



Metropolitan Transportation Authority

State of New York

Retirement Process Checklist for NYCT TWU Employees

1. Contact NYCERS 120-180 days in anticipation of your retirement date to request an updated Service summary and pension estimate.

2. Notify your location Manager or Supervisor between 60-90 days in advance of your intent to retire. Make sure all your Time and Leave balances are up-to-date and approved. You should obtain a Terminal Leave Report which is needed by NYCERS.

3. Go to NYCERS to file your retirement application
340 Jay Street, Mezzanine Level
Brooklyn, NY 11201
☎: 347-643-3000 🌐: www.nycers.org

5. If possible, complete the NYCERS retirement application in advance. Have a list of questions you would like answered by the NYCERS representative. (Take your Beneficiary's DOB, SSN and address, if different from yours.)

You will receive information on:

- a. An Estimate of retirement benefits
- b. Option selection (Temporary/Finalized)
- c. Post Retirement Benefit
- d. When to expect your first advance partial pension check
- e. When to expect your full pension check
- f. Direct deposit
- g. Retirement Receipt

6. You have a choice of either visiting the Business Service Center (BSC) Walk-In-Center or the MTA Consolidated Pensions/Benefits Dept to drop off your NYCERS receipt and receive:

- a. An explanation of Retiree Health Coverage benefits, including a Retiree Summary
- b. Medicare information including the Request for Employment Information application, if applicable
- c. 401K/457 roll over options

BENEFITS DEPARTMENT

MTA Consolidated Pensions/Benefits Department
2 Broadway, 10th Floor, Section D
New York, NY 10004

☎ 646-376-0123

📠 212-852-8700

📧 bscservice@mtabsc.org

Business Service Center: Walk-in-Center
180 Livingston St, Rm 6008
Brooklyn, NY 11201

☎ 646-376-0123

📠 212-852-8700

📧 bscservice@mtabsc.org

ENJOY YOUR RETIREMENT



Tier 6 63/10 SPD Updates

AUGUST 2017

This is a glimpse of all that has changed since the last printing of the Tier 6 63/10 Summary Plan Description booklet. The most recent version of this update can be found on our website at www.nycers.org. For more information about recent legislation that has affected NYCERS, please see the Legislation section of our website.

Page 7: Contact Information

Our mailing address for Forms and Correspondence (no drop-off) is:

NYCERS
30-30 47th Avenue, Suite 1010
Long Island City, NY 11101

EXCEPT Medical forms 605, 606, 607, 608, 609 and 613. Mail these forms to NYCERS' Medical Division at 335 Adams Street, Suite 2300, Brooklyn, NY 11201, or bring them to our Customer Service Center at 340 Jay Street in downtown Brooklyn.

Executive Offices:
335 Adams Street, Suite 2300
Brooklyn, NY 11201

Added August 2017:

Board of Trustees

The Mayor's representative is Chairperson of the Board.
Honorable Gale Brewer is the Manhattan Borough President.
Honorable Ruben Diaz, Jr. is the Borough President of The Bronx.
Honorable Eric Adams is the Brooklyn Borough President.
Honorable Melinda Katz is the Queens Borough President.
Honorable James Oddo is the Borough President of Staten Island.
Honorable Scott Stringer is the Comptroller of the City of New York.
Honorable Letitia James is the Public Advocate.
Gregory Floyd is President of the International Brotherhood of Teamsters, Local 237.
John Samuelson is President of TWU.
Henry Garrido replaces Lillian Roberts as Executive Director of DC 37.

Karen Mazza is named Interim Executive Director of NYCERS January 1, 2017.
Melanie Whinnery is Executive Director of NYCERS as of September 5, 2017.

Page 9: Social Security Participation

Updated August 2017 for calendar year 2017:

The maximum salary subject to the Federal Insurance Contributions Act is \$127,200 for calendar year 2017.

Pages 20-21: Article 20 of the Retirement and Social Security Law

Revised August 2017 as follows:

"Under Article 20 of the Retirement and Social Security Law (RSSL), members (not retirees or vetees) are eligible to purchase active duty (not Reserves) military service, not to exceed **three years** of such service, if the member was honorably discharged from the military.



"No military time will be purchasable unless the member has at least five years of Credited Service in NYCERS (not including any prior military service) at the time of making application for the purchase.

"The maximum service credit allowed under this law is three years (including military service purchased while a member of another public retirement system in New York City or State, but not including any military service purchased under USERRA).

Cost

The cost to purchase military service will be:

- the number of years of military service being purchased, **times**
- 3%, **times**
- the member's salary earned during the 12-month period prior to the date of application for purchase of military service.

LR: Chapter 548 of the Laws of 2000, as amended by Chapter 41 of the Laws of 2016*

SR: RSSL §1000"

* Chapter 41 of the Laws of 2016 removes the specified periods of time, medal requirements, and theaters of operation in which military service would had to have been rendered for applying to purchase military service credit.

Page 29: Loan at Retirement Reduction Factors for 2017 Retirements

Updated August 2017 for 2017 retirement as follows:

Age Payment Begins	Reduction per \$1000 (Range)
55	\$61.13
57	\$63.58
63	\$72.90
65	\$76.83

Page 35: Transfers to Another NYC or NYS Public Retirement System

Revised August 2017 as follows:

The sentence "You must file the transfer form within one year from the date you separate from City service." is replaced with: "If you have less than 10 years of Credited Service at the time of separation, you must file the transfer form within five years from the date you separate from City service."

Page 36

Revised August 2017 as follows:

Delete the section titled POLICE OFFICERS AND FIREFIGHTERS.

Page 57: Post-Retirement Earnings Limitations For Disability Retirees

Updated August 2017 as follows:

The income limitation for 2016 is \$29,900.

Page 63: Post-Retirement Death Benefit

Revised August 2017 as follows:

The sentence which reads "In the event a designation is not made, the benefit will be paid to the estate." is revised to read: "If there is no valid Designation of Beneficiary for the PRDB on file, the benefit shall be payable based on the last valid Designation of Beneficiary for Ordinary Death Benefit on file. If the pensioner survives all duly nominated beneficiary(ies) on the Designation of Beneficiary for the PRDB, the Post-Retirement Lump-Sum Death Benefit shall be payable to the pensioner's estate. NOTE: A pensioner may designate his or her estate for all or a percentage of the PRDB".



Transit Operating Force 25-Year/Age 55 Retirement Plan For Tier 6 Members (6TR-25)

Tier 6

May 2017

This brochure outlines the obligations and benefits of the Transit 25-Year/Age 55 Retirement Plan for Tier 6 members (6TR-25). The 6TR-25 Plan allows participants to retire with 25 years of Allowable Service at age 55 and is available only to those employed in a Transit Operating Force (TOF) position.

PARTICIPATION

Participation in the 6TR-25 Plan is MANDATORY for anyone employed by the NYC Transit Authority (NYCTA) in a TOF position who becomes a NYCERS member on or after April 1, 2012.

Participants who cease to hold a TOF position will no longer be able to participate in the 6TR-25 Plan. Participants who cease to hold a TOF position, and return to a TOF position at a later date, will again be required to participate in the 6TR-25 Plan.

BASIC MEMBER CONTRIBUTIONS (BMCs)

Participants in the 6TR-25 Plan who join NYCERS between April 1, 2012 and March 31, 2013, are required to contribute BMCs equal to 2% of gross wages until a new contribution structure takes effect on April 1, 2013. Beginning April 1, 2013, the BMC rate for all 6TR-25 Plan members is dependent upon annual wages earned during a **plan year** according to the schedule in the table below.

Annual Wages Earned During Plan Year	Contribution Rate
Up to \$45,000	3%
\$45,001 to \$55,000	3.5%
\$55,001 to \$75,000	4.5%
\$75,001 to \$100,000	5.75%
Greater than \$100,000	6%

A **plan year** was defined as the period from April 1st to March 31st. During the first three plan years of membership (or the first three plan years beginning 4/1/13 if you joined NYCERS between 4/1/12 and 3/31/13), NYCERS uses a projection of your annual wages to determine your BMC rate (Projected Wage Method). For your fourth Plan year and each Plan year thereafter, NYCERS uses your gross wages

earned two plan years prior to determine your BMC rate (Actual Wage Method). Recent legislation changed the plan year definition to a calendar year (1/1 to 12/31). For that reason, if your membership date falls between 4/1/12 and 3/31/14, the Actual Wage Method will be applied for the plan year 1/1/17-12/31/17. See the last page for a chart illustrating the application of each method based on hypothetical wages.

BMCs are held in the Member Contribution Accumulation Fund (MCAF) and must be contributed until you separate from City service or retire. BMCs are not required on “non-pensionable” earnings (see wage exclusions in Final Average Salary section).

BMCs are Federal tax-deferred, meaning that you do not pay Federal taxes on the contributions, only New York State and local taxes. Note, however, that contributions made while on Union Leave are not Federal tax-deferred.

DEFICITS

Failure to pay any of the required BMCs will result in a deficit. If a deficit is identified prior to retirement, steps will be taken to resolve the deficit.

In the event of a deficit at retirement in the MCAF account (BMCs), an actuarial reduction can be applied to the pension benefit.

LOANS

Participants in the 6TR-25 Plan may borrow up to 75% of the BMCs held in the MCAF account. Any loans taken are subject to the same terms and conditions governing loans applicable to Tier 4 members. Please consult Brochure #911 for additional information.

REFUNDS

Participants in the 6TR-25 Plan who have rendered less than 10 years of Credited Service and who leave City service may apply for a refund of BMCs, plus accrued interest, effectively terminating their membership. Refunds will be reduced by the present value of any loan. Refunds of BMCs are not possible for members with 10 or more years of Credited Service.

Withdrawal of BMCs will trigger a Federal tax liability and may result in an early distribution tax penalty.

Tier 6 Transit Operating Force 25/55 Retirement Plan (6TR-25) #986 - Page 1

ALLOWABLE SERVICE IN THE TRANSIT AUTHORITY

Allowable Service in the Transit Authority is a special term used in the T25/55 Plan, which is defined as membership service while employed by the NYCTA in a Career and Salary title or TOF position. Allowable Service also includes certain Military and Union Leave service, and service purchased by a Transit member who has been appointed off a civil service list and is not immediately certified for deductions. Allowable Service *does not* include other public service rendered in New York State or New York City, e.g., service rendered in a clerical position in another agency. This is significant because only Allowable Service can be used to qualify for service retirement.

BUY-BACK

Transit Operating Force members may purchase previous public service rendered anywhere in New York City or New York State, but such purchased service is not “Allowable Service” while a member in the 6TR-25 Plan. Purchasing service could be beneficial for anyone not eligible to meet the qualifying age and service requirements for this plan. The cost is 6% of the wages earned during the period you are buying back, plus 5% interest compounded annually from the date of your previous service until the date of payment.

MILITARY BUY-BACK

Federal and state laws allow members to purchase service credit for time spent in U.S. Military service – the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Article 20 of the New York State Retirement and Social Security Law (RSSL), respectively. Under Article 20, the cost is 6% *times* the number of years of military service being purchased *times* the salary you earned during the 12 months prior to the date of your application. Under USERRA, the cost is the equivalent of the contributions required if you had never left for military service. No interest is charged on military buy-back.

VESTED RETIREMENT BENEFIT

Vesting means that you have earned the right to receive benefits in the future. If you leave City service with at least 25 years of Allowable Service, but you are not yet age 55, you are entitled to a Vested Retirement Benefit that becomes payable at age 63. The Vested Retirement Benefit in this case is calculated as follows:

2% *times* Final Average Salary (FAS) *times* the number of years of Allowable Service, up to 30 years of such service, **plus**

1.5% *times* FAS *times* the number of years of Allowable Service in excess of 30 years of such service.

A 6TR-25 participant who leaves City service with at least 10 years of Credited Service (all service, at least two years of which are membership service) is entitled to a Vested Retirement Benefit that becomes payable at age 63. The Vested Retirement Benefit in this case is calculated as follows:

For a participant with less than 20 years of Credited Service:
1.67% *times* FAS *times* years of Credited Service

For a participant with more than 20 years of Credited Service:
35% of FAS for the first 20 years of Credited Service,
plus
2% *times* FAS *times* each year of Credited Service in excess of 20

SERVICE RETIREMENT BENEFITS

A participant with 25 or more years of Allowable Service in the Transit Authority who has reached age 55 will be eligible to receive a Service Retirement Benefit equal to:

2% *times* FAS *times* the number of years of Allowable Service, up to 30 years of such service, **plus**

1.5% *times* FAS *times* the number of years of Allowable Service in excess of 30 years of such service.

When you file your service retirement application, we strongly encourage you to select an “Interim Option” on the application. This precautionary measure enables you to leave some form of pension payment to a beneficiary should you die before a final option selection is made and your pension is finalized.

FINAL AVERAGE SALARY (FAS)

FAS is defined as the average of wages earned by a member during any continuous period of employment for which the member was credited with five years of service. However, wages earned during any year used in an FAS calculation cannot exceed the average of the previous four years by more than 10 percent.

Some wages are excluded from the FAS calculation. The Tier 6 definition of wages includes an “overtime ceiling,” which limits overtime compensation for pension purposes to no more than \$15,000; this amount is indexed annually according to the Consumer Price Index. Any overtime compensation earned in excess of the overtime ceiling is excluded from the FAS calculation. Overtime compensation is compensation paid at a rate greater than the standard rate.

The definition of wages also excludes:

1. wages in excess of the annual salary paid to the Governor of the State of New York;
2. lump-sum payments for deferred compensation, sick leave, accumulated vacation or other credits for time not worked;

3. any form of termination pay;
4. any additional compensation paid in anticipation of retirement; and
5. in the case of employees who receive wages from three or more employers in a twelve-month period, the wages paid by the third and each successive employer.

DISABILITY RETIREMENT

As a 6TR-25 Plan member, you are eligible for a Disability Retirement Benefit at any age if you have 10 or more years of Credited Service and NYCERS' Medical Board determines that you are physically or mentally incapacitated to perform your job duties and were so incapacitated at the time you ceased performance of your duties.

If you have less than 10 years of Credited Service, you are eligible to receive a Disability Retirement Benefit if NYCERS' Medical Board determines that you are physically or mentally incapacitated to perform your job duties AND your disability is the result of an accidental injury sustained in the performance of your duties, and not caused by your own willful negligence.

The Disability Retirement Benefit is equal to the greater of:

- 1/3 of your FAS; **OR**
- 1.67% *times* FAS *times* years of Credited Service; **OR**
- if you are eligible for a service retirement, your Service Retirement Benefit.

SURVIVOR BENEFITS

In the event of your death prior to retirement, your NYCERS membership entitles your beneficiaries to a death benefit. There are two primary types of death benefits – Ordinary Death Benefits and Accidental Death Benefits.

An Ordinary Death Benefit (ODB) is a lump-sum benefit payable to your beneficiary(ies) if you die while in active service, before retirement, whether or not death occurs as the result of an accident sustained on the job.

An ODB will be paid only if:

- a) you were being paid on payroll at the time of your death; -- OR --
- b) you were off payroll or you were on an authorized leave without pay at the time of your death; **AND**
 1. you were on payroll, in service, and paid within the last 12 months before death; **AND**
 2. you were not gainfully employed since last on the payroll; **AND**
 3. you had credit for one or more years of continuous service since you last entered the service of your employer.

The ODB payable is a multiplication of your salary as indicated below:

- if you have at least one, but less than two years of service, a lump-sum benefit equal to one year's current salary
- if you have at least two, but less than three years of service, a lump-sum benefit equal to two times current salary
- if you have at least three years of service, a lump-sum benefit equal to three times current salary.

The benefit is reduced for each year a member remains in active service beyond age 60.

Your beneficiary(ies) will also receive a refund of your BMCs plus earned interest.

If you have at least 10 years of Credited Service, are awaiting payability of a Vested Retirement Benefit, and die prior to age 63, your beneficiaries will receive a lump-sum death benefit based on 50% of the ODB that would have been payable if you had died on your last day in active service, plus the refund of your BMCs plus interest.

An Accidental Death Benefit (ADB) is payable to Eligible Beneficiaries, who are defined in law, if NYCERS determines that your death was the result of an accident sustained in the performance of your duty, not caused by your own negligence.

The annual benefit equals 50% of the wages you earned during your last year of service, or your annual wage rate if you had less than one year of service. Your BMCs are not refunded to your beneficiaries.



PROJECTED WAGE METHOD (FIRST 3 PLAN YEARS ONLY)

	1st Plan Year	2nd Plan Year	3rd Plan Year
Projected Annual Salary	\$70,000	\$70,000	\$70,000
Rate Based on Projected Annual Salary	4.5%	4.5%	4.5%
Actual Wages Earned in Plan Year	\$72,000	\$72,500	\$76,000
Contributions Made in Plan Year	\$3,240 (4.5% of \$72,000)	\$3,263 (4.5% of \$72,500)	\$3,420 (4.5% of \$76,000)

ACTUAL WAGE METHOD (4th PLAN YEAR AND THEREAFTER)

	4th Plan Year	5th Plan Year	
Actual Wages Earned in Plan Year	\$80,000	\$82,500	
Rate Based on Actual Wages Earned Two Plan Years Prior to the Current Plan Year	4.5%	5.75%	
Contributions Made in Plan Year	\$3,600 (4.5% of \$80,000)	\$4,744 (5.75% of \$82,500)	



Options for Tier 4 and Tier 6 Basic and Special Plan Members

TIER 4 AND TIER 6 BASIC AND SPECIAL PLAN MEMBERS

JULY 2016

This information is intended for use by all members who join(ed) the New York City Employees' Retirement System (NYCERS) on or after July 27, 1976 EXCEPT (1) members of the Uniformed Force of the NYC Department of Correction who joined NYCERS between July 27, 1976 and March 31, 2012 (Tier 3 members), (2) DA Investigators who joined NYCERS between July 27, 1976 and March 31, 2012 (Tier 2 members), and (3) members of the Uniformed Force of the NYC Department of Correction, members of the Uniformed Force of the NYC Department of Sanitation, and investigator members employed in a District Attorney office who first became subject to Article 14 on or after April 1, 2012 (Tier 3 members) or first join(ed) NYCERS on or after April 1, 2012 (22-Year Plan members).

INTRODUCTION

When you prepare for retirement, you need answers to several questions:

- ▶ Do you want to provide continuing retirement income to your spouse, partner or survivor(s) after your death?
- ▶ What is the cost of continuing this income?
- ▶ What is the effect on your retirement allowance?

If you choose, you can provide for continuing income to your designated beneficiary by selecting an option. By selecting an option, you accept a reduced lifetime retirement allowance in exchange for the payment of a benefit to your designated beneficiary upon your death.

The following information explains the options available to you. NYCERS cannot tell you which option, if any, you should select. Your retirement needs are unique to your situation. Representatives in NYCERS' Customer Service Center will try to answer your questions regarding options and other matters pertaining to your retirement. However, you and only you can make the option choice that's right for you.

If you do not select an option, you will be awarded the Maximum Retirement Allowance.

NO OPTION (Maximum Retirement Allowance)

If you have no spouse, partner or children who depend on you for financial support, you may decide not to select an option. If you cannot afford to receive a reduced pension, you might wish to maximize your retirement income by electing to receive the Maximum Retirement Allowance. There is no reduction in benefit associated with this election.

Your retirement benefit will depend primarily on:

- ▶ the pension plan in which you are enrolled: (for example: the basic Tier 4 Plan [62/5 Plan], the Age-57 Retirement Program [57/5 Program] or the Transit 25-Year and Age 55 Retirement Program, etc.)
- ▶ the amount of service to your credit in NYCERS
- ▶ your Final Average Salary
- ▶ your contributions
- ▶ your age

Based on these factors, NYCERS computes the Maximum Retirement Allowance.

The Maximum Retirement Allowance provides the greatest benefit payment to you while you are retired, for as long as you live. However, under the Maximum Retirement Allowance, no further payments will be made after your death.

OPTION 1 (100% Joint-and-Survivor)

Option 1 is intended for the retiree who wishes to insure that after his or her death, a designated beneficiary will continue to receive a fixed annual lifetime benefit.

Option 1 reduces your Maximum Retirement Allowance, with the provision that upon your death the same reduced retirement allowance is continued to your surviving designated beneficiary for life.



Under Option 1, the retirement allowance is paid to you no matter how long you live. Then upon your death payments continue to your surviving designated beneficiary for as long as he or she lives. Because Option 1 guarantees two specific people an income for life, the life expectancies of the retiree as well as the beneficiary are taken into consideration. Therefore, under Option 1, once you designate a beneficiary and the option is in force, you cannot change your beneficiary designation. Even if your designated beneficiary dies before you, you may not designate another person. You will continue to receive the reduced lifetime allowance.

Note: Option reduction factors are based on the ages of the retiree and the designated beneficiary at retirement. The examples herein are for illustrative purposes only, and are given to show the relative cost of the various options. They are not intended to represent your actual retirement allowance.

To Illustrate:

\$20,000	Maximum Retirement Allowance
x 0.8459	Option 1 reduction factor
\$16,918	Annual retirement allowance payable under Option 1

In this illustration, the retiree would receive a lifetime retirement allowance of \$16,918 per year. When the retiree dies, the surviving designated beneficiary will be paid the same retirement allowance for his or her lifetime.

If the designated beneficiary predeceases the retiree, all payments would then end upon the death of the retiree.

IN SUMMARY:

The Option 1 retirement allowance:

1. is a reduced benefit
2. is payable to you for life
3. guarantees that a percentage of your retirement allowance is payable to your designated beneficiary for his or her lifetime, if he or she survives you
4. ceases after the death of both you and your designated beneficiary
5. does not permit you to change your designated beneficiary

OPTION 2

(25%-50%-75% Joint-and-Survivor)

Option 2 is intended for the retiree who wishes to insure that after his or her death a designated beneficiary will continue to receive a fixed annual lifetime benefit.

Option 2 provides the retiree with a reduced Maximum Retirement Allowance. Upon your death, a retirement allowance of 75% or less (in increments of not less than 25%) of the amount paid to you is continued to your surviving designated beneficiary for life. The Option 2 reduction is not as great as the Option 1 reduction, because the surviving beneficiary receives a lesser percentage of the retiree's allowance.

Because Option 2 guarantees two specific people an income for life, the life expectancies of the retiree as well as the beneficiary are taken into consideration. Therefore, under Option 2, once you designate a beneficiary, and the option is in force, you cannot change your beneficiary designation. Even if your designated beneficiary dies before you, you may not designate another person.

To Illustrate:

\$20,000	Maximum Retirement Allowance
x 0.8578	Option 2 reduction factor (retiree selected 75%)
\$17,156	Annual retirement allowance payable under Option 2

In this illustration, the retiree would receive a lifetime retirement allowance of \$17,156 per year. When he or she dies, the surviving designated beneficiary will be paid \$12,867 per year (75% of \$17,156).

If the designated beneficiary predeceases the retiree, all payments would then end upon the death of the retiree.

IN SUMMARY:

The Option 2 retirement allowance:

1. is a reduced benefit
2. is payable to you for life
3. guarantees that a percentage of your retirement allowance is payable to your designated beneficiary for his or her lifetime, if he or she survives you
4. ceases after the death of both you and your designated beneficiary
5. does not permit you to change your designated beneficiary

OPTION 3 (Five-Year Certain)

The retiree receives a reduced monthly lifetime benefit. If the retiree dies within five years from the date of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated primary beneficiary for the unexpired balance of the five-year period. If the designated primary beneficiary predeceases the retiree, then upon the death of the retiree the balance of the payments due for the remainder of the five-



year period is paid in a lump sum to the retiree's contingent beneficiary.

If none exists, it is paid in a lump sum to the estate of the retiree.

Should a designated primary beneficiary die, after having started to receive payments, the balance will be paid in a lump sum to the designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

IN SUMMARY:

The Option 3 retirement allowance:

1. is a reduced benefit
2. pays your beneficiary a reduced monthly benefit, if you should die within five years from the date of your retirement. Payments continue until the five-year period is expired.
3. allows payment to your contingent beneficiary, if your designated primary beneficiary predeceases you
or
if there is no contingent beneficiary, a lump sum will be paid to your estate
4. pays a lump-sum balance to your contingent beneficiary, if your primary beneficiary begins to collect your retirement benefit and then dies within five years from the date of your retirement
or
if there is no contingent beneficiary, the lump-sum balance will be paid to the estate of your primary beneficiary

OPTION 4 (Ten-Year Certain)

The retiree receives a reduced monthly lifetime benefit. If the retiree dies within ten years from the date of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated primary beneficiary for the unexpired balance of the ten-year period. If the designated primary beneficiary predeceases the retiree, then upon the death of the retiree the balance of the payments due for the remainder of the ten-year period is paid in a lump sum to the retiree's contingent beneficiary. If none exists, it is paid in a lump sum to the estate of the retiree.

Should a designated primary beneficiary die, after having started to receive payments, the balance will be paid in a lump sum to the designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

IN SUMMARY:

The Option 4 retirement allowance:

1. is a reduced benefit
2. pays your beneficiary a reduced monthly benefit, if you should die within ten years from the date of your retirement. Payments continue until the ten-year period is expired.

3. allows payment to your contingent beneficiary, if your designated primary beneficiary predeceases you
or
if there is no contingent beneficiary, a lump sum will be paid to your estate
4. pays a lump-sum balance to your contingent beneficiary, if your primary beneficiary begins to collect your retirement benefit and then dies within ten years from the date of your retirement
or
if there is no contingent beneficiary, the lump-sum balance will be paid to the estate of your primary beneficiary

OPTION 5 (Pop-Up Option - 100% or 50%)

Option 5 is known as the "Pop-Up" option. Option 5 is the 100% or 50% Joint-and-Survivor Option with an added feature -- if the retiree elects Option 5 and the designated beneficiary dies before him or her, the retiree's benefit will "pop up" to the Maximum Retirement Allowance.

To Illustrate:

	\$20,000	Maximum Retirement Allowance
x	0.8200	Option 5 reduction factor
	\$16,400	Annual retirement allowance payable under Option 5

In this illustration, the retiree will receive a reduced lifetime retirement allowance of \$16,400 per year. If the retiree dies before the designated beneficiary, the beneficiary will continue to receive either the same (100%) lifetime annual retirement allowance (\$16,400) or one-half (50%) of the lifetime annual retirement allowance (\$8,200), depending on the retiree's selection. However, if the designated beneficiary dies before the retiree, the retiree's annual retirement allowance will "pop up" to the Maximum Retirement Allowance of \$20,000. All payments will then cease upon the retiree's death.

Under Option 5, you cannot change your beneficiary after your option selection is in force.

IN SUMMARY:

The Option 5 retirement allowance:

1. is a reduced benefit
2. upon your death, pays your beneficiary either the same (100%) lifetime retirement allowance or one-half (50%) of your retirement allowance, depending on your selection
3. increases your retirement allowance because it "pops up" to the Maximum Retirement Allowance, payable for the rest of your life, if your beneficiary predeceases you

Options for Tier 4 Tier and 6 Basic and Special Plan Members #926 - Page 3



340 Jay Street, Brooklyn, NY
Mezzanine level



30-30 47th Avenue, 10th Floor
Long Island City, NY 11101



(347) 643-3000



www.nycers.org



Mail completed form to:
30-30 47th Avenue, 10th Fl
Long Island City, NY 11101

Fact Sheet

When can I borrow?

You are eligible to take out a loan once every 12 months if you meet the basic requirements, which are: one year of membership, minimum of \$1,334 in your NYCERS account, you are in active service and not retired, not in default on a current loan, and have not taken a loan within the past 12 months.

How much can I borrow?

Your Basic Member Contributions are held in your Member Contribution Accumulation Fund (MCAF) account and if you are required to contribute Additional Member Contributions, they are held in your Retirement Reserve Fund (RRF) account. The amount you can borrow is based on your contributions (plus interest) in your NYCERS account(s), less any outstanding loan balance. A loan cannot exceed 75% of your NYCERS account(s).

Are there any fees?

The following fees will apply to your loan:

- There is a service fee of \$30 for processing each loan. This fee is automatically deducted from the loan check.
- Should you decide to change the repayment amount, there is a \$30.00 service fee for filing an application for change in Loan Repayment Schedule.
- If you leave the city payroll, there is a \$5.00 fee for each payment made through the direct payment system and there is a \$20.00 service fee for personal checks that are returned uncollected.

How will I repay the loan?

You have three options to pay for a loan:

- **Minimum Repayment Amount** - this option allows you to pay back the loan by paying the minimum amount each pay period. The minimum amount is 2% of your Last Paycheck Gross Amount and the amount must be sufficient enough to repay the loan within 5 years.
- **Amount Per Pay Period** - this option allows you to specify a dollar amount you wish to be deducted each pay period. This amount must be at least 2% of your gross amount and must be sufficient to repay the loan within 5 years. In order to repay the loan in the required time period, it may be necessary to adjust the repayment to an amount higher than requested.
- **Repay it in 1-5 years** - this option allows you to specify the number of years to repay the loan.

Can I change the amount of my repayment?

You may change the repayment amount once in any 12-month period, or you may renegotiate the loan by borrowing additional amounts (when eligible) and changing the repayment schedule.

What is the interest rate?

Interest on a Tier 3, Tier 4 and Tier 6 Basic and Special Plan loan is currently 6.2% (6% interest rate and a 0.2% mandatory payment for insurance). The insurance protects the repayment of your loan, in the event of your death, and will remain in force unless your loan goes into default (you make no loan payments for 90 days) or you are within 30 days of your loan being issued.

Will my loan be taxable?

There are various rules and thresholds that determine whether your loan is taxable. We encourage you to speak to a NYCERS Representative and read Brochure # 911 to get a full understanding. NYCERS loans are not taxable on the NY State or local level, but may be subject to Federal taxes. Please note that under IRS regulations a loan from NYCERS or a loan from your NYC Deferred Compensation 457 and/or 401k account are considered to be loans from the same employer and are subject to all tax rules concerning loans.

Can I take a loan before I retire?

Eligible members may take out a loan; however, all loans taken at or near retirement will be considered a retirement distribution. This type of loan will not be issued until after your retirement date as NYCERS completes a review of your account. It may take up to one month to complete the review and issue your loan check. Any outstanding loan at the time of retirement will reduce your pension for life unless you decide to pay it off in a lump sum.

Sign this form and have it notarized, Page 1



Mail completed form to:
30-30 47th Avenue, 10th Fl
Long Island City, NY 11101

Member Number

Last 4 Digits of SSN

--	--



Why should I consider EFT?

We recommend that our members have their loan checks directly deposited into their accounts because it's:
SAFE - eliminates the risk of your loan check being lost or stolen, **FAST** - no more waiting for the bank to clear your check, and **EASY** - no more waiting in line to deposit the check.

Why do you ask if I have a NYC Deferred Compensation 457 and/or 401k Loan?

Under IRS regulations a loan from NYCERS and a loan from your NYC Deferred Compensation 457 and/or 401k account(s) are considered to be loans from the "same employer" and are subject to all tax rules concerning loans. It is important that you inform us if you have taken a loan from either, or both, account(s).

Where can I get more information and apply for a loan?

We strongly recommend you visit NYCERS' Customer Service Center to apply for a loan so that our representatives can fully explain all that a NYCERS loan entails, such as: fees, payment, interest, consequences of non-payment, insurance and taxability.

EFT Directions: Read and complete the information in this section **ONLY** if you choose to have your loan check deposited directly into your account by Electronic Fund Transfer (EFT):

- Make sure you checked the box in Number 3 (Direct Deposit) on Page 1 of this application.
- Attach one of your preprinted personal checks or preprinted savings deposit slips in the space provided below. If your bank no longer provides personal checks or preprinted savings deposit slips, attach a copy of the top portion of your Checking or Savings Account Bank Statement.
- If submitting a preprinted check or deposit slip write **VOID** (in large letters) across the face, as indicated in the sample
- Do **NOT** sign the check that you are attaching to this page
- Write in your **Bank Name**, **Account Number**, the **Bank Routing Code** and select which account you want your funds directly deposited into under "Banking Information."

BANKING INFORMATION

Deposit to my Checking Savings

Bank Name _____

Account # _____

Bank Routing Number _____

Sample Check

9 Digit Bank Routing Number Your Account Number Check Number

Sample Deposit Slip

9 Digit Bank Routing Number Your Account Number

Note: Your bank may use different routing numbers for deposits. If your deposit slip has this notation, use this routing number for your direct deposit.

Sign this form and have it notarized, Page 1



Mail completed form to:
 30-30 47th Avenue, 10th Fl
 Long Island City, NY 11101

**NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
 TIER 3, 4 AND TIER 6 BASIC AND SPECIAL PLANS RATES ON NEW LOANS ISSUED**

INTEREST RATE	6.00%
LOAN INSURANCE	0.20%
	6.20%

**THE APPLICATION FEE OF \$30.00 WILL BE DEDUCTED FROM THE LOAN CHECK.
 DO NOT SUBMIT WITH THE APPLICATION**

APPROXIMATE REPAYMENT SCHEDULES FOR BI-WEEKLY PAYROLLS. FOR A MEMBER ON A WEEKLY PAYROLL, THE REPAYMENT AMOUNT WILL BE ABOUT HALF THAT OF A LOAN PAYABLE OVER THE SAME NUMBER OF YEARS. IN ALL CASES, PAYMENTS MAY NOT BE LESS THAN 2% OF BASE SALARY

Loan Amount	Years	5	4	3	2	1
	# Payments	130	104	78	52	26
\$40,000		358	435	563	819	
\$39,000		349	424	549	798	
\$38,000		340	413	534	778	
\$37,000		331	402	520	757	
\$36,000		322	391	506	737	
\$35,000		313	380	492	716	
\$34,000		304	370	478	696	
\$33,000		296	359	464	676	
\$32,000		287	348	450	655	
\$31,000		278	337	436	635	
\$30,000		269	326	422	614	
\$29,000		260	315	408	594	
\$28,000		251	304	394	573	
\$27,000		242	293	380	553	
\$26,000		233	283	366	532	
\$25,000		224	272	352	512	993
\$24,000		215	261	338	491	953
\$23,000		206	250	323	471	913
\$22,000		197	239	309	450	874
\$21,000		188	228	295	430	834
\$20,000		179	217	281	409	794
\$19,000		170	206	267	389	755
\$18,000		161	196	253	368	715
\$17,000		152	185	239	348	675
\$16,000		143	174	225	328	635
\$15,000		134	163	211	307	596
\$14,000		125	152	197	287	556
\$13,000		116	141	183	266	516
\$12,000		107	130	169	246	477
\$11,000		99	120	155	225	437
\$10,000		90	109	141	205	397
\$9,000		81	98	127	184	357
\$8,000		72	87	113	164	318
\$7,000		63	76	98	143	278
\$6,000		54	65	84	123	238
\$5,000		45	54	70	102	199
\$4,000		36	43	56	82	159
\$3,000		27	33	42	61	119
\$2,000		18	22	28	41	79
\$1,000		9	11	14	20	40

WHEN REFERRING TO THIS CHART, PLEASE COMBINE THE NEW REQUESTED AMOUNT AS WELL AS ANY OUTSTANDING LOAN YOU MAY HAVE

Calculating Your Retirement Benefit

To be eligible for an unreduced pension, you must satisfy the age and service requirements specified in your plan. A Transit 25-Year/Age 55 Retirement Plan member with 25 or more years of Allowable Service in the Transit Authority who has reached age 55 will be eligible to receive a Service Retirement Benefit equal to:

- 2% times Final Average Salary (FAS) times the number of years of Allowable Service in the Transit Authority, up to 30 years of such service, **plus**
- 1.5% times FAS times the number of years of Allowable Service in the Transit Authority in excess of 30 years of such service.

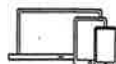
In addition to these percentages, a key factor in the calculation of your retirement benefit is your FAS. In general, your FAS is a three-year average of wages earned. For more information on FAS, please refer to Brochure #929.

The charts in this brochure contain hypothetical FAS amounts and years of service. At the intersection of those two factors you will find a dollar amount that represents your annual retirement benefit amount.

Here is an example of how the chart works for a member with 27 years of service and an FAS of \$50,000:

Years of Service	Final Average Salary If you make between \$25,000 - \$55,000						
	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000
25	12,500	15,000	17,500	20,000	22,500	25,000	27,500
26	13,000	15,600	18,200	20,800	23,400	26,000	28,600
27	13,500	16,200	18,800	21,400	24,000	27,000	29,700
28	14,000	16,800	19,600	22,400	25,200	28,000	30,800
29	14,500	17,400	20,300	23,200	26,100	29,000	31,900
30	15,000	18,000	21,000	24,000	27,000	30,000	33,000
31	15,375	18,450	21,525	24,600	27,675	30,750	33,825
32	15,750	18,900	22,050	25,200	28,350	31,500	34,650
33	16,125	19,350	22,575	25,800	29,025	32,250	35,475
34	16,500	19,800	23,100	26,400	29,700	33,000	36,300
35	16,875	20,250	23,625	27,000	30,375	33,750	37,125

This member would have an annual Maximum Retirement Allowance of \$27,000. Members can choose the Maximum Retirement Allowance or select a retirement option that continues their pension to a surviving beneficiary. All options will be presented in a retirement options letter which is sent about 6-8 weeks after a member's effective retirement date. (Depending on the complexity of a case, this time frame may be extended.) The example above assumes **NO** outstanding loans or deficits at the time of retirement. In the case of an outstanding loan, please see the chart on the following page titled "Outstanding Loan Reduction Factors" to see how the retirement benefit will be reduced.



Years of Service	Final Average Salary If you make between \$25,000 - \$55,000						
	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000
25	12,500	15,000	17,500	20,000	22,500	25,000	27,500
26	13,000	15,600	18,200	20,800	23,400	26,000	28,600
27	13,500	16,200	18,900	21,600	24,300	27,000	29,700
28	14,000	16,800	19,600	22,400	25,200	28,000	30,800
29	14,500	17,400	20,300	23,200	26,100	29,000	31,900
30	15,000	18,000	21,000	24,000	27,000	30,000	33,000
31	15,375	18,450	21,525	24,600	27,675	30,750	33,825
32	15,750	18,900	22,050	25,200	28,350	31,500	34,650
33	16,125	19,350	22,575	25,800	29,025	32,250	35,475
34	16,500	19,800	23,100	26,400	29,700	33,000	36,300
35	16,875	20,250	23,625	27,000	30,375	33,750	37,125

Years of Service	Final Average Salary If you make between \$60,000 - \$90,000						
	\$60,000	\$65,000	\$70,000	\$75,000	\$80,000	\$85,000	\$90,000
25	30,000	32,500	35,000	37,500	40,000	42,500	45,000
26	31,200	33,800	36,400	39,000	41,600	44,200	46,800
27	32,400	35,100	37,800	40,500	43,200	45,900	48,600
28	33,600	36,400	39,200	42,000	44,800	47,600	50,400
29	34,800	37,700	40,600	43,500	46,400	49,300	52,200
30	36,000	39,000	42,000	45,000	48,000	51,000	54,000
31	36,900	39,975	43,050	46,125	49,200	52,275	55,350
32	37,800	40,950	44,100	47,250	50,400	53,550	56,700
33	38,700	41,925	45,150	48,375	51,600	54,825	58,050
34	39,600	42,900	46,200	49,500	52,800	56,100	59,400
35	40,500	43,875	47,250	50,625	54,000	57,375	60,750

Outstanding Loan at Retirement

An outstanding loan at retirement will permanently reduce your retirement benefit. The amount of the reduction in your benefit depends on your age at retirement and the size of the loan. The chart on the right illustrates the benefit reduction in dollars for every one thousand dollars of an outstanding loan amount (based on a table of factors used for Calendar Year 2019 retirements).

2019 Outstanding Loan Reduction Factors					
Age	Annual Reduction per \$1000	Age	Annual Reduction per \$1000	Age	Annual Reduction per \$1000
55	\$60.84	62	\$70.83	69	\$86.13
56	62.03	63	72.62	70	88.94
57	63.29	64	74.52	71	91.92
58	64.63	65	76.54	72	95.08
59	66.05	66	78.71	73	98.43
60	67.55	67	81.02	74	101.96
61	69.14	68	83.50	75	105.70





Transit Operating Force 25-Year/Age 55 Retirement Plan For Tier 4 Members

TIER 4

MARCH 2013

This brochure outlines the benefits of the Transit 25-Year/Age 55 Retirement Plan (T25/55 Plan). The T25/55 Plan is available only to those employed in a Transit Operating Force (TOF) position.

PARTICIPATION

The T25/55 Plan was created by Chapter 529 of the Laws of 1994. Under Chapter 529, only hourly-paid employees and first-line supervisors of the NYC Transit Authority (NYCTA) were allowed to participate in the T25/55 Plan. However, as of December 15, 2000, participation in the T25/55 Plan is MANDATORY for anyone employed by the NYCTA on or after July 27, 1976 and classified by the NYCTA as working in a TOF position (including upper level supervisors and managers).

Special Exception:

If you were already a participant of the 57/5 Retirement Plan when you were mandated into the T25/55 Plan on December 15, 2000, you had the option to remain in the 57/5 Plan by filing an election form with NYCERS.

Participants who cease to hold a TOF position will no longer be able to participate in the T25/55 Plan.

Participants who cease to hold a TOF position, and return to a TOF position at a later date, will again be required to participate in the T25/55 Plan.

CONTRIBUTIONS

As a participant in the T25/55 Plan you are required to contribute 2% of your gross wages effective with the first full pay period after December 15, 2000. These contributions are referred to as Basic Member Contributions (BMCs) and they are held in the Member Contribution Accumulation Fund (MCAF). Participants are required to pay BMCs for as long as they remain in service; BMCs do not stop after 10 years as is the case with other Tier 4 members.

Participants in the T25/55 Plan were required to pay Additional Member Contributions (AMCs) consisting of

2.3% of gross wages for all Allowable Service in the Transit Authority rendered between August 28, 1994 and December 15, 2000. Additional Member Contributions are *no longer required* for T2555 participants effective with the first full pay period after December 15, 2000.

AMCs are maintained in the Retirement Reserve Fund (RRF) which is an account maintained separately from the MCAF account. Both funds earn interest at a rate of 5%, compounded annually.

All contributions are Federal tax deferred, meaning that you do not pay Federal taxes on the contributions, only New York State and local taxes. Contributions made while on Union leave are not Federal tax deferred.

DEFICITS

Failure to pay any of the required BMCs will result in a deficit. If a deficit is identified prior to retirement, steps will be taken to resolve the deficit.

In the event of a deficit at retirement in the MCAF account (BMCs), an actuarial reduction can be applied to the pension benefit.

LOANS

In addition to the ability to borrow up to 75% of the BMCs held in the MCAF account, T25/55 Plan participants may borrow up to 75% of their accumulated AMCs held in the RRF account (unless they applied for and received a refund of AMCs). Any loans taken are subject to the same terms and conditions governing loans applicable to Tier 4 members. Please consult Brochure #911 for additional information.

ALLOWABLE SERVICE IN THE TRANSIT AUTHORITY

Allowable Service in the Transit Authority (Allowable Service) is a special term used in the T25/55 Plan, which is defined as membership service (not purchased service) while employed by the NYCTA in a Career and Salary title or TOF position. Allowable Service also includes certain Military Service and Union Leave Service.

Special Occupation T25/55 Plan #910 - Page 1



340 Jay Street, Brooklyn, NY
Mezzanine level



30-30 47th Avenue, 10th Floor
Long Island City, NY 11101



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Allowable Service *does not* include other public service rendered in New York State or New York City, e.g., service rendered in a clerical position in another agency. This is significant because only Allowable Service can be used to qualify for service retirement.

VESTING

A participant in the T25/55 Plan who leaves City service with at least 25 years of Allowable Service, but who has not attained age 55, is eligible for a Service Retirement Benefit payable when he or she attains age 55.

A T25/55 Plan participant who leaves City service with at least five but less than 25 years of Allowable Service may vest under the Tier 4 62/5 Plan. All future benefits would be payable based on the provisions of such plan. Refer to the Tier 4 62/5 Summary Plan Description for additional information.

REFUNDS

Refund of AMCs

Current and former members of the T25/55 Plan may be eligible for a refund of AMCs due to legislation enacted in 2006 and 2007. AMCs were required of participants between August 28, 1994 and December 15, 2000.

To be eligible for the refund you must meet the following union membership and account balance criteria:

- ▶ Be a current or former member of the Transport Workers Union, Local 100 with an RRF balance on December 16, 2005,

OR

- ▶ Be a current or former member of the Amalgamated Transit Union with an RRF balance on December 28, 2005.

Please refer to the Fact Sheet on the Application for Refund of Additional Member Contributions for Transit 25 Year/Age 55 Members (Form #336) for more information including tax consequences and rollover options with this refund.

Refund of BMCs

T25/55 Plan participants who have rendered less than 10 years of Credited Service and who leave City service may apply for a refund of BMCs, plus accrued interest, effectively terminating their membership. Members with between five and 10 years of Credited Service must also waive their right to a Vested Retirement Benefit. Refunds of BMCs are not possible for members with ten or more years of Credited Service.

WITHDRAWAL OF EITHER BMCs or AMCs WILL TRIGGER A FEDERAL TAX LIABILITY AND MAY RESULT IN A TAX PENALTY

SERVICE RETIREMENT BENEFITS

A Participant with 25 or more years of Allowable Service in the Transit Authority who has reached age 55 will be eligible to receive a Service Retirement Benefit equal to:

2% *times* Final Average Salary (FAS) *times* the number of years of Allowable Service, up to 30 years of such service, **plus**

1.5% *times* FAS *times* the number of years of Allowable Service in excess of 30 years of such service.

Final Average Salary (FAS) is defined as the greater of:

the average of wages earned during any three consecutive calendar years,

OR

the average of wages earned during the 36 months immediately preceding the member's retirement date.

NOTE: Wages earned in any year used in the FAS computation cannot exceed more than 10% of the average of the previous two years.

For additional details on FAS please refer to NYCERS Brochure #929, Calculating Your Final Average Salary.

IN-SERVICE DEATH BENEFIT

If you die while a Participant in the T25/55 Plan, an In-Service Death Benefit will be paid to the beneficiary(ies) you designated and have on file with NYCERS. If you do not designate a beneficiary(ies), payment will be made to your estate. The death benefit payable is equal to that which is payable to the beneficiary(ies) of a non-uniformed member of Tier 4 who dies while in City service. If death occurs after retirement, a Post-Retirement Death Benefit is payable.

BASIC TIER 4 BENEFITS

Participants in the T25/55 Plan are entitled to other benefits applicable to Tier 4 members besides the Vested and Service Retirement Benefits conferred by such plan, e.g., disability benefits. Participants should refer to the Tier 4 62/5 Summary Plan Description for additional information.





Calculating Your Final Average Salary

TIER 4 MEMBERS

VERSION JANUARY 2010

You have heard the term Final Average Salary (FAS) used in the context of determining your retirement benefit. But what does FAS really mean?

THE STRICT DEFINITION IS:

FAS is defined as the wages earned by a member during any three consecutive calendar years or the 36 months immediately preceding the member's retirement date which provide the highest average wage.

HOWEVER:

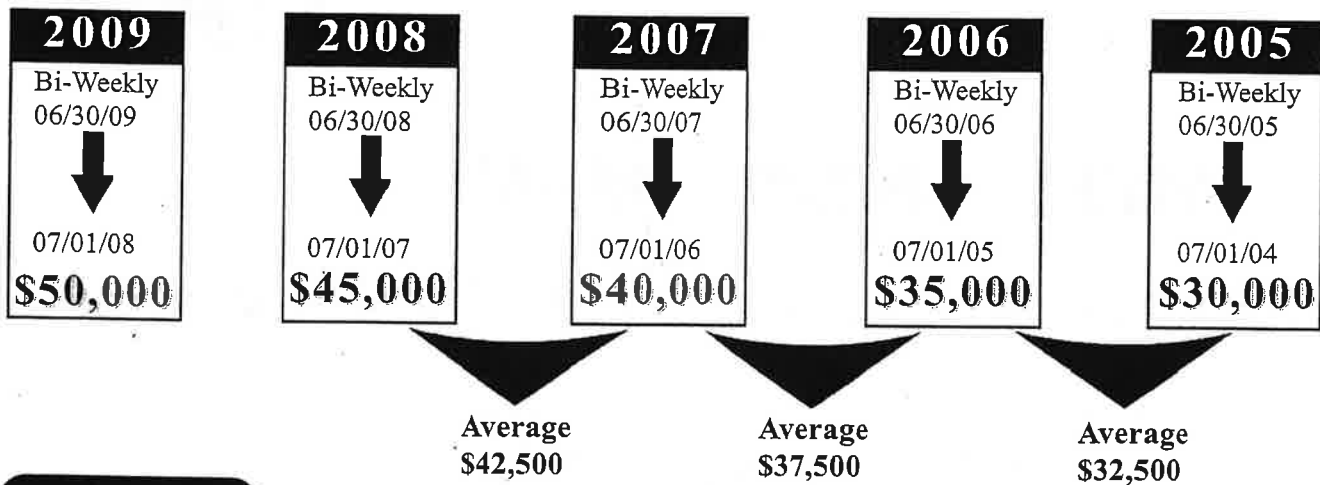
Wages earned during any year (used in the FAS) cannot exceed the average of the previous two years by 10%.

NYCERS WILL:

Look at every paycheck for each year (in the five year period prior to your retirement date) and determine where the money was actually earned - not paid. If necessary, wages will be reallocated back to where they were earned.

Let's look at an example of how your FAS is calculated.

This explanation is based on a member's hypothetical retirement date of July 1, 2009.



Compare the first twelve month period (\$50,000) to the average of the previous two years (\$45,000 and \$40,000)
 Multiply the average by 110% ($\$42,500 \times 1.10 = \$46,750$)
 The \$50,000 exceeds the 10% threshold by \$3,250
 Subtract the excess from the wage $\$50,000 - \$3,250 = \$46,750$

Step 2

Compare the second twelve month period (\$45,000) to the average of the previous two years (\$40,000 and \$35,000)
Multiply the average by 110% ($\$37,500 \times 1.10 = \$41,250$)
The \$45,000 exceeds the 10% threshold by \$3,750
Subtract the excess from the wage $\$45,000 - \$3,750 = \$41,250$

Step 3

Compare the third twelve month period (\$40,000) to the average of the previous two years (\$35,000 and \$30,000)
Multiply the average by 110% ($\$32,500 \times 1.10 = \$35,750$)
The \$40,000 exceeds the 10% threshold by \$4,250
Subtract the excess from the wage $\$40,000 - \$4,250 = \$35,750$

Step 4

Replace the original wages in the first three years with the new averages

2009	2008	2007
\$50,000 is now \$46,750	\$45,000 is now \$41,250	\$40,000 is now \$35,750

Step 5

Add the revised 2009, 2008 and 2007 average salaries together and divide by 3. The result is your FAS.

2009		2008		2007		
\$46,750	+	\$41,250	+	\$35,750	=	\$123,750

$$\frac{\$123,750}{3} = \$41,250$$

FAS





BIRTHDATE EVIDENCE ALTERNATIVES FACT SHEET

NOVEMBER 2015

NYCERS requires a copy of your birth certificate, and in some cases a copy of your beneficiary's birth certificate as well, in order to calculate retirement benefits. This fact sheet lists alternative documentation that NYCERS will accept as evidence of birthdate if you cannot provide a legible, English-language birth certificate.

In place of documents that are in a language other than English, please submit a notarized English translation of the birth certificate, as well as a copy of your original.

In place of documents that are illegible, please submit a clear, legible copy of the birth certificate free of markings and erasures.

If you are unable to obtain an original birth certificate, you may submit a letter from the Social Security Administration containing date of birth, or a copy of one of the following that shows a birthdate:

Hospital birth record	Current U.S. Passport or U.S. Passport Card
Ecclesiastical record (religious document; this must indicate date of birth or age)	Naturalization (citizenship) certificate
State or Federal census record	A "delayed" birth certificate
Current Resident Alien or Permanent Resident Card	

If you do not have a birth certificate or any of the documents listed above, you (or your beneficiary) must complete a Birthdate Evidence Affidavit and submit it to NYCERS with a copy of any **three (3)** of the following documents that show a birthdate:

School record	Your child's birth certificate showing your date of birth
Signed statement by the physician/midwife who was in attendance at birth	Immigration record
Bible or other family record (do not tear out a page; bring full record or book to our Customer Service Center)	Hospital chart/record
Insurance policy	Current Foreign Passport
Marriage record	Labor union or fraternal records
Employment record	Permit, license, voter registration, NYC Municipal ID Card

If your name is different from the name on the birthdate evidence, you are required to provide additional valid documentation explaining the name change, such as a court order, a copy of a marriage certificate or divorce papers. Please write your member number on any document that you send.

Birth Certificates from Puerto Rico issued prior to July 1, 2010 are invalid and therefore not acceptable.

Birthdate Evidence Alternatives Fact Sheet #709



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Mezzanine level



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ELIGIBILITY FOR MILITARY BUY-BACK UNDER FEDERAL OR STATE LAW

In all cases, military service must have been satisfactorily completed and a discharge under honorable circumstances must have been granted. A DD214 form is the most common proof of satisfactory military service. Please see Brochure #902 for details.

Federal Law under the Uniformed Services Employment and Re-employment Rights Act (USERRA)

Members employed by the City of New York who are activated to military service in one of the military branches of the U.S. armed forces may apply to receive service credit for the period of time spent on active military duty, not to exceed **five years** for voluntary active duty (not including any time purchased under Article 20 of the RSSL explained further below). No cap on service is applied if the military service is mandatory, e.g. draft, redeployment.

Members/employees are required to apply to return to a City position within 14 days after termination of military duty if their military service lasted between 31 and 180 days. If their military service lasted more than 180 days, such members are required to apply to return to a City position within 90 days after termination of military duty. Some agencies allow employees to return for reemployment in a timeframe greater than what is allowed under USERRA.

There is no time limit for purchasing military service under USERRA. The right to purchase such service does not terminate when membership terminates.

In general, members purchasing military service under USERRA are entitled to the rights, benefits and privileges they would have been entitled to had they never left their City position for military service. Therefore, the cost to purchase military service is the equivalent of the contributions required of the member had they never left for military service based on their Tier and retirement plan.

Article 20 of the Retirement and Social Security Law (Chapter 548 of the Laws of 2000, amended by Chapter 41 of the Laws of 2016)

Under Article 20 of the Retirement and Social Security Law (RSSL), members (not retirees or vestees) are eligible to purchase active duty (not reserves) military service, not to exceed **three years** of such service, if the member was honorably discharged from the military.

No military time will be purchasable unless the member has at least five years of Credited Service in NYCERS (not including any prior military service) at the time of making application for the purchase.

Time spent in training for active duty that predates employment by New York City or State is not purchasable.

The cost to purchase military service under Article 20 will be:

- > the number of years of military service being purchased, *times*
- > 3% for members who joined NYCERS prior to 4/1/12; 6% for members who joined NYCERS on or after 4/1/12, *times*
- > the member's salary earned during the 12-month period prior to the date of application for purchase of military service.



Mail completed form to:
30-30 47th Avenue, 10th Fl
Long Island City, NY 11101



Application to Purchase Credit for Military Service

NOTE: Chapter 41 of the Laws of 2016, effective May 31, 2016, removes the location requirement for applying to purchase military service credit. If you previously applied and were denied based on the location of your military service, please refile this application.

This application is for members who wish to purchase credit for military service previously rendered. There are various laws that allow you to purchase military service and you are entitled to receive credit under whatever law provides you with the greatest benefit. Each law has different provisions for granting service, so please be sure to read the eligibility and buy-back requirements, in their entirety, before completing this form. **Return this form to NYCERS along with your discharge papers (DD214) for review.** **NOTE: If the address you provide on this form is different from your address in our system, the new address will become your official address in our records.** If you have any questions, please contact our Call Center at 347-643-3000.

Please read the **Fact Sheet** before completing this form.

Member Number	Last 4 Digits of SSN	Home Phone Number ()	Work Phone Number ()
First Name		M.I.	Last Name
Address			Apt. Number
City		State	Zip Code

I am a member of the NYCERS, and hereby apply to purchase credit for military service during the following period(s):

FROM (start date) [MM/DD/YYYY]	TO (end date) [MM/DD/YYYY]	BRANCH OF SERVICE
/ /	/ /	
/ /	/ /	
/ /	/ /	
/ /	/ /	

Have you ever received credit for Military Service from any New York State or City retirement system? Yes No

Signature of Member	Date
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This form must be acknowledged before a Notary Public or Commissioner of Deeds

State of _____ County of _____ On this ____ day of _____ 20____, personally appeared before me the above named, _____, to me known, and known to me to be the individual described in and who executed the foregoing instrument, and he or she acknowledged to me that he or she executed the same, and that the statements contained therein are true.

Signature of Notary Public or Commissioner of Deeds _____
Official Title _____
Expiration Date of Commission _____

If you have an official seal, affix it



MANHATTAN AND BRONX
SURFACE TRANSIT
OPERATING AUTHORITY
(MaBSTOA)

TIER 6 TRANSIT OPERATING 25/55 PLAN FACT SHEET

TIER 6 TRANSIT OPERATING T25/55 (SPECIAL PLAN)

APRIL 2012

A new amendment was enacted amending the retirement benefits for MaBSTOA employees who establish membership in a MaBSTOA Pension Plan **on or after April 1, 2012**. This law is commonly referred to as Tier 6. This fact sheet provides answers to frequently asked questions about the obligations and benefits provided to members of a Tier 6 Special Plan (T25/55). In the event of a conflict between the information provided in this fact sheet and any provision of Pension Plan amendment, the amendment to the Pension Plan document shall govern.

NOTE: This amendment does not affect the pension rights and benefits of anyone who joined MaBSTOA Pension Plan prior to April 1, 2012.

Who is a Tier 6 member?

A Tier 6 member is someone who joins the MaBSTOA Pension Plan on or after April 1, 2012.

If I was a member of the MaBSTOA Pension Plan before April 1, 2012 and that membership has been terminated, can I be reinstated to an earlier tier?

Yes, provided that you meet the eligibility requirements of the "tier reinstatement" law which, among other things, requires that you repay any contributions refunded to you when your membership was terminated (if any) plus 5% compounded interest from the date of the refund to the date of payment.

I am employed in a special occupational title, e.g., Bus Operator, Bus Maintainer, Dispatcher, Maintenance Supervisor, etc., am I a Tier 6 member if I join MaBSTOA Pension Plan on or after April 1, 2012?

Yes, depending on your title, you will be a participant in the following special plan:

Transit Authority 25-Year/Age 55 Plan

While the Tier 6 amendment did not eliminate this special plan, many changes were made affecting provisions relating to contributions, vesting requirements, and benefit calculations. The changes are discussed further below.

Is it possible to opt out of my Tier 6 Special Plan and, if so, which plan would I belong to?

For participants in the Transit Authority 25-Year/Age 55 Plan, it is not possible to opt out.

How much do I have to contribute as a Tier 6 member?

Basic Member Contributions (BMCs)

Tier 6 Special Plan members who joined MaBSTOA Pension Plan between April 1, 2012 and March 31, 2013 are required to contribute BMCs equal to 2% of gross wages until a new contribution structure takes effect on April 1, 2013. Beginning April 1, 2013, the BMC rate for all Tier 6 Special Plan members is dependent upon annual wages earned during a “plan year” according to the schedule in the table below.

Annual Wages Earned During Plan Year	Contribution Rate
Up to \$45,000	3%
\$45,001 to \$55,000	3.5%
\$55,001 to \$75,000	4.5%
\$75,001 to \$100,000	5.75%
Greater than \$100,000	6%

A **plan year** is defined as a period of time from April 1st to March 31st. During the first three plan years of membership (or the first three plan years beginning April 1, 2013 if you joined MaSBTOA Pension Plan between 4/1/12 and 3/31/13) MaBSTOA will use a projection of your annual wages to determine your BMC rate (Projected Wage Method). For your fourth plan year and each plan year thereafter, MaBSTOA will use your gross wages earned two plan years prior to determine your BMC rate (Actual Wage Method). The chart below illustrates the application of each method based on hypothetical wages.

PROJECTED WAGE METHOD (FIRST 3 PLAN YEARS ONLY)			
	1 st Plan Year	2 nd Plan Year	3 rd Plan Year
Projected Annual Salary	\$70,000	\$70,000	\$70,000
Rate Based on Projected Annual Salary	4.5%	4.5%	4.5%
Actual Wages Earned in Plan Year	\$72,000	\$72,500	\$76,000
Contributions Made in Plan Year	\$3,240 (4.5% of \$72,000)	\$3,263 (4.5% of \$72,500)	\$3,420 (4.5% of \$76,000)
ACTUAL WAGE METHOD (4 TH PLAN YEAR AND THEREAFTER)			
	4 th Plan Year	5 th Plan Year	
Actual Wages Earned in Plan Year	\$80,000	\$82,500	
Rate Based on Actual Wages Earned Two Plan Years Prior to the Current Plan Year	4.5%	5.75%	
Contributions Made in Plan Year	\$3,600 (4.5% of \$80,000)	\$4,744 (5.75% of \$82,500)	

When can I retire for service under my Tier 6 Special Plan?

Tier 6 Special Plan members may retire for service according to the provisions of their special plan which require a minimum age and/or minimum service requirements. The following table shows the minimum requirements for service retirement under Tier 6 Special Plan.

Tier 6 Special Plan	Minimum Requirement for Service Retirement
Transit Authority 25/55	25 years of Allowable Service and age 55

What happens if I leave MaBSTOA Service before I'm eligible to retire?

If you have at least 10 years of Credited Service (or Allowable Service), but less than the minimum requirement for service retirement, your pension vests automatically meaning that you will be entitled to a Vested Retirement Benefit at a later date. **The Tier 6 Law defines age 63 as the age by which ALL Tier 6 members are eligible to collect a Vested Retirement Benefit.**

If you have less than 10 years of Credited Service (or Allowable Service), you may request a refund of your BMCs, plus 5% compounded interest. Alternatively, you may leave your contributions on deposit with MaBSTOA Pension Plan for a period of five years. If you do not return to active service within those five years, your MaBSTOA membership will be terminated. This scenario is commonly referred to as a "five-year out."

How is my Service/Vested Retirement Benefit calculated?

The Service/Vested Retirement Benefit formula for participants in the Transit Authority 25/55 Plan who vest with more than 10, but less than 25, years of Allowable Service, the formula is the same as the Tier 6 Basic Plan.

How is my FAS calculated?

FAS is defined as the average of wages earned by a member during any continuous period of employment for which the member was credited with five years of Credited Service. However, wages earned during any year used in an FAS calculation cannot exceed the average of the previous four years by more than ten percent.

Are any wages excluded from the FAS calculation?

Yes. The Tier 6 definition of wages includes an "overtime ceiling," which limits overtime compensation for pension purposes to no more than \$15,000; this amount is indexed annually according to the Consumer Price Index. Any overtime compensation earned in excess of the overtime ceiling is excluded from the FAS calculation. Overtime compensation is compensation paid at a rate greater than the standard rate.

The definition of wages also excludes:

1. wages in excess of the annual salary paid to the Governor of the State of New York;
2. lump sum payments for deferred compensation, sick leave, accumulated vacation or other credits for time not worked;
3. any form of termination pay;
4. any additional compensation paid in anticipation of retirement; and

If I do not join MaBSTOA Pension Plan immediately after my employment, can I purchase (buy back) my pre-membership service and how much will it cost me?

You may purchase previous service rendered in MaBSTOA. The cost is 6% of the wages earned during the period you are buying back, plus 5 percent interest compounded annually from the date of your previous service until the date of payment.

However, depending on the type of service required under your special plan (Allowable or Credited), buying back previous service may not count towards retirement under such plan.

I served in the U.S. Military prior to my MaBSTOA membership. Can I purchase my military service?

Yes, if you meet the eligibility criteria specified in Article 20 of the New York State Retirement and Social Security Law (RSSL). The cost to purchase military service under Article 20 of the RSSL is 6% *times* the number of years of military service being purchased *times* the salary you earned during the 12 months prior to the date of your application. Interest is not factored into the cost.

Did the Tier 6 law affect other benefits of membership such as loans, disability and death benefits?

No. The Tier 4 provisions relative to loans, disability and death benefits remain unchanged and, therefore, apply to Tier 6 Transit 25/55 Plan members in the same manner as applicable to Tier 4 Special Plan members.