

## EMPLOYEES' RETIREMENT SYSTEM RETIREMENT OPTIONS INFORMATION

All options provide a monthly lifetime benefit to the retiree.

RETIREMENT OPTIONS	Reduced Benefit	Eligible Primary Beneficiary	Primary Beneficiary (as listed on Retirement Application)		Pop-Up to Maximum		Option Rerelection	
			Amount (Due Upon Death of Retiree)	Eligible to Change	Primary predeceases retiree	Spouse sole-primary & divorce occurs	Unmarried at retirement <sup>3</sup>	Remarriage after divorce of Spouse sole-primary - rerelect same option only
MAXIMUM PLAN	NO	Any person(s), estate, or organization	Not applicable (NA) *	YES	NA	NA	YES	NO
OPTION 1	YES	Any person(s), estate, or organization	Balance of C&I *	YES	NO	NO	YES	NO
OPTION 2 - 100% Joint & Survivor <sup>1</sup>	YES	Any living person(s)	Monthly Lifetime Benefit, 100% of retiree benefit *	NO	NO	YES	YES	YES
OPTION 3 - 50% Joint & Survivor	YES	Any living person(s)	Monthly Lifetime Benefit, 50% of retiree benefit *	NO	NO	YES	YES	YES
OPTION 4 - Specialized Specified <i>Old Plan ONLY</i>	YES	Any living person(s)	Monthly Lifetime Benefit, amount of the converted remainder of the 90% overage *	NO	NO	NA	YES	YES
OPTION 4 - Specified	YES	Any living person(s)	Monthly Lifetime Benefit, amount specified at retirement *	NO	NO	YES	YES	YES
OPTION 4 - PERIOD CERTAIN - 5 YEARS	YES	Any person(s), estate, or organization	Lump sum equivalent of remaining payments, if applicable. *	YES	NO	NO	YES	NO
OPTION 4 - PERIOD CERTAIN - 10 YEARS	YES	Any person(s), estate, or organization	Lump sum equivalent of remaining payments, if applicable. *	YES	NO	NO	YES	NO
OPTION 4 - PERIOD CERTAIN - 15 YEARS	YES	Any person(s), estate, or organization	Lump sum equivalent of remaining payments, if applicable. *	YES	NO	NO	YES	NO
OPTION 4 - PERIOD CERTAIN - 20 YEARS	YES	Any person(s), estate, or organization	Lump sum equivalent of remaining payments, if applicable. *	YES	NO	NO	YES	NO
OPTION 4 - ACCELERATED BENEFIT (135% 1st 5 years)	YES after 5 years	Any person(s), estate, or organization	NA *	YES	NO	NO	YES	NO
OPTION 4 - Max Amount to Beneficiary <sup>2</sup>	YES	Any living person(s) other than spouse	Monthly Lifetime Benefit, amount specified at retirement *	NO	NO	NA	YES	NA
OPTION 5A - 100% Joint & Survivor Pop-up <sup>1</sup>	YES	Only Spouse or Dependent Child	Monthly Lifetime Benefit, 100% of retiree benefit *	NO	YES	YES	YES	YES
OPTION 5B - 50% Joint & Survivor Pop-Up	YES	Only Spouse or Dependent Child	Monthly Lifetime Benefit, 50% of retiree benefit *	NO	YES	YES	YES	YES

Secondary/Contingent beneficiaries may be changed at any time. Your secondary beneficiaries will not receive any benefits unless all primary beneficiaries predecease the retiree. Secondary beneficiaries are not eligible for a monthly lifetime benefit.

<sup>1</sup> Option 2 and 5A provide 100% Joint and Survivor benefits. Please note: To ensure compliance with IRS requirements for qualified plans, retirees might not be eligible to designate the full 100% retirement benefit under Options 2, 5A, or 4 if they elect a non-spouse beneficiary who is more than ten years younger than the member/retiree. If this is applicable, the retiree will be notified of the maximum permissible amount which can be allocated to the non-spouse beneficiary. The maximum permissible amount will be available under Option 4 Max Beneficiary Amount.

<sup>2</sup> Option 4 Max Beneficiary Amount provides the maximum permissible amount available for a non-spouse beneficiary who is more than ten years younger than the member/retiree.

<sup>3</sup> If unmarried at the time of retirement, the retiree may change to an actuarially recalculated optional benefit naming a new spouse as primary beneficiary; however:

1. This election must be made in writing within six (6) months after the marriage if retired under the Maximum Plan.
2. If retired under an optional allowance, the retiree must revoke the original option and elect, in writing, option 2, 3, 4, 5A, or 5B with new spouse as primary beneficiary any time after the marriage.

\* Note: If the Gross benefits paid to the retiree and beneficiary do not exceed the member's contributions and interest amount at the time of retirement, a refund of the remaining amount will be paid to the primary beneficiary unless the primary predeceases the retiree then the payment will go to the contingent beneficiary.

All retirement options are final when the first retirement allowance becomes due on the last business day of the effective retirement month or payroll month, except under very specific circumstances.