



Option Letter

TIER I

VERSION JULY 2010

Below is a sample Option Letter, which outlines a hypothetical retirement benefit under the various options available. This letter will contain amounts that you, as well as your beneficiary, should you choose to nominate one, will receive under the various options available. Selecting your option is an important decision, so be sure you read the enclosed "Option brochure" to understand each option.

If you are in the process of retiring, an option letter may be sent so quickly that the amount of your excess refund (see Taxation of Payments Brochure #959) and any loan taken at retirement may not have been processed and deducted from your Annuity Savings Fund prior to the time that the retirement allowance amounts are determined.

If an excess and/or loan is processed after your option letter, the amounts stated in that letter will not be correct. Please contact NYCERS immediately if you realize that this has happened in your case. Failure to contact NYCERS will result in an overpayment in your retirement allowance, a future downward revision in your benefit, and a requirement that you return any overpayments.

MS. SMITH
012 AMONA ST
BRKLYN, NY 11012

MEMBERSHIP NUMBER 123456 T1

DEAR MS. SMITH:

SHOWN BELOW ARE APPROXIMATE RETIREMENT ALLOWANCES PAYABLE UNDER VARIOUS OPTIONS AVAILABLE TO YOU. THE RETIREMENT ALLOWANCE, WHICH YOU SELECT, WILL BE PAID RETROACTIVELY TO YOUR RETIREMENT DATE 11/29/20XX.

OPTIONS -----	ANNUAL RETIREMENT ALLOWANCE -----
MAXIMUM(NO-OPTION) ----->	\$ 21,801
OPTION #1 UNMODIFIED ----->	\$ 20,272
INITIAL RESERVE ----->	\$ 230,670
OPTION #1 MODIFIED ----->	\$ 19,616
INITIAL RESERVE ----->	\$ 264,642
OPTION #2 ----->	\$ 20,859
OPTION #3 ----->	\$ 21,319
OPTION #4-2 ----->	\$ 20,091
OPTION #4-3 ----->	\$ 20,911
OPTION #4 - SETTING ASIDE A LUMP SUM DEATH PAYMENT WILL REDUCE THE MAXIMUM RETIREMENT ALLOWANCE BY \$27.28 PER \$1,000.	

123456SMITH
M O D E P S

THE BENEFITS DESCRIBED IN THIS LETTER ARE BASED UPON THE
FOLLOWING INFORMATION:

TYPE OF RETIREMENT PLAN	SERVICE INCREASED SERVICE FRACTION
YOUR DATE OF BIRTH	02/01/19XX
BENEFICIARY UNDER OPTIONS 2, 3, 4-2 AND 4-3	BILL DOE
BENEFICIARY DATE OF BIRTH (DOCUMENTATION REQUIRED)	14/02/19XX

COMPENSATION BASE		
LAST YEARS EARNING		\$29,318.00
TOTAL SERVICE AFTER 6/30/68	32.52 YEARS	

TOTAL SERVICE	32.52 YEARS	
POST BUD ENHANCEMENT	2.00 YEARS	
TOTAL + ENHANCEMENT	34.52 YEARS	
POST BUD INCENTIVE	2.88 YEARS	
TOTAL + ENHANCEMENT + INCENTIVE	37.40 YEARS	
TOTAL ACCUMULATED DEDUCTIONS		\$12,606.47
TOTAL ITHP CONTRIBUTIONS		\$41,711.25