

**Government of Guam Retirement Fund  
OVERVIEW**

	<b>401(a) Defined Contribution Plan (DC Plan)</b>	<b>Defined Benefit 1.75 Plan (DB 1.75)</b>
<b>Employee Contribution</b>	6.2% of the employee's base salary.	9.5% of the employee's base salary
<b>Employer Contribution</b>	6.2% employer contribution	Determined Actuarially
<b>How long do I have to work?</b>	<ul style="list-style-type: none"> <li>• Normal Retirement age is 65.</li> <li>• Early Retirement age is 55.</li> </ul>	<ul style="list-style-type: none"> <li>• Normal Retirement age is 62.</li> <li>• Early Retirement at age 55, with 25 years of service. Retirement annuity reduced .5% per month for each month (6% per year), employee is under age 62.</li> <li>• Unreduced benefits are provided for public safety &amp; law enforcement officers as defined in the DB1.75 plan (P.L. 37-7).</li> <li>• Unused sick leave is added to years of service upon retirement.</li> </ul>
<b>Vesting</b>	5 Years of Government Service	5 Years of Creditable Service
<b>Retirement Benefit</b>	<ul style="list-style-type: none"> <li>• There are a variety of distribution options.</li> <li>• Member elects type of distribution.</li> </ul>	<ul style="list-style-type: none"> <li>• 1.75% of employee's average annual salary for each year of creditable service, up to 25 years; Plus 2.75% of members average annual salary for each additional year of creditable service in excess of 25 years. Total creditable service is capped at 40 years.</li> <li>• Average Annual Salary (AAS) is the average of the employee's three (3) highest annual salaries, excluding non-base compensation.</li> <li>• Minimum annual benefit is \$1,200, and maximum is 85% of AAS.</li> </ul>
<b>Disability Benefit</b>	66 2/3% of employee's base salary at the time of disability	50% of the employee's AAS.
<b>Survivor Benefit</b>	Depends on payout option the employee/surviving spouse chooses.	<ul style="list-style-type: none"> <li>• Spouse is entitled to 60% of the retiree's annuity.</li> <li>• \$1,000 Lump-Sum Death Benefit.</li> <li>• Child Stipend: Up to \$2,880 per year for each dependent child (up to age 18; or 24 if full-time student), up to five (5) children.</li> </ul>
<b>Separation Prior to Retirement</b>	<ul style="list-style-type: none"> <li>• Separation before five (5) years of service: Employee may elect to receive a distribution from the employee account balance.</li> <li>• Separation after five (5) years of service: Employee may elect to receive a distribution from the employee and employer account balance.</li> <li>• Distributions may be subject to penalty if they occur before Early Retirement Age.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee with at least five (5) years of service, but less than twenty-five (25) years of service, will have the following options: <ol style="list-style-type: none"> <li>1. Refund (withdraw) the members contributions; or</li> <li>2. Apply for a service retirement annuity <b>without</b> survivor benefits, upon attaining sixty (60) years of age; or</li> <li>3. Apply for a service retirement annuity <b>with</b> survivor benefits, upon attaining sixty-two (62) years of age.</li> </ol> </li> </ul>
<b>457 Deferred Compensation Plan</b>		
<b>Plan Participation</b>	<ul style="list-style-type: none"> <li>• Voluntary</li> <li>• Employee may contribute up to plan maximum.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee required to contribute 1% of base salary.</li> <li>• Any contribution above 1% up to the plan maximum is voluntary.</li> </ul>
<b>Does the employer contribute?</b>	No	No

This is not intended as a complete description of benefits under each plan.