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**IMMEDIATE
ATTENTION**

MASTER FILES

ROOM 0-120

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EBAP/83/291

November 30, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Proposed Amendment to the Staff Retirement Plan

The Pension Committee has considered a conforming amendment, put forward by the Administration Committee, to the Staff Retirement Plan, reflecting a recent change in the United States Internal Revenue Code. The Pension Committee recommends approval of the amendment to the Staff Retirement Plan and of the related setting out of certain assumptions in Schedule C as proposed by the Administration Committee in RP/CP/83/18 (11/38/83). The amendment and schedule are set forth in Attachments I and II.

It is not proposed to bring this matter to the agenda of a Board meeting unless an Executive Director so requests by noon on Monday, December 5, 1983. In the absence of such a request, the amendment and the schedule will be deemed approved and it will be so recorded in the minutes of the next subsequent Board meeting.

Att: (2)

Other Distribution:
Department Heads

Proposed Amendment to the Staff Retirement Plan

4.12 Limitation on Benefits Payable in the Form of an Annuity

The entitlement of a beneficiary (other than a participant, a retired participant or his spouse) to receive benefits in the form of annuity payments under any provision of the Plan for a period that would otherwise continue beyond five years following the later event of the death of a participant or retired participant, or his spouse, shall cease at the end of the fifty-ninth month of such payments and there shall then be paid to or on behalf of such beneficiary a lump sum actuarially equivalent to the remainder of the annuity payments that would otherwise be payable thereunder, the amount of which shall be determined using the assumptions of Schedule C: provided, that a participant or a retired participant may, by a written designation filed with the Administration Committee prior to January 1, 1984, elect in lieu thereof that the annuity payments shall be paid in full under the relevant provision of the Plan.

Schedule C: Actuarial Assumptions Used to Determine Amounts
of Benefits

The Actuarial Assumptions used to determine the amounts of the
lump sums referred to in Section 4.12 are as follows:

- a) Interest Rate: 6% compounded annually
- b) Mortality Rates: 1960 United Nations Mortality Table:
Unisex mortality rate at each age equals
70% of male rate plus 30% of the
female rate.