



Option Letter

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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

MAR 20 2003

DEAR RETIREE:

RE: MEMBER NO.: 123456

SHOWN BELOW ARE THE APPROXIMATE ALLOWANCES PAYABLE ON YOUR RETIREMENT 11/20/2002.

TYPE OF ALLOWANCE -----	TOTAL ANNUAL ALLOWANCE -----
MAXIMUM	\$ 3,704
OPTION 1	2,802
OPTION 2 (75% CONTINUED)	2,984
(50% CONTINUED)	3,190
(25% CONTINUED)	3,428
OPTION 3	3,646
OPTION 4	3,514
OPTION 5 (100% CONTINUED)	2,773
(50% CONTINUED)	3,172

THE ENCLOSED BOOKLET EXPLAINS THE OPTIONS IN DETAIL. THE BENEFITS DESCRIBED IN THIS LETTER ARE BASED UPON THE FOLLOWING INFORMATION:

TYPE OF RETIREMENT:	SERVICE
YOUR DATE OF BIRTH:	22/22/1942
BENEFICIARY UNDER OPTIONS 1, 2 AND 5	JOHN DOE
BENEFICIARY'S DATE OF BIRTH (DOCUMENTATION REQUIRED)	05/23/1972
FINAL AVERAGE SALARY	\$32,155.69
TOTAL SERVICE	8.33
MEMBER CONTRIBUTIONS	\$8,657.85

REGARDLESS OF THE OPTION YOU SELECT, A POST RETIREMENT LUMP SUM BENEFIT WILL BE PAYABLE UPON YOUR DEATH TO YOUR ESTATE OR DESIGNATED BENEFICIARY. TO DESIGNATE A BENEFICIARY, COMPLETE THE ENCLOSED FORM "DESIGNATION OF BENEFICIARY FOR POST RETIREMENT LUMP SUM DEATH BENEFIT". THIS FORM MUST BE NOTARIZED AND RETURNED TO THE RETIREMENT SYSTEM. THE LUMP SUM PAYABLE IS PURSUANT TO THE FOLLOWING SCHEDULE:

MONTHS ELAPSED BETWEEN RETIREMENT AND DEATH -----	DEATH BENEFIT -----
12 MOS. OR LESS	\$ 48,509.81
OVER 12 MOS. TO 24 MOS.	\$ 24,254.90
OVER 24 MOS.	\$ 9,701.96

IF OPTION 1, OPTION 2 OR OPTION 5 IS SELECTED, DOCUMENTARY EVIDENCE IN THE FORM OF A BIRTH CERTIFICATE WILL BE REQUIRED AS PROOF OF THE DATE OF BIRTH OF YOUR BENEFICIARY. IF YOUR DESIGNATED BENEFICIARY IS A MARRIED WOMAN, YOU MUST ALSO SUPPLY A COPY OF THE MARRIAGE CERTIFICATE(S) SHOWING THE CHANGE IN NAME FROM THAT SHOWN ON THE BIRTH CERTIFICATE.

AFTER YOU DECIDE WHICH BENEFIT YOU WANT, COMPLETE THE APPROPRIATE FORM THAT HAS BEEN ENCLOSED AND, AFTER PROPER NOTARIZATION, RETURN IT TO THE RETIREMENT SYSTEM.

YOUR FINAL SELECTION OF BENEFIT MUST BE MADE WITHIN 60 DAYS OF THE DATE OF THIS LETTER. IF THIS OFFICE HAS NOT RECEIVED AN OPTION SELECTION FROM YOU WITHIN 40 DAYS OF THE DATE OF THIS LETTER (OR ORIGINAL LETTER IF EARLIER), A LETTER OF REMINDER WILL BE SENT TO YOU BY THE RETIREMENT SYSTEM.

IF NO SELECTION OF OPTION IS MADE WITHIN SUCH 60 DAY PERIOD, YOUR RETIREMENT ALLOWANCE WILL BE PROCESSED FOR FIRST PAYMENT UNDER THE MAXIMUM RETIREMENT ALLOWANCE WITHOUT OPTIONAL MODIFICATION.

OR

IF YOU FILED AN OPTION PRIOR TO RECEIPT OF THIS LETTER, AND NO OTHER SELECTION IS FILED WITHIN THE 60 DAY PERIOD, YOUR RETIREMENT ALLOWANCE WILL BE PROCESSED FOR FIRST PAYMENT UNDER THE OPTION ON FILE.