

Northwest Airlines – Questions and Answers

- Q.** Can I receive a lump sum payment from the Plan?
- A.** If you have at least 5 years of Vesting Service including years of Predecessor Plan Service* and at least 600 Hours of Service in the National Pension Plan you are vested and eligible for a pension at retirement. If the monthly amount of your pension is small, you will automatically receive a one-time lump sum payment as long as the lifetime actuarial equivalent of your monthly amount is \$5,000 or less. And under a recent improvement to the Plan, if the lifetime actuarial equivalent is over \$5,000 but not over \$10,000 you have the option of choosing a single lump sum payment or the monthly amount. The one-time lump sum payment is in settlement of all benefits due and no monthly or survivor benefits are payable. [Click here to see notice about “Cashing Out” small pensions.](#)

* Predecessor Plan Service is your years of service under a company’s tax-qualified defined benefit or defined contribution plan (like a 401(k) plan.)

- Q.** How can I get current information about my pension benefits under the National Pension Plan?
- A.** The fastest way to view your current benefit information is through the IAM National Pension Fund, National Pension Plan’s website, www.iamnnpf.org. As a Participant you can set up a user name and password which allows you to access your individual information including your accrued benefit, years of Credited or Vesting Service and Contribution Hours. In addition, you can calculate your benefit based on a future retirement date and see the various options that are available at retirement. These calculations can also be modeled with increases to your contribution rates that may be negotiated in future Collective Bargaining Agreements. Tip: While viewing the website, verify your mailing address to ensure it is current.

Of course, you may write to us for current pension information at IAM National Pension Fund, 1300 Connecticut Ave., NW, Suite 300, Washington, DC 20036. Please be sure to include your name, address, Social Security Number and signature. For general information you may also contact the Fund Office at 800-424-9608, 7:30 a.m. – 7:00 p.m. Eastern Time. **To protect the privacy of our participants benefit amounts cannot be given over the phone and must be requested in writing.**

- Q.** Why aren’t my hours from last month showing on the website?
- A.** Contributing Employers forward contributions to the Fund based on your Hours of Service by the 20th of each month for the prior month. Once the contributions and accompanying record of your Hours of Service are received in the Fund Office, they are reviewed and added to the pension fund’s data base. Information

from the data base is only uploaded once a month to the website. It can take approximately 60 to 90 days after the end of the month in which the Hours of Service were earned before they appear on the website.

Q. Can I apply for my pension online?

A. Yes, you may apply for your pension online through the National Pension Plan's website as long as you have set up a user name and password. There are several sections of information that must be completed and when you submit the online application it is considered received in the Fund Office that day. This can save time in getting your application filed rather than requesting the application by mail or phone and then waiting for the application to be sent from and to our office through the mail. This is the quickest way to establish your Pension Effective Date as your Pension Effective Date is the first day of the month following either the receipt of an application or the last day of work, whichever is later.

New Flexibility for “Cashing Out” Small Pensions

If you have at least 5 years of Vesting Service including years of Predecessor Plan Service* and at least 600 Hours of Service in the National Pension Plan you are vested and eligible for a pension at retirement. (The earliest retirement age is at least age 55 or at any age with 30 years of Vesting Service including years of Predecessor Plan Service.)

A policy adopted by the Trustees creates a new choice for you if you are vested and eligible for a benefit and retire with a small pension. Under the Plan’s current terms, a single lump sum payment is automatically made to you if the actuarial present value of your pension is \$5,000 or less. “Actuarial present value” is a dollar figure placed on benefits that are expected to be payable over your lifetime, based on projections of life expectancy and other factors. The factors include the amount of your pension and your age, in years and months, and the GATT (General Agreement on Trade and Tariffs) factor, which is set by the federal government for the calendar year of the pension effective date.

In addition, under the new policy, if the actuarial present value of your pension benefit is greater than \$5,000 but less than or equal to \$10,000, you will have the option to take your pension either as a lump sum or in monthly payments. If your pension is valued at \$5,000 or less you are still obligated to take your benefits in a single lump sum. If you receive your pension in a single lump sum, no further benefits are payable to you or your survivors.

If you meet the above criteria, your pension application will include a form enabling you to indicate your choice.

If you are already a Benefit Recipient the single lump sum payment does not apply to you.

April 2009

* Predecessor Plan Service is your years of service under a company’s tax-qualified defined benefit or defined contribution plan (like a 401(k) plan).