



Option Letter

TIER 3

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 any loan taken at retirement may not have been factored into your retirement allowance. Remember, loans at retirement will reduce your retirement allowance.

If a 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 11112

JUN 12 2002

Dear MS. SMITH

Re: Member No.: 123456

Shown below are the approximate **service retirement** allowances payable on your retirement **March 13, 20XX**.

<u>Type of Allowance</u>	<u>Total Annual Allowance</u>
Maximum	\$ 45,628
Option 1*	39,392
Option 2* (50% continued to beneficiary)**	42,131
Option 3	45,145
Option 4	43,881
Option 5 (100% continued)	38,708
(50% continued)	41,737

*Beneficiary: Betty DOE, Sister
Born: August 27, 19XX

**Option 2 may also be elected in 10% increments.

***Outstanding Loan \$ 11,264.24

Your Outstanding Loan has reduced your Maximum Retirement Allowance by: \$ 840.74 per year.

***Outstanding Deficit \$ 16,489.68

Your Outstanding Deficit has reduced your Maximum Retirement Allowance by: \$ 1,082.21 per year.