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OR

Social Security Number

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If you are critically ill and die before your retirement date, you are permitted to be retired for disability and we will provide your beneficiary with the highest benefit allowed to be paid under the disability retirement formula if you:

1. State your illness: _____
2. Select the Declining Reserve 4% (Tier 1 Members Only) or the Largest Non-Declining Lump Sum (All Tiers except Tier 3 members retiring under Article 14) below.
3. Complete the Designation of Beneficiary section on pages 3 and 4.
4. Return the notarized form to NYSTRS and NYSTRS receives the form prior to your death.

RETIREMENT BENEFIT ELECTION

Please review the descriptions of the benefit payment options below and check the box next to the one option you choose to elect. You may check **only one** box. Please note that no matter which option you elect, **you** receive monthly benefits for life. If you have a Domestic Relations Order (DRO) on file, your ability to elect certain options may be limited. General information regarding DROs is available in the Domestic Relations Order publication on our website (nystrs.org).

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| <input type="checkbox"/> Maximum | I elect to receive the largest possible benefit. All benefits stop at my death. I cannot designate a beneficiary if I choose this option. |
| <input type="checkbox"/> Declining Annuity Reserve (Tier 1 & 2 Only) | I elect to receive a reduced lifetime benefit that includes the annuitization of my Annuity Reserve balance. If I die before receiving my full Annuity Reserve, the lump sum balance will be paid to my beneficiary. Otherwise, all payments will stop at my death. I may designate multiple primary and/or contingent beneficiaries. |
| <input type="checkbox"/> Declining Reserve 4% (Tier 1 Only) | I elect to receive a reduced lifetime benefit. I understand that if my death occurs before my Total Reserve has been paid, the balance will be paid in a lump sum to my beneficiary. If my death occurs after my Total Reserve has been paid, all payments stop at my death. I may designate multiple primary and/or contingent beneficiaries. |
| <input type="checkbox"/> Largest Non-Declining Lump Sum to a Beneficiary | I elect to receive a reduced lifetime benefit. At my death the largest possible lump sum will be paid to my beneficiary . I may designate multiple primary and/or contingent beneficiaries. To leave a smaller lump-sum payment, I may elect the Alternative Option instead. If I am a Tier 1 member, although the payment to the beneficiary will be less than the reserve under the Declining Reserve 4% option, the lump sum under this option does not decline over time. This option is not available to me if I am a Tier 3 member retiring under Article 14. |
| Guarantee Period Options <input type="checkbox"/> 5-Year <input type="checkbox"/> 10-Year | I elect to receive a reduced lifetime benefit. If I die within 5 or 10 years of my date of retirement, my beneficiary will receive the same monthly payment I was receiving for the remainder of the 5 or 10 year period. If I live beyond the selected guarantee period, the benefit will <u>stop</u> at my death. If my primary beneficiary begins to receive payments and dies before the guarantee period expires, the commuted value of any installments due are paid in a lump sum to my contingent beneficiary. I must designate only one primary and may designate multiple contingent beneficiaries. |
| Survivor Options <input type="checkbox"/> 100% <input type="checkbox"/> 50% <input type="checkbox"/> 75% <input type="checkbox"/> 25% | I elect to receive a reduced lifetime benefit based on my life expectancy and the life expectancy of my beneficiary. If my beneficiary survives me, (s)he will receive the designated percentage of my reduced benefit throughout his/her lifetime. NYSTRS may require proof of the date of birth of my beneficiary. If my beneficiary is my spouse under these options, (s)he will receive 50% of the COLA to which I would have been entitled. I must designate only one beneficiary under these options. |
| Pop-up Survivor Options <input type="checkbox"/> 100% <input type="checkbox"/> 50% <input type="checkbox"/> 75% <input type="checkbox"/> 25% | I elect to receive a reduced lifetime benefit based on my life expectancy and the life expectancy of my beneficiary. If my beneficiary survives me, (s)he will receive the designated percentage of my reduced benefit throughout his/her lifetime. My benefit will increase to the Maximum if my beneficiary predeceases me. NYSTRS may require proof of the date of birth of my beneficiary. If my beneficiary is my spouse under these options, (s)he will receive 50% of the COLA to which I would have been entitled. I must designate only one beneficiary under these options. |
| <input type="checkbox"/> Alternative Option | I may request any variation of a Lump Sum Death Benefit, Guarantee, Survivor or Pop-up Survivor Option that is reasonable and can be computed actuarially. However, if I am a Tier 3 member electing to retire under Article 14, I may only request an Alternative that provides a Survivor Option of 1% to 90% at my death. Please provide a specific description here: _____ _____ _____ |

Generally, the Retirement System should receive this form by the twelfth of the month that you want your withholding amount to change.

Even if you elect not to have federal income tax withheld, you are liable for payment of federal income tax on the taxable portion of your pension. Also, you may be subject to tax penalties under the estimated tax rules if your payments of estimated tax and withholding (if any) are not adequate.

If your monthly benefit payment is currently being sent via Direct Deposit, the filing of this form will not affect that process, just the amount transmitted into your account.

If you do not submit a W-4P form, the System must withhold as if you are married claiming three withholding allowances.

Any election you make will remain in effect until you change it. You may change your election at any time by requesting and filing another "Withholding Election and Certificate," W-4P. If you elect not to have federal income tax withheld from your monthly benefit or if you do not have sufficient federal income tax withheld, you may be responsible for payment of estimated taxes. It should be noted, you might incur penalties under the estimated tax rules if your withholding and/or estimated tax payments are not sufficient.

Any election you make should take into consideration all deductions that are being taken from your monthly payment. The specific amount chosen should not exceed the net amount of your monthly payment.

Please consult a tax expert or the Internal Revenue Service should you require additional information regarding your election.

RETIREMENT INFORMATION

Optional Benefits

NYSTRS must receive any change in your option election **within 30 days** after your effective date of retirement. If you do not make an election, you will be retired under the **Maximum**.

Cancellation or Retirement Date Change

If you wish to cancel your application for retirement or change the date your retirement will commence, NYSTRS must receive a signed letter indicating this within 14 days after the effective date of retirement. If NYSTRS receives the letter by "Certified Mail" or "Registered Mail," it will be considered received on the date it was postmarked. Some employers may consider a letter of resignation irrevocable so you should consult with your employer or bargaining unit first to determine the employer's policy.

Retirement Payments

We cannot begin your retirement payments until your direct deposit information is on file. Your first payment will represent your benefits from your date of retirement to the date of the payment. You will receive your payment when first eligible *if* the direct deposit form reaches the System by the tenth of the month in which your benefit first becomes due. Subsequent payments will be directly deposited on the last business day of each month.

With few exceptions, it will take approximately 12 months to complete the processing of your retirement application. **Therefore, your initial retirement benefit payments will be based on a percentage of your full benefit calculated on the latest available data, excluding termination or incentive payments.** When we have completed the processing of your application, you will receive your full benefit amount plus any necessary adjustment retroactive to your date of retirement. As a result, a final benefit could be substantially larger than initial payments for: Tier 1 members eligible for a higher 5-Year FAS; and Tier 2-6 members who pass a key service milestone (such as 30 years of credit) in their final year.

Tier 1 and 2 Contributions Withdrawal

If you are a Tier 1 or 2 member, you may withdraw the balance of your Annuity Savings Fund (ASF), if any, in lieu of receiving a monthly annuity as part of your benefit. To withdraw these funds, please check the box on page 1 of this application and print the necessary withdrawal and rollover forms from our Web site's "Forms" page (www.nystrs.org). We will deduct any outstanding loan balance from your ASF.

Death Benefit for Tier 2-6 Members

For those members who are eligible for the Paragraph 2 death benefit coverage, a post-retirement benefit may be payable to the designated beneficiary. To be eligible for this benefit, you **must** meet the eligibility requirements of the in-service death benefit on the day before retirement takes effect. Completing the beneficiary portion of this form (pages 3 and 4) **does not** change your beneficiary for the Paragraph 2 death benefit. To update your beneficiary for this death benefit, you must complete the *Designation of Beneficiary* (NET-11.4) form available on our Web site's "Forms" page.

Application Checklist

- If you are critically ill, did you list your illness and choose the appropriate option on page 2?
- Did you provide a date of retirement on page 1?
- Is your retirement application signed and notarized on page 4?
- Did you write your EmplID or Social Security number in all the appropriate boxes?
- If you are a Tier 1 or 2 member, did you indicate on page 1 if you wish to withdraw your annuity?
- Did you initial any changes you may have made?
- Did you sign and date the direct deposit form on page 5 and the withholding form on page 6?
- Did you make a copy of the completed application for your records?

Please call us at (800) 348-7298, Ext. 6250 if you need help completing this application.