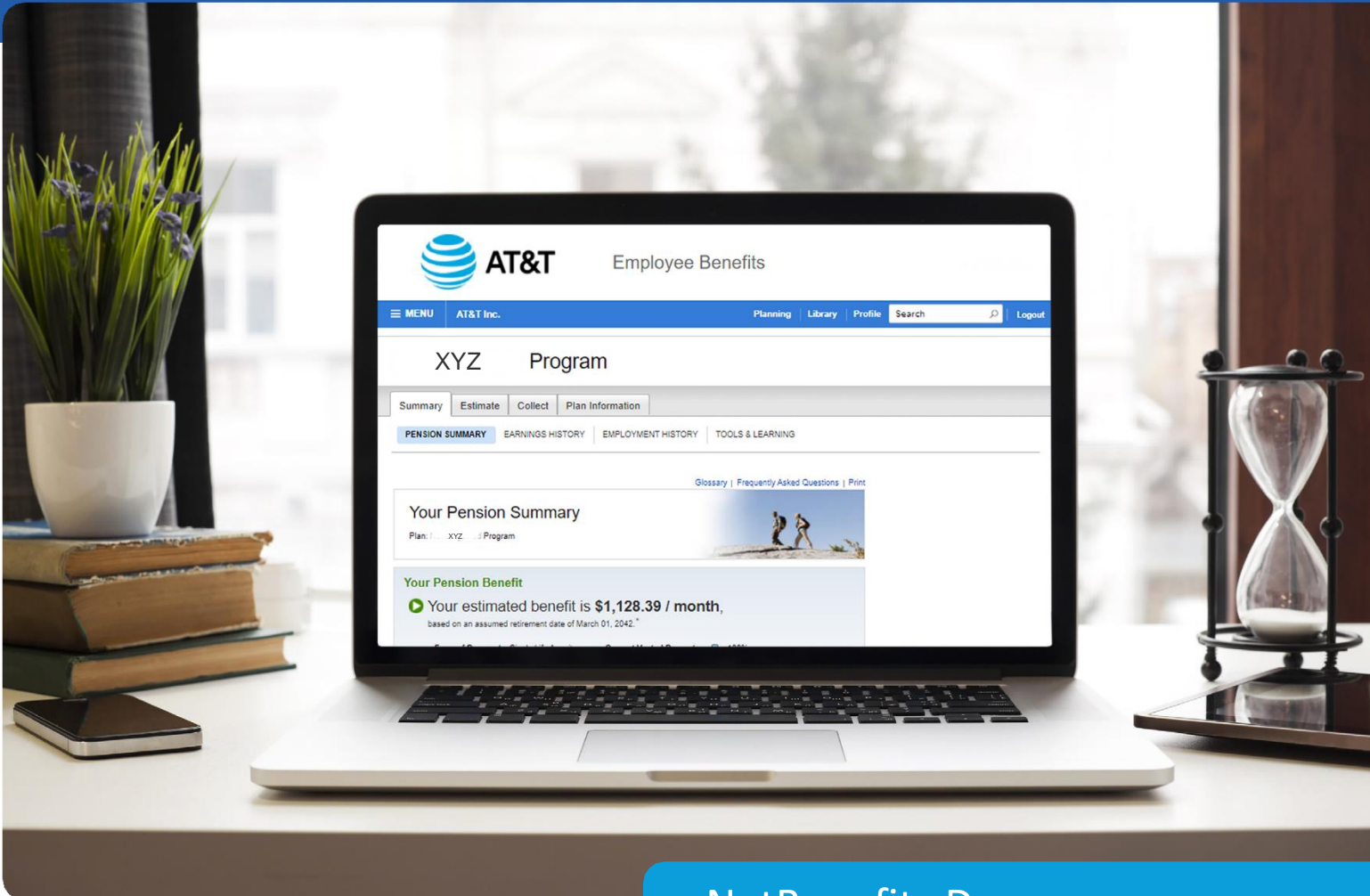




How to Estimate your Pension Benefit



NetBenefits Demo

For illustrative purposes only
September 20, 2022



Welcome to NetBenefits!

To model your pension benefit, follow these steps:

Step 1: Once logged into your account, select Your Pension Summary (under your Pension Plan tile, and the Quick Links menu)

The screenshot displays a user's NetBenefits dashboard. At the top, it shows 'Your portfolio' with a balance of \$137,230.42 as of 07/22/2022. Below this are three main account tiles: 'AT&T RETIREMENT SAVINGS PLAN' with a balance of \$51,465.03, 'XYZ Program of the AT&T PBP Pension' with a 'View Details' link and a 'Quick Links' dropdown menu (circled in red), and 'Health Savings Account' with a balance of \$7,500.00. A 'Quick Links' dropdown menu is also visible under the pension tile, listing 'Pension Summary', 'How to Collect Your Pension', and 'Plan Information and Documents'. At the bottom, there are two more tiles: 'Retirement Savings' with 2 PLANS and a balance of \$12,480.00, and 'Individual - TOD' with a balance of \$8,876.00.

For illustrative purposes only



Step 2: From the Summary page, choose the Estimate tab to model different scenarios.

XYZ Program of the AT&T PBP


Summary **Estimate** Collect Plan Information

PENSION SUMMARY SERVICE SUMMARY TOOLS & LEARNING

[Glossary](#) | [Frequently Asked Questions](#) | [Print](#)

Your Pension Summary

Plan: XYZ Program of the AT&T PBP



Videos

[Helpful Hints for Estimating Your Pension Benefit \(04:22\)](#)

[View All Pension Videos](#)

Your pension benefit can be viewed in two ways. The Balance View displays your current balance. The [Benefit View](#) displays your projected benefit at retirement.

Please make sure to run an estimate to see the full benefit payable to you.

Balance View Benefit View

Your balances as of June 30, 2022

Qualified Cash Balance	\$96,458.86	View Statement
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Your Workplace Savings Accounts

- [Go to the Savings & Retirement home page](#)
 - Loans and withdrawals
 - Account balances
 - Investment choices

Benefits Statement

- [View a printable statement of your employer benefits](#)

For illustrative purposes only



Step 3: From the Estimate page, enter some basic information about your age or anticipated date to begin your pension payments.

XYZ Program of the AT&T PBP

Summary Estimate Collect Plan Information

Pension Estimates

To help make a more informed decision regarding your pension benefits, you can estimate and compare different payment amounts and schedules that may be available to you. With this tool, you can compare scenarios, save calculations of estimates, and even take the first step towards collecting your pension if you're eligible. **Tools & Learning**
[View All Tools and Learning](#)

Selecting the blue text throughout the tool provides additional information about the input.

[Estimate a Payment](#) [Review Saved Calculations](#)

Scenario 1 [Clear Values](#)

You must provide at least one age or date below.

When will you stop working? [How does this affect my estimate?](#)

Enter an age or date.

Age OR Date / /

When would you like to start receiving benefits?

Enter an age or date, or select from commonly used dates.

Age OR Date / /

Go to next page for **Step 3** continued

For illustrative purposes only



Continue entering information as asked in the Estimate section to create a Scenario. For example...

Are you married? Yes No

Some payment options include benefits for your spouse or other surviving beneficiary. In order to view those options with your estimate please enter the beneficiary information here.

Survivor Spouse ▲
Non-Spouse
None ▼

i Important: If you are married at the time you collect your pension, you must select 'Spouse' as your beneficiary type and provide their date of birth. Your spouse must be allowed to make an informed decision about their rights. If you are married under applicable state law, your Spouse must provide written consent to waive their right to a survivor benefit.

Survivor's date of birth / / [How do you use this?](#)

Other factors we will use to calculate your estimate: How does this affect my estimate?

You may enter specific values, or we will apply your plan defaults.

Legally Recognized Partner

Salary Increase Percent per year % (e.g. 0% to 10% in increments of 1%)

Bonus Percentage per year % (e.g. 0% to 100% in increments of 1%)

Cash Balance Interest Crediting Rate % (e.g. 1.00% to 9.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 1 % (e.g. 0.10% to 6.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 2 % (e.g. 2.00% to 7.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 3 % (e.g. 3.00% to 8.00% in increments of 0.01%)

To elect a Legally Recognized Partner, enter a checkmark in the box, and select...

By selecting "Spouse" as a survivor, your estimate will return any survivor options...

Cash balance interest and lump sum calculations are a function of prevailing interest rates. If the entries blank, current rates will be used. You can see the impact of possible modeling increases or decreases from current levels.

Are you ready to collect your pension? Processing may take time, so we recommend you start the process of collecting your pension between **90 -180** days before your last day of work.

Important Legal Information
 Your benefit is calculated according to the rules of your company's retirement plan. This benefit your plan used certain assumptions (i.e. interest rates, mortality table assumptions may change based on when you commence your benefit). A change in these assumptions may impact the amount of benefit due to you. These assumptions may also change over time. As a result, you need to take responsibility for the accuracy of your information. You must ensure that the Your Information and the Your Modeling Assumptions are accurate information about you, and, as applicable, your spouse, alternate payee. Inaccuracies could have a negative or positive impact on your actual benefit. If an inaccuracy that affects your benefit is discovered after your payment begins, your benefit will be adjusted. If you are overpaid due to an inaccuracy, you will be required to return the overpayment.

Your inputs may differ depending on your pension program.

If you leave it set to the default of 0.00%, the model will use the current applicable rates.

Alternatively, you can enter other rates as a projection of where they may be at the time of your benefit start date. Reference the historical rates on page 8 to help inform your assumptions.

For illustrative purposes only



Step 4: Input information into other Scenarios (somewhat repeating the entry process to get to a side-by-side view of your Scenarios)

Scenario 2 [Clear Values](#)

You must provide at least one age or date below.

When will you stop working? How does this affect my estimate?

Enter an age or date.

Age months Date / /

When would you like to start receiving benefits?

Enter an age or date, or select from commonly used dates.

Age months Date / /

Select Your Survivor (Optional) How does this affect my estimate?

Are you married? Yes No

Some payment options include benefits for your spouse or other surviving beneficiary. In order to view those options with your estimate please enter the beneficiary information here.

Survivor

Important: If you are married at the time you collect your pension, you must select 'Spouse' as your beneficiary type and provide their date of birth. Your spouse must be allowed to make an informed decision about their rights. If you are married under applicable state law, your Spouse must provide written consent to waive their right to a survivor benefit.

Survivor's date of birth / / How do you use this?

Other factors we will use to calculate your estimate: How does this affect my estimate?

You may enter specific values, or we will apply your plan defaults.

Legally Recognized Partner

Salary Increase Percent per year % (e.g. 0% to 10% in increments of 1%)

Bonus Percentage per year % (e.g. 0% to 100% in increments of 1%)

Cash Balance Interest Crediting Rate % (e.g. 1.00% to 9.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 1 % (e.g. 0.10% to 8.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 2 % (e.g. 2.00% to 7.00% in increments of 0.01%)

Lump Sum Interest Rate - Segment 3 % (e.g. 3.00% to 8.00% in increments of 0.01%)

To elect a Legally Recognized Partner, enter a checkmark in the box, and select Non-Spouse above.

By selecting "Spouse" as a survivor, your estimate will return any survivor options available to you.

Cash balance interest and lump sum calculations are a function of prevailing interest rates. If you leave the entries blank, current rates will be used. You can see the impact of possible rate changes by modeling increases or decreases from current levels.

Are you ready to collect your pension? Processing may take time, so we recommend that you start the process of collecting your pension between 90 -180 days before your last day of work.

Important Legal Information
Your benefit is calculated according to the rules of your company's retirement plan. In order to calculate this benefit your plan used certain assumptions (i.e. interest rates, mortality tables, earnings, etc). These assumptions may change based on when you commence your benefit. A change in assumptions may impact the amount of benefit due to you. These assumptions may also change based on your personal information. As a result, you need to take responsibility for the accuracy of your personal information. You must ensure that the Your Information and the Your Modeling Assumptions sections above contain accurate information about you, and, as applicable, your spouse, alternate payee, and beneficiary. Any inaccuracies could have a negative or positive impact on your actual benefit. If an inaccuracy that affects your benefit is discovered after your payment begins, your benefit will be adjusted to resolve the inaccuracy. If you are overpaid due to an inaccuracy, you will be required to return the overpayment.

[Calculate Payment Options >](#)

For illustrative purposes only



Step 5: See your results.

Estimate a Payment
Review Saved Calculations

Format for Printing
 Created on: 07/22/2022

Assumptions	-- Delete Scenario	-- Delete Scenario	+ Add Scenario
	Scenario 1	Scenario 2	Scenario 3
Stop Working	56 yrs 0 mos 12/30/2022	56 yrs 0 mos 12/31/2022	
Benefit Commencement	56 yrs 0 mos 12/31/2022	56 yrs 0 mos 01/01/2023	
Survivor	None	None	
Survivor Date of Birth	N/A	N/A	
Legally Recognized Partner	No	No	
Salary Increase Percent per year	0 %	0 %	
Bonus Percentage per year	0 %	0 %	
Cash Balance Interest Crediting Rate	0.00 %	0.00 %	
Lump Sum Interest Rate - Segment 1	0.00 %	3.23 %	
Lump Sum Interest Rate - Segment 2	0.00 %	4.59 %	
Lump Sum Interest Rate - Segment 3	0.00 %	4.69 %	
	Assumption Details Calculation Details	Assumption Details Calculation Details	

Available Options

	Scenario 1		Scenario 2		Scenario 3	
	You	Your Survivor	You	Your Survivor	You	Your Survivor
Service Pension benefit						
Lump Sum (one-time payment)	\$334,894.37 Lump Sum	N/A	\$327,518.68 Lump Sum	N/A		
Single Life Annuity			\$652.35 Monthly	N/A		
Benefit Amount	\$652.35 Monthly	N/A	N/A	N/A		
Adjusted benefit starting on 01/01/2023 due to mid-month commencement	\$5,572.52 Monthly	N/A	N/A	N/A		
Partial Lump Sum (one-time payment)	\$1,616.22 Lump Sum	N/A	\$1,616.22 Lump Sum	N/A		
Along with the following:						
Residual Single Life Annuity			\$1,173.11 Monthly	N/A		
Benefit Amount	\$1,186.49 Monthly	N/A	N/A	N/A		
Adjusted benefit starting on 01/01/2023 due to mid-month commencement	\$5,156.26 Monthly	N/A	N/A	N/A		
	-- Delete Scenario		-- Delete Scenario		+ Add Scenario	

You can select Assumption Details or Calculation Details to see which rates are used to estimate your benefit.

For illustrative purposes only



Applicable Interest Rates for Qualified Pensions

Note: Please review your applicable Summary Plan Descriptions for additional information regarding your available forms of payment. The table below lists historical rates used in calculating different forms of payment for the AT&T Pension Plan and illustrate how rates have changed over time. These rates are provided by the IRS and Treasury Department.

These rates generally apply to the primary formulas for the designated pension programs; however, grandfathered benefit formulas could have a different treatment. The Fidelity modeler is programmed to produce the greatest applicable benefit. Non-qualified pension benefits may be impacted differently.

Review the instructions on how to model your benefit. Contact the Fidelity Service Center at **(800) 416-2363** if you have questions on your options or on how to model different interest rates and benefit start dates.

Corporate Bond 3 Segment Rates

- AT&T Legacy Management Program
- Nonbargained Program
- Southeast Management Program
- DIRECTV Program (5 way compare: Other rates apply; however, the benefit will be no less than as determined by these rates)

30 Year Treasury Rates

- Mobility Program
- DIRECTV Program (5 Way Compare)

Fixed Rate

- Management Cash Balance Program – 5%

[Click here for the latest and historical Corporate Bond 3 Segment Rates](#)

[Click here for the latest and historical 30 Year Treasury Rates](#)

How to use these rates?

You may be wondering what interest rates to use in your modeling. Interest rates are subject to change from year to year. The November rate used by the pension plan isn't usually known until mid-December. However, you may want to look at historical rates as a proxy and to understand your benefit's sensitivity to rate changes. Note that benefit commencement date must be January 1, 2023 or later to see the sensitivity of rate changes.

	Aug-22	Nov-21	Nov-20	Nov-19	Nov-18	Nov-10	Nov-09	Nov-08
1st Segment (0-5 yr)	3.79%	1.02%	0.53%	2.04%	3.43%	2.16%	3.13%	5.24%
2nd Segment (6-20 yr)	4.62%	2.72%	2.31%	3.09%	4.46%	4.77%	5.07%	5.69%
3rd Segment (>20 yr)	4.69%	3.08%	3.09%	3.68%	4.88%	6.05%	5.50%	5.37%
30 yr Treasury	3.13%	1.94%	1.62%	2.28%	3.36%	4.19%	4.31%	4.00%