

This copy is for your personal, non-commercial use only. Reproductions and distribution of this news story are strictly prohibited.

- [View reprint options](#)
- [Order a reprint article now](#)

Kodak moves all employees to single cash balance plan benefit formula

By: [James Comtois](#)

Published: August 7, 2014



Eastman Kodak Co., Rochester, N.Y., is moving all of its U.S. employees to a cash balance plan with a single pension benefit formula, effective Jan. 1, spokesman Christopher Veronda said in an e-mail.

In a letter sent to employees and obtained by *Pensions & Investments*, Kodak's senior management agreed to a uniform benefit formula, which includes transferring the remaining participants in the company's traditional defined benefit plan into the cash balance plan.

In 1999, Kodak converted to a cash balance plan, but allowed employees at that time the choice to remain in the traditional pension plan. There are currently two formulas for calculating benefits: one for the traditional DB and one for the cash balance plan.

Starting Jan. 1, all employees will receive pay credits equaling 7% of monthly compensation added to their cash balance accounts. Current cash balance participants receive a 4% credit in addition to a company match of up to 3% in a defined contribution plan. The new benefit formula will eliminate the company match.

Also, as part of the changes, the three-year vesting period for the Kodak Retirement Income Plan, the defined benefit plan, will be eliminated for all active employees.

The firm said in a conference call with investors Tuesday that the changes are expected to reduce future benefit obligations by about \$55 million and reduce costs by \$12 million annually.

Kodak's U.S. pension plan assets were \$4.2 billion as of Dec. 31, according to the firm's most recent 10-K report. The size of the defined contribution plan could not be learned by press time.

Original Story Link: <http://www.pionline.com/article/20140807/ONLINE/140809893/kodak-moves-all-employees-to-single-cash-balance-plan-benefit-formula>

This copy is for your personal, non-commercial use only. Reproductions and distribution of this news story are strictly prohibited.

To order presentation-ready copies for distribution to your colleagues, clients or customers and/or request permission to use the article in full or partial format please contact our Reprint Sales Manager at 732-723-0569.

- [View reprint options](#)
- [Order a reprint article now](#)