Disability to 18 months.

January 1, 2015

Partial Lump Sum: Monthly Benefit with Lump Sum Return

Require participants who first became Active Participants on or after January 1, 2015 to attain age 52 and 66 Points in order to elect a Partial Lump Sum and, if remaining benefit payable after adjustment for the Lump Sum Return provides a monthly pension benefit of less than \$300.00, such participants will receive a lump sum payment equal to the present value of their remaining benefit in lieu of an annuity. Participants who first became Active Participants prior to 2015 may elect to receive a lump sum payment equal to the present value of their remaining benefit in lieu of an annuity if the remaining benefit payable after adjustment for the Lump Sum Return provides a monthly pension benefit of less than \$300.00.

January 1, 2015

Lump Sum Window

Retirees who retire prior to January 1, 2015 (or their beneficiaries), with a monthly pension benefit of less than \$300 will have a one-time irrevocable option to receive a lump sum payment of the remaining benefit.

July 1, 2015

Supplemental Payments

Beginning July 1, 2015 and ending June 30, 2018, provide Retirees and Total and Permanent Disability Retirees supplemental payments as follows: (1) for July 1, 2015 through June 30, 2016, \$600, (2) for July 1, 2016 through June 30, 2017, \$700, and (3) for July 1, 2017 through June 30, 2018, \$800. The supplemental payments are payable in a lump sum or installments based on the Retiree's age.

January 1, 2016

Purchase of Part-Time Service

A Participant who purchases part-time service cannot receive a lump sum cash-out under the Plan.

January 1, 2018

Transfer Agreement

Amend the Plan to reflect the amendment and restatement of the Transfer Agreement between MARTA and the Union, which governs the treatment of participants in one MARTA retirement plan transferring to another MARTA retirement plan due to a change in employment status.

JOINT AND 50% SURVIVOR BENEFIT FACTORS TABLE

Joint Pensioner Age	Your Exact Age When Your Retire ment Benefi t Starts								
	54	55	56	57	58	59	60	61	62
50	94.9%	94.4%	93.9%	93.4%	92.8%	92.2%	91.5%	90.8%	90.0%
51	95.1%	94.6%	94.2%	93.6%	93.0%	92.4%	91.8%	91.0%	90.2%
52	95.3%	94.8%	94.4%	93.8%	93.3%	92.7%	92.0%	91.3%	90.5%
53	95.5%	95.0%	94.6%	94.1%	93.5%	92.9%	92.3%	91.6%	90.8%
54	95.6%	95.2%	94.8%	94.3%	93.8%	93.2%	92.5%	91.9%	91.1%
55	95.8%	95.4%	95.0%	94.5%	94.0%	93.4%	92.8%	92.1%	91.4%
56	96.0%	95.6%	95.2%	94.8%	94.2%	93.7%	93.1%	92.4%	91.7%
57	96.2%	95.8%	95.4%	95.0%	94.5%	94.0%	93.4%	92.7%	92.0%
58	96.4%	96.0%	95.6%	95.2%	94.7%	94.2%	93.6%	93.0%	92.4%
59	96.6%	96.2%	95.9%	95.4%	95.0%	94.5%	93.9%	93.3%	92.7%
60	96.8%	96.4%	96.1%	95.7%	95.2%	94.7%	94.2%	93.6%	93.0%

JOINT AND 75% SURVIVOR BENEFIT FACTORS TABLE

**Your
Exact
Age
When
Your
Retire
ment
Benefi
t
Starts**

Joint Pensioner Age	54	55	56	57	58	59	60	61	62
50	92.5%	91.9%	91.2%	90.4%	89.6%	88.7%	87.8%	86.8%	85.7%
51	92.8%	92.2%	91.5%	90.7%	89.9%	89.1%	88.1%	87.1%	86.1%
52	93.1%	92.4%	91.8%	91.0%	90.2%	89.4%	88.5%	87.5%	86.4%
53	93.3%	92.7%	92.1%	91.4%	90.6%	89.7%	88.8%	87.9%	86.8%
54	93.6%	93.0%	92.4%	91.7%	90.9%	90.1%	89.2%	88.3%	87.2%
55	93.9%	93.3%	92.7%	92.0%	91.3%	90.5%	89.6%	88.7%	87.7%
56	94.1%	93.6%	93.0%	92.3%	91.6%	90.8%	90.0%	89.1%	88.1%
57	94.4%	93.9%	93.3%	92.7%	92.0%	91.2%	90.4%	89.5%	88.5%
58	94.7%	94.2%	93.6%	93.0%	92.3%	91.6%	90.8%	89.9%	88.9%
59	95.0%	94.5%	93.9%	93.3%	92.7%	91.9%	91.2%	90.3%	89.4%
60	95.2%	94.7%	94.2%	93.6%	93.0%	92.3%	91.6%	90.7%	89.8%

Note: For ages not shown, factors are available upon request. The above percentages are rounded and are used for illustrative purposes only.

JOINT AND 100% SURVIVOR BENEFIT FACTORS TABLE

Joint Pensioner Age	54	55	56	57	58	59	60	61	62
50	90.3%	89.5%	88.6%	87.6%	86.6%	85.5%	84.3%	83.1%	81.8%
51	90.6%	89.8%	88.9%	88.0%	87.0%	85.9%	84.8%	83.5%	82.2%
52	91.0%	90.2%	89.3%	88.4%	87.4%	86.3%	85.2%	84.0%	82.7%
53	91.3%	90.5%	89.7%	88.8%	87.8%	86.8%	85.7%	84.5%	83.2%
54	91.7%	90.9%	90.1%	89.2%	88.2%	87.2%	86.1%	84.9%	83.7%
55	92.0%	91.3%	90.5%	89.6%	88.7%	87.7%	86.6%	85.4%	84.2%

56	92.3%	91.6%	90.9%	90.0%	89.1%	88.1%	87.1%	85.9%	84.7%
57	92.7%	92.0%	91.3%	90.4%	89.6%	88.6%	87.6%	86.4%	85.2%
58	93.0%	92.4%	91.6%	90.9%	90.0%	89.1%	88.1%	87.0%	85.8%
59	93.4%	92.7%	92.0%	91.3%	90.4%	89.5%	88.6%	87.5%	86.3%
60	93.7%	93.1%	92.4%	91.7%	90.9%	90.0%	89.1%	88.0%	86.9%

Note: For ages not shown, factors are available upon request. The above percentages are rounded and are used for illustrative purposes only.

Document comparison by Workshare Compare on Thursday, January 17, 2019
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Deletion	
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<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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