



Susan K. Avery, *President and Director*

MS #40A, Woods Hole, MA 02543  
Office: 508.289.2500 • Mobile: 508.560.2459  
savery@whoi.edu • www.whoi.edu

March 5, 2014

To All Members and Beneficiaries of the Defined Benefit Retirement Plan for Employees of Woods Hole Oceanographic Institution,

I am happy to inform you that as of April 1, 2014 the Institution's Defined Benefit Retirement Plan (the "Plan") is not subject to a benefit restriction, because the Plan's assets remain above 80 percent of its liabilities as measured under federally-mandated rules. This means that the Plan's lump sum options will not be impacted. Plan members who take a distribution from the Plan from April 1, 2014 through March 1, 2015 may continue to elect to receive the entire value of their benefit as a lump sum. As always, annuity payment options are available and are not affected by the Plan being in a restriction.

Although the Plan has always been subject to an Annual Plan Valuation, many of you perhaps first became aware of this process when the Plan fell subject to a benefit restriction in April 2011 that continued for two years. IRS regulations require that each year the Plan's actuary determine the Plan's funding percentage under a set of IRS rules and calculations which take into account, among other things, the contributions made by the Institution, the value of the Plan's assets reflecting investment experience, and the Plan's liabilities, determined using interest rate and other actuarial assumptions prescribed by federal law. A restriction is imposed as a result of the Plan's assets falling below 80 percent of its liabilities.

The Plan will be free of a benefit restriction through March 2015, the next annual date for re-evaluation. It is not possible to predict the future funding status of the Plan beyond what we know today. The actuarial valuation that determines if the Plan's assets fall under 80 percent of its liabilities cannot happen sooner than the end of February each year, when year-end financials and interest rates become available. We are pleased to be able to share this year's results so early in March as typically it is determined closer to the end of March.

If you have any questions regarding the Defined Benefit Retirement Plan, please contact the Human Resources Department at ext. 2253 or one of the following individuals:

Denise Cabral  
Benefits Manager  
[dcabral@whoi.edu](mailto:dcabral@whoi.edu)  
508-289-2217

Tina Betti  
Director of HR  
[tbetti@whoi.edu](mailto:tbetti@whoi.edu)  
508-289-2705

Regards,  
Susan K. Avery  
President and Director