

PUBLIC SCHOOL 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)		Contingent Beneficiary		Option Reelection
			Amount (Due Upon Death of Retiree)	Eligible to Change	Amount (Due if Primary predeceases retiree)	Eligible to Change	Unmarried at retirement ³
MAXIMUM PLAN	NO	Any person, estate, or organization	Not applicable (NA) *	YES	Same as Primary	YES	YES
OPTION A(a) ¹ - 100% Joint & Survivor	YES	Any living person	Monthly Lifetime Benefit, 100% of retiree benefit *	NO	NA *	YES	YES
OPTION A(b) - 50% Joint & Survivor	YES	Any living person	Monthly Lifetime Benefit, 50% of retiree benefit *	NO	NA *	YES	YES
OPTION A(c) - Specified	YES	Any living person	Monthly Lifetime Benefit, amount specified at retirement *	NO	NA *	YES	YES
OPTION A(c) - Max Amount to Beneficiary ²	YES	Any living person	Monthly Lifetime Benefit, amount specified at retirement *	NO	NA *	YES	YES
OPTION B PERIOD CERTAIN - 5 YEARS	YES	Any person, estate, or organization	Remaining payments, if applicable. *	YES	Same as Primary	YES	YES
OPTION B PERIOD CERTAIN - 10 YEARS	YES	Any person, estate, or organization	Remaining payments, if applicable. *	YES	Same as Primary	YES	YES
OPTION B PERIOD CERTAIN - 15 YEARS	YES	Any person, estate, or organization	Remaining payments, if applicable. *	YES	Same as Primary	YES	YES
OPTION B PERIOD CERTAIN - 20 YEARS	YES	Any person, estate, or organization	Remaining payments, if applicable. *	YES	Same as Primary	YES	YES

¹ Option A(a) provides 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 A(a) 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 A(c) Max Amount to Beneficiary.

² Option A(c) Max Amount to Beneficiary provides the maximum permissible amount available for a non-spouse beneficiary who is more than ten years younger than the member/retiree.

³ 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 this election must be made in writing within six (6) months after the marriage if retired.

* 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 retirement 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.³