

**Know the facts!**

# PENSION vs. RETIREMENT SAVINGS PLAN

*UC invites Wall St to profit off your retirement. Check out how much you'd lose with UC's so-called "Pension Choice" plan.*



	UC PENSION	RETIREMENT SAVINGS (401K/403B)
<b>PRESENTATION</b>	UC Retirement Plan manages the plan, and provides Fidelity website with information.	UC has invited Fidelity Investments LLC to advocate for 401k-style plan. Fidelity manages and profits from these programs, which they advertise as "benefit outsourcing" to "help employers control costs."*
<b>INVESTMENT**</b> (Example: retire at age 60 with 20 years of service and salary of \$75,000)	Double the monthly benefit compared to retirement savings plan (Example: \$3,125/month in benefits).	Half the monthly compared to pension (Example: \$1,625/month in benefits).
<b>RISK</b>	No risk – pension is guaranteed.	Economic changes such as recession, downturn in stock market or personal financial problems could deplete savings.
<b>SECURITY</b>	Secure into the future. As a contract, it cannot be changed.	Employer contribution can change. Fees can change at any time (quarterly administrative fee added this year).
<b>LENGTH OF BENEFIT</b>	Rest of your life (and possibly your partner/spouse's life or dependents, depending on choices you make).	Lasts only until you run down your balance. If you live "too long," you run out of money.
<b>MANAGEMENT</b>	Investment professionals manage the fund, leveraging the whole of more than \$40 billion on behalf of recipients.	You figure out your own investment strategy.
<b>PORTABILITY</b>	Can be kept at UC until retirement, even if you leave UC, <i>OR</i> Cash out your contribution and put into retirement savings with 6% interest.	Can be transferred to another 401k.
<b>ELIGIBILITY</b>	Vests after 5 years – that means you're in the system permanently. You get your contributions back with 6% interest if you leave earlier than 5 years.	Vests after 1 year. Can switch to pension after 5 years but will lose first 5 years of service credit.

\*<https://workplace.fidelity.com/total-benefits-outsourcing.html>  
\*\*<http://www.nctr.org/cms/wp-content/uploads/NRTA-infographics-toolkit.pdf>

