

## **American Standard Companies**

### **When you retire as of January 1, 2006**

This *When You Retire* section of your summary plan description (SPD), along with the *Flexible Benefits Eligibility* or *Flexible Benefits Eligibility for TCS Americas Sales – District Offices* and the *Plan Administration* sections, comprise your SPD for *When You Retire*.

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## OVERVIEW

American Standard is committed to helping employees prepare for their future financial security. That's why the company offers the retirement choice program. This program includes three important benefits: retirement income, health care and life insurance.

As you approach retirement, you will need to make some important decisions regarding these benefits and how to pay for them. For example, you may need to decide whether to continue medical coverage with the company or to purchase a plan on your own. You will also need to choose when and how to receive your savings and pension benefits.

The following pages highlight your benefit options at retirement and help you make the best choices for you and your family. We have also included information about the benefits available through Medicare and Social Security.

<b>Retiree benefits...</b>	<b>Options...</b>
Retiree medical	<ul style="list-style-type: none"><li>▪ <i>Under age 65</i>, similar to options available to active employees</li><li>▪ <i>Over age 65 (or Medicare-disabled)</i>, a medical option that is secondary to Medicare</li></ul>
Retiree life insurance	<ul style="list-style-type: none"><li>▪ If you retire by December 31, 2008—from \$12,500 to \$25,000 depending on your benefit-eligible pay or a flat dollar amount for employees of Trane District Sales Offices</li><li>▪ You can continue your supplemental and dependent life insurance</li><li>▪ You can convert your basic life insurance</li></ul>
ESOP and savings plan	<ul style="list-style-type: none"><li>▪ Account balances available at any time after retirement</li><li>▪ Defer payment up to age 70½</li></ul>
Pension plan	<ul style="list-style-type: none"><li>▪ Pension can begin at any time after retirement</li><li>▪ Defer payment up to age 70½</li></ul>
Spinoff defined benefit plan (terminated plan)	<ul style="list-style-type: none"><li>▪ If you were an employee as of June 30, 1988, you may be eligible for a pension benefit through the Aetna Life Insurance Company. If eligible, please refer to your Aetna insurance certificate.</li></ul>

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## RETIREE MEDICAL COVERAGE

Health care benefits are an important part of your financial security in retirement. American Standard offers you medical coverage, including prescription drug benefits, for you and your eligible dependents during retirement. Dental and vision coverage is not available after you retire. You may be eligible to elect Dental COBRA coverage when you retire. Please refer to the *Plan Administration* section of the summary plan descriptions for more information.

### Eligibility and enrollment

You are eligible for retiree medical coverage with the company if, at retirement, you:

- Are a full-time (regularly scheduled to work 35 or more hours a week) employee covered under the American Standard Flexible Benefit Plan, the American Standard Flexible Benefit Plan for Trane District Sales Office Employees (TCS Americas Sales – District Offices employees)\* and,
- Are at least age 55, and
- Complete at least three years of service with the company.

\*Includes employees of FACSservices, Inc. effective December 16, 2005.

*Service* is measured from your date of hire and ends on the date you terminate employment. This includes prior service with:

- Any independently owned Trane Company field sales office,
- Alliance Compressors (provided American Standard maintains a 20% equity interest in this company),
- Transamerica Joint Ventures, Inc., or
- Cummins Engine Company, Inc. (if you are employed by WABCO Compressors Manufacturing Company).

Service also includes:

- Time you worked as a leased employee,
- Any qualified military service, and
- Any period of absence if you return within 12 months.

You also may cover your spouse and dependent children up to age 19 (age 23 if they regularly attend school). A dependent child:

- Must live with you and be primarily dependent upon you for support. For example, your natural or adopted child, stepchild, grandchild, a child placed with you for adoption or any other child who lives with you in a parent-child relationship and who is primarily dependent upon you for support.

- Includes your or your spouse’s unmarried natural or adopted child who doesn’t live with you but is primarily dependent upon you or your spouse for support. A child for which you or your spouse is required to provide coverage because of a divorce decree or qualified medical child support order (QMCSO) may also be covered under the flex plans.
- Also includes your or your spouse’s unmarried eligible dependent child of any age if, as of the date their coverage would have otherwise ended, he or she is mentally or physically incapable of self-support and primarily dependent upon you or your spouse for support. You must notify the company within 31 days of the date coverage would otherwise end and you will be required to provide proof of disability.

Every dependent who is enrolled (whether for the first time or re-enrolled after a period of non-participation) may be required to furnish certain documentation. This may include, but is not limited to, a birth certificate showing the name of the employee as a parent, adoption documents, a marriage certificate, etc. Children over age 19 who are regularly attending school may be required to provide documentation each semester. The plan administrator determines if the documentation is sufficient.

To enroll in retiree medical coverage, you must complete an Application for Retiree Medical Benefits at retirement. On this form, you will indicate your medical option, a starting date and which eligible family members you wish to cover. You should complete this form even if you wish to waive medical coverage.

*If you waive coverage*

If you or an eligible dependent chooses to waive coverage when you retire and you change your mind later, you will be considered a *late enrollee*. As a late enrollee, you or the dependent will not be eligible to elect coverage later, unless the person was continuously covered under one of the following eligible medical plans:

- Another employer-sponsored group medical plan with comparable coverage (for example, a spouse’s or another employer’s medical plan) or a medical plan with comparable coverage through COBRA (for example, COBRA coverage through American Standard). American Standard reserves the right to make the final determination as to whether a plan provides “comparable coverage.”

**Please Note:** You may have the option to elect COBRA medical coverage through the company prior to electing retiree medical coverage. In certain situations, your cost for COBRA coverage may be less than the cost for retiree medical coverage.

- A Medicare-risk HMO plan or other Medicare-risk managed care plan.

Generally, you cannot cover your eligible dependents unless you are also enrolled for retiree medical coverage. There is one exception.

If you are Medicare-eligible (i.e., age 65 or older or Medicare-disabled), you can waive coverage for yourself and cover your non-Medicare eligible dependents until they become Medicare-eligible—for example, your younger spouse until he or she turns age 65. You would then have to meet the late enrollee requirements described previously in order to reenroll for your coverage and continue coverage for your Medicare-eligible spouse.

### **Open enrollment**

Each fall, you will have the opportunity to make a new retiree medical election for the following calendar year. During this enrollment, you may be able to change plans and coverage levels—or waive coverage. Keep in mind that you cannot add any new dependents who were not enrolled as dependents under your coverage immediately before your retirement, unless they are eligible as “late enrollees” (see page 3). If you or a dependent waives coverage during open enrollment, you cannot reenroll at a later date unless you meet the late enrollee requirements described previously.

### **Your cost for coverage**

You pay the full cost of your retiree medical coverage for you and your dependents. Your required contributions for retiree medical coverage can be deducted from your monthly pension benefit, if any, on an after-tax basis. If you are not receiving a pension benefit, or your health care premium exceeds your pension benefit, you must pay the required contributions directly to Ceridian Benefits Billing Service. Ceridian will send you a bill each month.

If you participated in the American Standard retiree medical subsidy account, you may be eligible to apply that balance toward the cost of retiree medical coverage or elect the company subsidy under the *Special transitional alternative benefit*. See pages 7 and 8.

### **Your retiree medical options**

The medical options available to you at retirement will generally depend on your age and Medicare eligibility. If there are both Medicare-eligible and non Medicare-eligible covered family members, then your coverage will be split so that each family member has the appropriate coverage as described below.

#### *Your medical coverage before age 65*

If you are eligible for retiree health care coverage, you can elect coverage under medical options similar to those offered to active employees until you reach age 65. You may also continue coverage for your spouse until he or she reaches age 65 and your dependent children for as long as they remain eligible.

Keep in mind that you can change your retiree medical plan option during the annual enrollment period.

### *Your medical coverage after age 65 (or Medicare-disabled)*

When you or your dependents reach age 65, or become Medicare-disabled, you will be eligible for a major medical option that includes prescription drug coverage. All coverage is secondary to Medicare. The medical option does not include prescription drug benefits if you elect Medicare Part D (prescription drug benefit). Please see the following section *How Medicare works* for more information.

### **How Medicare works**

You or a dependent generally becomes eligible for Medicare coverage at age 65 if you have worked the number of years required to qualify for Social Security benefits. Coverage generally begins on the first day of the month in which the individual reaches age 65. You are also eligible for Medicare after you have been Medicare-disabled for 29 months.

Here's how the three parts work.

- **Medicare Part A (basic hospital insurance).** You or a covered dependent are automatically covered for Medicare Part A if you are age 65 or older and have applied for Social Security retirement income benefits or after you have been Medicare-disabled for 29 months. Under Part A, once you pay an annual deductible, most hospital costs are covered for the first 60 days of a hospital confinement. If you are hospitalized for more than 60 days, Medicare will pay reduced benefits. In addition, Medicare Part A may pay benefits for extended care after you leave the hospital, both in a qualified nursing facility and in your own home.
- **Medicare Part B (supplementary medical insurance).** You may enroll for Medicare Part B, which is a voluntary, supplemental Medicare plan. You can enroll in Medicare Part B up to three months before your 65<sup>th</sup> birthday or after you have been Medicare-disabled for 29 months. You contribute to the cost of this insurance through deductions from your monthly Social Security check. Once you satisfy an annual deductible, Medicare Part B generally pays 80% of the negotiated fees for eligible services.
- **Medicare Part D (prescription drugs).** You may enroll for Medicare Part D, which is voluntary, provided you are enrolled in Medicare Part B. Medicare Part D is a prescription drug coverage offered by private insurers to Medicare-eligible beneficiaries. You contribute to the cost of this insurance through deductions from your monthly Social Security check.

To find out more about Medicare, including information on enrollment, contact your local Social Security office or visit Medicare's Web site at [www.medicare.gov](http://www.medicare.gov). Please note that if you do not enroll in Medicare Part B when you first become eligible, the premium may be higher if you decide to enroll later. This may also apply for Medicare Part D. However, under current guidelines, coverage under the company's prescription drug benefit is considered "creditable coverage" (as defined under Medicare rules) and you may not be subject to higher Part D premiums if you delay Part D coverage because you are covered under the American Standard plan. You'll receive more information about creditable coverage and Medicare Part D when you retire or when you become Medicare-eligible.

### *How Medicare works with your American Standard retiree medical plan*

If you or a dependent is eligible for Medicare, the individual needs to enroll in **both** Medicare Part A and Part B in order to receive the maximum benefit under both Medicare and the American Standard plan. Medicare will be the primary plan and the American Standard plan becomes the secondary plan. As the secondary plan, the American Standard health plan will reduce benefits to reflect whatever Medicare would have paid had the Medicare-primary retiree or dependent elected the full Medicare Parts A and B coverage. Please refer to the “Coordination with Medicare” section of the *Plan Administration* section of your summary plan descriptions.

If you elect Medicare Part D, you are not covered for prescription drug benefits under American Standard’s plan.

### **Your retiree medical subsidy account**

If you participated in the retiree medical subsidy account, you may be eligible to use the account to offset part of the cost of your retiree medical coverage with American Standard. You (or your dependents) become eligible to use your medical subsidy account if you retire (or die) after reaching:

- Age 55 with 10 or more years of service, or
- Age 65 with at least three years of service.

If you leave the company before becoming eligible and do not return, you will forfeit your retiree medical subsidy account balance.

### *Contributions to your account*

When you retire, company allocations to your retiree medical subsidy account will stop. However, your account will continue to earn interest after you retire, as long as you meet the age and service requirements described earlier. Interest will be credited for as long as you have a balance in your account.

### *Withdrawing from the account*

If you are eligible to use your retiree medical subsidy account, you will choose the amount you wish to withdraw tax-free to be applied toward the cost of your retiree medical coverage. You can choose to withdraw 0%, 25%, 50% or 75% of the cost for medical coverage. Each year during annual enrollment, you can change the percentage. If your account eventually runs out of money, you can still continue your retiree medical coverage. However, you will pay the full cost.

You *cannot* use your retiree medical account to offset the cost of:

- Medical coverage with anyone other than American Standard, including another employer, individual policies or government benefits such as Medicare
- Active or COBRA coverage with American Standard
- American Standard retiree medical coverage for collectively-bargained employees

### A retiree medical subsidy account example

To see how your retiree medical subsidy account works when paying your premiums, let's look an example.

Assume Carol retires at age 60 with 30 years of service. During her service with American Standard, her account balance grew to \$21,000. At retirement, Carol elects coverage for herself and her under age 65 spouse at a cost of \$15,600 per year or \$1,300 per month. For purposes of this example, let's assume her account receives 6% interest each year and her premiums increase 8% each year. If Carol elects to use 25% of her account to offset the cost of premiums, here's how her account would be used over the next five years:

Age	Beginning Balance	Withdrawal	Interest	Closing Balance
60	\$21,000	\$3,900	\$1,134	\$18,234
61	\$18,234	\$4,212	\$ 958	\$14,981
62	\$14,981	\$4,549	\$ 752	\$11,184
63	\$11,184	\$4,913	\$ 513	\$ 6,784
64	\$ 6,784	\$5,306	\$ 236	\$ 1,478

### Special transitional alternative benefit

If you chose to participate in the retiree medical subsidy account during the July 2003 election period, and you retire by December 31, 2008, you will be eligible for a special "transitional alternative." With the transitional alternative, you will have an additional choice when you retire and enroll in retiree medical coverage.

If you retire before 2009, you can:

- **Use the balance in your retiree medical subsidy account**, as described above, or
- **Elect the following company subsidy.** With this option, American Standard pays a portion of the medical premiums for you and your dependents based on your service with the company.
  - *If you have 20 or more years of service* when you retire, American Standard pays the following amount.: 40% of the 2003 cost for retiree coverage plus a portion of any increase in the cost in subsequent years, with the company's cost not to increase more than 5% in any year.
  - *If you have 10-19 years of service or are age 65 or older with less than 10 years of service* when you retire, American Standard pays 20% of the 2003 cost for retiree

coverage plus a portion of any increase in the cost in subsequent years, with the company's cost not to increase more than 5% in any year.

Note that you are not eligible for this transitional alternative if you elected the ESOP contribution (Option 2) under the retirement choice program during the July 2003 election period or you retire after December 31, 2008. TCS Americas Sales – District Offices employees are not eligible for this transitional subsidy beyond age 65.

You are also not eligible for the transitional alternative benefit if you are employed at one of the following locations, unless you meet the eligibility requirements above and were transferred from a business unit or facility that offered retiree medical prior to September 1, 2003:

- Trane Rockingham
- Trane Ft. Smith (AireSystems)
- Trane Lynn Haven
- Trane Vidalia
- Trane Springhill
- Trane Waco

#### *Special one-time ESOP contribution*

If you were employed by American Standard in 1989, you may have received a special one-time contribution to the Employee Stock Ownership Plan (ESOP). This contribution, made to your ESOP's "Retiree Medical Account," was intended to help pre-fund a portion of the company's subsidy for your retiree medical insurance. Therefore, beginning at age 65, any amount that American Standard contributes toward your retiree medical coverage will be reduced by the value of your Retiree Medical Account, provided you:

- Received this one-time contribution, *and*
- Elected the transitional alternative benefit.

To see the value of your Retiree Medical Account, contact Fidelity's NetBenefits online at [www.401k.com](http://www.401k.com) or call the American Standard Retirement Benefits Line at 1-800-209-4105.

#### **When coverage ends**

Your retiree medical coverage ends on the earliest of the following dates:

- Your date of death
- The last day of the month for which you made your final payment for coverage
- The day you are reemployed and become eligible for health coverage for active employees
- The day the plan is terminated

Coverage for your dependents ends on the earliest of the following dates:

- Date your coverage ends—please see exception on page 3 under *If you waive coverage*
- The last day of the month for which you make your final payment for dependent coverage
- The last day of the month your dependents, including your spouse, no longer meet the definition of eligible dependent
- The day you are reemployed and become eligible for health coverage for active employees
- The day the plan is terminated

### **If you die while enrolled in a retiree medical plan**

If you die while enrolled in retiree medical coverage with American Standard, your covered dependents can continue to participate in the program as long as they remain eligible dependents. This includes using the retiree medical subsidy account to help pay for dependent coverage. If you had waived coverage for your dependents at retirement, your eligible dependents may enroll in the plan only if they meet the requirements described in the “late enrollee” section. See page 3.

## **RETIREE LIFE INSURANCE COVERAGE**

As an eligible retiree, American Standard will continue a portion of your life insurance coverage during retirement.

### **Eligibility and enrollment**

You are eligible for life insurance coverage during retirement, if you:

- Are a full-time (regularly scheduled to work 35 or more hours a week) employee covered under the American Standard Flexible Benefit Plan or the American Standard Flexible Benefit Plan for Trane District Sales Office Employees\*,
- Retire on or after age 55 with at least 10 years of service, and
- Retire before January 1, 2009.

\*Including employees of FACServices, Inc. effective December 16, 2005.

Please see page 2 for the definition of service.

You are not eligible for company-paid retiree life insurance if you are employed at one of the following locations, unless you meet the eligibility requirements above and were transferred from a business unit or facility that offered retiree life coverage prior to September 1, 2003:

- Trane Rockingham

- Trane Ft. Smith (AireSystems)
- Trane Lynn Haven
- Trane Vidalia
- Trane Springhill
- Trane Waco

You do not need to apply for retiree life insurance. The coverage will be provided automatically beginning on your first day of retirement. However, you may designate a beneficiary to receive your life insurance benefits by completing the “Application for Retiree Medical Benefits” form available from your human resources representative.

**Cost of coverage**

If you meet the eligibility requirements described previously, American Standard pays the full cost of your retiree life insurance coverage.

If you are a TCS Americas Sales – District Offices employee and you elect retiree life insurance, you will be required to pay the full cost of this coverage.

**Amount of life insurance coverage**

The amount of retiree life insurance coverage you receive depends on your benefits-eligible pay (BEP) when you retire:

If your BEP at retirement is...	Your retiree life insurance amount when you retire is...
\$35,000 or more	\$25,000
\$30,000 but less than \$35,000	\$20,000
\$25,000 but less than \$30,000	\$17,500
\$20,000 but less than \$25,000	\$15,000
Less than \$20,000	\$12,500

Benefits-eligible pay is your salary plus any bonuses or commissions for which you are eligible as of September 1 of the preceding calendar year (or as of your date of hire in the year you are hired).

Your life insurance benefit will be reduced by 20% each July 1 following your retirement. However, your coverage will never be less than 25% of the coverage amount you were eligible for at retirement.

If you were enrolled in supplemental life insurance of at least one times BEP for the 10-year period immediately preceding your retirement, your company-paid retiree life insurance will be doubled. For example, if your BEP at retirement is \$36,000, you will receive \$50,000 of company-paid retiree life insurance.

If you are a Trane District Sales Office employee, your retiree life insurance coverage is based on your age when you retire:

If you are age...	Your retiree life insurance amount when you retire is...
55-64	\$10,000
65-69	\$6,500
70-74	\$5,000
75 or older	\$3,000

### Supplemental life insurance

If you retire from American after reaching age 55 with at least 10 years of service, or after reaching 65 with three years of service, you may continue your supplemental life insurance coverage—as long as you pay the premiums. The same age-based group rates which you paid as an American Standard employee will apply to your coverage during retirement. Your payment for this coverage must be made directly to Prudential.

You may convert any dependent coverage to an individual policy. For more details, see *Converting Your Coverage* in the *Life Insurance* section of the summary plan descriptions.

## ESOP AND SAVINGS PLAN BENEFITS

The benefits available to you from the Employee Stock Ownership Plan (ESOP) or Savings Plan can provide a valuable source of retirement income. If you participated in one of both of these plans, you must decide when and how you want to receive your savings. Depending on your age and the value of your plan account, you may have several options.

### When benefits are paid

You can receive your vested savings plan and ESOP accounts at anytime after you retire from American Standard.

- If you wish, you can receive a distribution as soon as administratively possible after you leave. If the vested value of your account is \$5,000 or less, you will *automatically* receive that account when you leave.
- If the vested value of your account is more than \$5,000, you can keep your money in the plan to any date up to April 1 following the year you reach age 70½. While in the plan, your account will continue to be credited with investment gains or losses. However, you may not continue to contribute to the plan after you retire.
- If you die before receiving your account, your total account balance will be paid to your designated beneficiary. If your spouse is your designated beneficiary and your account is more than \$5,000, your spouse can defer payment up to December 31 of the year you would have reached age 70½.

## How benefits are paid

If you leave American Standard for any reason, you will generally receive your total ESOP and Savings Plan account balance in a lump-sum cash payment. Your account balances include:

- All your contributions to the Savings Plan (including rollovers from a previous plan),
  - All your ESOP and company matching contributions, and
  - All investment earnings.

### **Where can I get more information about how my benefits are taxed?**

You can find more specific information on the tax treatment of your benefits in *IRS Publication 575, Pension and Annuity Income*, and *IRS Publication 590, Individual Retirement Arrangements*. These publications are available by calling 1-800-TAX-FORM or online at [www.irs.gov](http://www.irs.gov).

If your ESOP or Savings Plan account is \$5,000 or more, you may elect to receive installment payments. The installment payments can be paid over a specified number of years subject to IRS limits.

Regardless of the value, you may elect to have your lump sum paid to you or rolled over to a qualified plan, Individual Retirement Account

(IRA) or a similar type of arrangement. Rollovers allow you to delay paying taxes on your distribution and to continue receiving tax-deferred investment earnings on your account.

## Applying for benefits

To request payment of your accounts, contact Fidelity's NetBenefits online at [www.401k.com](http://www.401k.com) or call the American Standard Retirement Benefits Line at 1-800-209-4105.

Distributions are processed daily. If your request is received by 4:00 p.m. Eastern time on any business day, your account(s) will be valued on that day's closing price. If your request is received after 4:00 p.m. or on a non-business day, your account(s) will be valued based on the next business day's closing price.

For more information about your savings benefits, see the *ESOP and Savings Plan* section of the summary plan descriptions.

## PENSION BENEFITS

The American Standard Pension Plan is designed to provide you with a foundation of retirement income. Under the plan, you accumulate pension benefits based on your eligible pay. If you were hired before September 1, 2003, you are entitled to your pension when your employment ends, regardless of your years of service. Otherwise, you become vested after three years of service with the company.

When you retire, you will need to decide when you want benefits to begin and in what form of payment.

### **When benefits are paid**

You can receive your vested pension benefits at any time after you retire from American Standard.

- If you wish, you can receive a distribution as soon as administratively possible after you leave. Note that if the vested value of your benefits is \$5,000 or less, you will *automatically* receive this money as a lump sum as soon as administratively possible after you leave—distributions are generally processed quarterly.
- If the vested value of your benefits is more than \$5,000, you can keep your money in the plan to any date up to the April 1 following the year you reach age 70½. While in the plan, your benefits will continue to receive interest credits.
- If you die before receiving your account, your benefits will be paid to your designated beneficiary. If your spouse is your designated beneficiary and your account is more than \$5,000, your spouse can defer payment up to the date you would have reached age 65.

### **How benefits are paid**

When you retire, you must choose how to receive your benefits. You can receive your benefits in any one of the following forms:

- A single lump-sum payment, which you may roll over into the Savings Plan, another tax-qualified plan or IRA, or
- A single life annuity, which pays a monthly benefit during your lifetime only, or
- A 50% joint and survivor annuity, which pays a reduced monthly benefit to you for your lifetime and continues 50% of your monthly benefit to your beneficiary after your death, or
- A 10-year certain annuity, which pays a reduced monthly benefit to you for life, with guaranteed payments made to your beneficiary if you die before you receive 120 monthly payments.

If you are married and choose to receive a lump sum—or any payment form other than a joint and survivor annuity where your spouse is the beneficiary—you must have your spouse's written, notarized consent.

All payment forms are equivalent in value. However, some options provide you with lower payments during your lifetime because they provide for certain guaranteed payments or survivor benefits that continue if you die. The amount of the reduction will depend on the option you select and your age and your beneficiary's age on the date benefits payments are scheduled to begin.

### **Applying for benefits**

To request payment, you must complete an application. You should request an application within 90 days of the date you want to receive (or start receiving) your pension benefits. You may obtain an application by contacting American Standard at the following address:

Retiree Administration Department  
Corporate Benefits  
American Standard  
One Centennial Ave.  
P.O. Box 6820  
Piscataway, NJ 08855-6820  
1-866-897-6676, or 1-732-980-6326

Along with the application, the company will send you specific information about your benefit options and payment amounts. You must complete and return the application by the first of the month before the date you want to retire and receive payment. Otherwise, payment may be delayed. Note that if you do not return the forms within 90 days after they are sent to you, you will need to file a new application for benefits and choose a later retirement date.

For more information about your pension benefits, see the *Pension Plan* section of the summary plan descriptions.

### **SPINOFF DEFINED BENEFIT PLAN**

This plan was terminated in 1988 and benefits are provided through an annuity contract issued by Aetna Life Insurance Company.

### **Applying for benefits**

To request payment, you must complete an application. You should request an application within 90 days of the date you want to receive (or start receiving) your Spinoff Defined Benefit pension benefits. You may obtain an application by contacting American Standard at the following address:

Retiree Administration Department  
Corporate Benefits  
American Standard  
One Centennial Ave.  
P.O. Box 6820  
Piscataway, NJ 08855-6820  
1-866-897-6676, or 1-732-980-6326

Along with the application, the company will send you specific information about your benefit options and payment amounts. You must complete and return the application by the first of the month before the date you want to retire and receive payment. Otherwise, payment may be delayed. Note that if you do not return the forms within 90 days after they are sent to you, you will need to file a new application for benefits and choose a later retirement date.

For more information about your Spinoff Defined Benefit pension benefits, please refer to your Aetna Life Insurance Company certificate.

## SOCIAL SECURITY BENEFITS

Throughout your working career with American Standard, both you and the company contribute toward your Social Security benefits through payroll taxes. These benefits are in addition to your other savings and pension benefits and can provide you with another important source of retirement income.

### The amount of your benefit

The retirement benefits you receive from Social Security are based on a formula that takes into account your year-by-year earnings record, your age and your date of retirement. In addition, there are a few other factors that may affect your ultimate Social Security benefit, including:

- **Your age at retirement.** If you were born before January 1, 1938, your full Social Security benefits begin at age 65. If you were born after that date, your full Social Security benefits begin between ages 65 and 67, depending on your birth date. You may begin receiving reduced Social Security benefits beginning at age 62.
- **Your income in retirement.** If you are planning to work after you retire, the income you earn can reduce or eliminate your Social Security retirement benefits.

Once you reach age 25, you will automatically receive a Social Security statement each year. The statement shows a record of your earnings history and estimated benefits available to you and your family now and in the future.

If you are under age 25, you can request a statement by visiting *Social Security Online* at [www.ssa.gov](http://www.ssa.gov).

## Applying for benefits

You will not receive Social Security benefits automatically. You must apply to receive benefits. You should apply about three months before you retire, because it takes about that much time for Social Security to process and verify your application. You can apply for your benefits by telephone (1-800-772-1213) or at any Social Security office. You may also be eligible to apply online at [www.ssa.gov](http://www.ssa.gov).

### **Social Security benefits for your family**

*In addition to yourself, your spouse and children also may be eligible for benefits. Your spouse's benefit is generally one-half of your benefit. That amount will be less if he or she receives the benefit before age 65. Your eligible child can receive up to one-half of your benefit. However, there's a limit to the total amount payable to a family.*

## OTHER IMPORTANT INFORMATION

Please refer to the *Plan Administration* section of the summary plan descriptions for information about:

- What rights you have if a claim is denied
- Important administrative information