

# Handbook for Members Virginia Retirement System



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The Virginia Retirement System (VRS) exists to provide its members and their beneficiaries with benefits at retirement, or upon disability or death. Because the system represents an important source of security to you and your family, you should read this handbook carefully to understand your rights and your responsibilities in becoming eligible for benefits.

Benefits described in this booklet are governed by Title 51.1 of the *Code of Virginia* (Chapters 1 – 7, 10, 11, 13 and 14). The information in this booklet is intended to be general. It cannot be complete in all details and cannot supersede or restrict the authority

granted by the *Code of Virginia*, which may be amended from time to time.

If you have a question not answered in this handbook, consult your benefits administrator, or contact:

Virginia Retirement System  
1200 East Main Street  
P.O. Box 2500  
Richmond, VA 23218-2500  
Toll free: 1-888-VARETIR (827-3847)  
Web site: [www.varetire.org](http://www.varetire.org)  
E-mail: [member-info@varetire.org](mailto:member-info@varetire.org)  
FAX: 804-786-1541

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# Handbook for Members

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## Plan Information

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### Name of Plan

Virginia Retirement System



### Administration

A Board of Trustees administers the Virginia Retirement System (VRS). The system provides retirement, disability and group life insurance benefits for most public sector employees. In addition to VRS, the board administers the State Police Officers' Retirement System (SPORS), the Judicial Retirement System (JRS), the Virginia Law Officers' Retirement System (VaLORS), and the Federal-State Social Security Agreement (OASDHI). VRS also administers the Deferred Compensation Plan, the Cash Match Plan, the Optional Retirement Plan for Higher Education, the Optional Retirement Plan for Political Appointees, the Optional Retirement Plan for School Superintendents and the Virginia Sickness and Disability Program for state employees.

VRS is an independent agency, separate from the executive, legislative or judicial branches of state government. VRS funds are separate from other state funds and can be used only to pay administrative costs and benefits to retirees and beneficiaries of the retirement system.

The board is composed of nine members appointed by the governor and General Assembly. The board includes:

- one faculty member or employee of a state-supported institution of higher education;
- one state employee;
- one public school teacher;
- one employee from a political subdivision;
- four investment experts;
- one expert in employee benefit plans

The following members currently serve on the Board of Trustees:

Paul W. Timmreck, Chairman	Judith Ewell, Ph.D.
John M. Albertine, Ph.D., Vice Chair	Palmer P. Garson
A. Marshall Acuff, Jr.	Vernard W. Henley
Edwin T. Burton III, Ph.D.	Raymond B. Wallace, Jr.
J. Douglas Conway, Jr.	

The board appoints the director of VRS, who is the chief administrative officer. The director serves as secretary to the board. The director is:

Robert P. Schultze  
Virginia Retirement System  
P.O. Box 2500  
Richmond, VA 23218-2500

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## Mission

Our mission is to provide superior service in the administration of pension benefits and related services on behalf of participating Virginia public employers and their employees, and to serve as stewards of the funds in our care.

## Membership

Membership in VRS is a condition of employment for eligible employees of participating employers. All full-time, salaried employees of the following entities are eligible for membership in the Virginia Retirement System:

- Commonwealth of Virginia (classified, full-time and classified part-time state employees and employees of legislative, judicial and independent agencies who work at least 20 hours a week and who are compensated on a salaried basis);
- participating Virginia cities, counties, towns or political subdivisions including commissions and authorities that have elected to participate in VRS; and
- instructional, clerical, administrative and non-professional employees of local Virginia school divisions.

Eligible employees become members as soon as they begin work, as a condition of employment. Some employers require a probationary period during which there is no coverage.

## Active Member

You are an active member as long as you are contributing to the retirement system, or as long as your employer is paying the member contribution for you.

## Member with Deferred Benefit Status

Your membership with VRS is in a deferred status if you stop working in a VRS-covered position and do not take a refund, or you have employer-paid service credit in your record. Members in deferred status retain their membership and the right to a future benefit, either as a refund of contributions and interest or, if vested, as a deferred retirement benefit.

## Provisions of Law

The Virginia Retirement System is governed by the provisions of Title 51.1 of the *Code of Virginia* Chapters 1-7, 10, 11, 13 and 14. Changes to the law can be made only by an act of the General Assembly. The Virginia Retirement System is a defined benefit plan qualified under section 401(a) of the Internal Revenue Code.

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## Funding

Contributions made by members and participating VRS employers are invested to provide future benefits for members and beneficiaries.

VRS is an independent trust fund. Its funds are separate from other state funds.

## Plan Year

Records are kept on a fiscal year basis. The plan year is July 1 through June 30.

## Relationship with Employers

VRS administers the benefits described in this handbook on behalf of participating employers; however, the employer is not an agent of VRS; nor does the employer act at the direction of VRS.

## Appeals Process

The VRS Medical Review Board, composed of Commonwealth of Virginia board certified physicians, reviews the medical information in your disability retirement application and makes its recommendation to the VRS Board of Trustees either to approve or deny benefits. VRS considers this recommendation in making the final decision on approval or denial of your application for disability retirement benefits. If VRS denies your disability retirement application, you are notified of the appeal process, which is governed by the Virginia Administrative Process Act.

In other appeals that do not involve disability retirement, the process may be somewhat different. However, you are notified of each step of the appeal process and, ultimately, the final decision on any VRS appeal is subject to judicial review under the Administrative Process Act.



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## Your Benefits as a Member

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As a VRS member, you have benefits that are important to the financial well being of you and your family. These benefits include retirement, disability and survivor benefits.

If your employer participates, you are also covered under the Group Life Insurance Plan. You may purchase additional life insurance coverage under the Optional Life Insurance Plan for yourself, your spouse and dependent children.

If you become permanently disabled, you may be eligible for disability retirement benefits. State employees may be eligible for short-term and long-term disability benefits under the Virginia Sickness and Disability Program (VSDP). Details of each of these benefit plans, eligibility requirements and your responsibilities as a member are described in this handbook and in the *VSDP Handbook*.



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## Retirement Benefits

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Each month that you work, you earn service credit that counts towards a benefit when you reach retirement age. As a VRS member, you will receive a monthly retirement benefit for life, provided you meet the age and eligibility requirements described in this handbook. Your retirement plan also provides benefits for your survivor after your death.

### Defined Benefit Plan

VRS is a defined benefit plan. This means that your retirement benefit is determined by a formula and is not based on the accumulated contributions in your account. The formula amount depends on your age at retirement, your average final compensation, and your years of service. Your average final compensation is the average of your 36 consecutive months of highest salary, not including any overtime or temporary pay or pay for extra duties.

### Service Credit

Your total service credit is one of the factors in the formula used to determine your benefit when you retire. You are credited with one month of service for each month you make a contribution (or your employer makes a contribution on your behalf) to VRS. Educators are credited with 12 months of service for each full contract year completed.

### Vesting

You become vested when you accumulate five years of credited service. As a vested member, you are eligible to receive a reduced retirement benefit from VRS at age 55 with at least five years of service. You can receive a reduced benefit as early as age 50 if you have 10 years of service credit.

If you leave your job after you are vested and do not take a refund, you retain your right to a future benefit when you reach retirement age.

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## Member Contributions

VRS is funded by contributions from employers and members. The member contribution is 5 percent of your creditable compensation. Creditable compensation is your annual salary, not including any overtime pay, payments of a temporary nature, or payments for extra duties, such as pay to teachers for coaching, advising special activities and other payments not included in contracts. Many employers pay the member contribution for their employees. Member contributions are refunded to members who take a refund at termination of employment.

## Employer Contributions

Covered employers pay an additional amount (called the employer contribution) based on their total payroll for active members at a rate recommended by the VRS actuary and approved by the General Assembly. Both member and employer contributions are invested to provide future benefits. Employer contributions are not credited to the member account and are not payable to the member through a refund.

## Interest

Your account (which is the 5 percent member contribution amount) earns 4 percent interest, compounded on June 30 of each year on contributions that have been in the system for at least 12 months. The amount of contributions and interest in your account does not affect your benefit at retirement, because the amount of your benefit is based on your age at retirement, average final compensation and years of service credit.

## Member Benefit Profile

Each year, you receive a *Member Benefit Profile*. This personalized benefits statement, prepared by VRS and given to you by your employer, shows the amount of service credit you have and the total contributions and interest in your account. It also includes information about group life insurance, optional life insurance and projected retirement benefits. VRS mails the statements to employers soon after the close of the fiscal year.

## Borrowing Prohibited

The *Code of Virginia* prohibits borrowing from your VRS member contribution account.

## Mandatory Distribution of Benefits

If you become a member in deferred benefit status and you have not chosen a retirement option by age 70 1/2, by law your retirement benefit must be paid to you. If you do not request otherwise, it is paid as a basic benefit.

## Purchasing Prior Service Credit

You may be able to increase your benefit by purchasing prior service credit. Prior service is a period of service that has not been credited to your VRS service record because it was not covered by VRS, or it was covered service for which you previously took a refund.



Because the amount of your benefit is based on your years of service credit as well as your age at retirement and your average final compensation, the purchase of prior service credit can increase your monthly retirement benefit, or allow you to qualify for retirement at an earlier age. It can also increase the health insurance credit to which you may be entitled.

You may purchase prior service credit if the service does not entitle you to a benefit with another retirement plan. Your employer at the time you earned the service credit must certify your employment and eligibility, unless you are purchasing military or refunded service.

You may purchase service credit if you are an active member in VRS. Being an active member means your employer is currently making contributions to VRS on your behalf. You must not already be receiving a benefit for that service, and the service must be certified by the agency that employed you at the time, if required.

You may not purchase service beyond the date you retire or terminate VRS-covered employment.

The *Code of Virginia* allows eligible members to purchase the following types of service:

**Military Leave of Absence** – Active duty service in the Armed Forces is available at no cost if you were granted an official leave of absence to serve. If you withdrew your contributions and interest from VRS, you may receive this service at no cost after you have purchased the refunded period. Your discharge must not have been dishonorable, and you must have returned to a covered position within one year of discharge.

**Birth or Adoption Leave of Absence** – You may purchase up to 12 months of service credit, for each birth or adoption of a child, to a maximum of four years. Both parents are eligible for this type of purchase.

**Educational Leave of Absence** – You may purchase up to four years of service credit for any approved official educational leave of absence from a VRS-covered position.

**Non-Covered Service with a Participating Employer** – If you are an active member who was previously employed by a VRS-participating employer, but were not eligible for VRS coverage, you may purchase up to four years of this service. You must have received your payroll check from the employer, as well as your yearly W-2 statement. During this time, your employer must not have contributed to an optional retirement plan or another retirement plan on your behalf; nor may you have received a VRS pension. Your employer during that time must certify your hire date through your termination date, as well as the total hours you worked. You may purchase one month of service credit for every 173 hours certified by your employer at the time.

**Public Service** – You may purchase up to four years of service credit for employment with another state or a US territory, a political subdivision of Virginia not participating in VRS or another state or territory of the US, or a public school

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system of another state or US territory. You may purchase the service credit provided the service does not entitle you to a benefit with the former employer's retirement system, or to any other retirement benefit.

**Civilian Service in the Federal Government** – You can purchase up to four years of federal civilian service, including service in the Peace Corp. You must have your former employer or the US Office of Personnel Management certify the service. The service cannot entitle you to a benefit with any other retirement plan.

**VRS Refunded Service** – If you previously held a VRS-covered position and withdrew the contributions in your retirement account as a refund, your refund cancelled whatever service credit you had with VRS. If you rejoined a VRS-participating employer, you may choose to purchase this lost service. There is no limit on the amount of eligible refunded service you may purchase. After June 30, 2004, (or after three years of employment, if later) refunded service can be purchased only in a lump-sum amount.

**Active Duty Military Service** – You may purchase up to four years of active duty service, provided this service is not used in the calculation of an active duty military pension (unless that pension is for an armed forces reservist or national guard position). You must submit a DD214 or a copy of your orders for National Guard service, with your purchase application.

**Service Not Included in a Portability Transaction** – A portability agreement allows eligible members to transfer to VRS the value of benefits from employment with another non-participating public retirement plan in Virginia. VRS must have an agreement with your former Virginia public retirement plan for the transfer to take place. You can purchase up to four years of the service not transferred to VRS in the portability transaction. An additional four years of service credit remaining in excess of the four years may also qualify for purchase under the Public Service provision.

**Purchase Using Accumulated Sick Leave** – At retirement, you may use the money paid to you by your employer for your unused sick leave to purchase service credit. The amount paid to you is based on your employer's sick leave payout policy. You must have at least five years (60 months) of VRS service, and you must have been employed in a VRS-covered position immediately prior to retirement to be eligible. Your current employer will use the Employer Certification of Accumulated Sick Leave Eligible for Conversion to Service Credit (VRS-26F) to determine your eligibility. You must include the VRS-26F with your retirement application. Your employer submits the payment to VRS as part of the monthly reporting process. The cost to purchase this service is based on the actuarial equivalent cost which is the full cost associated with paying for this benefit. If you participate in the Virginia Sickness and Disability Program, you may convert any disability credits remaining in your account to service credit at the rate of one month for every 173 disability credits.

### **The Cost to Purchase Prior Service Credit**

You may buy service credit at 5 percent of your creditable compensation at the time of purchase if you buy it within three years of employment in a VRS-covered position or within three years of becoming eligible. The purchase is based on

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either your current salary or the average of the 36 consecutive months of highest creditable compensation (AFC) if your current salary is not the highest you have earned.

You must buy your prior service credit in a lump-sum payment or be in a payroll deduction contract within three years of becoming eligible in order to buy it at the 5 percent rate. After three years, if you are not in a payroll deduction contract and you have not completed the purchase, your purchase cost will be at a higher actuarial equivalent cost.

If you are under a payroll deduction contract and it extends beyond the three-year time limit, you may continue the purchase at 5 percent until the contract expires.

The actuarial cost represents how much money you need in today's dollars to pay for the expected increased benefits that you will receive in the future, over your lifetime. Factors that determine actuarial cost include age and life expectancy, investment earnings, inflation, unemployment rates and retirement patterns.

Both service purchased at the 5 percent rate and service purchased at the actuarial equivalent cost can be used in qualifying for an unreduced benefit and in determining what early retirement factor, if any, applies in calculating a retirement benefit. The service credit can also be used for establishing eligibility for the health insurance credit.

The example below shows the difference between purchasing the service credit before the deadline and waiting to purchase the service credit at the actuarial rate.

### Cost Comparison

You are 44 years old with 22 years and six months of service. You can purchase 12 months of eligible service. The chart below shows how much you can save by purchasing the service credit within three years of eligibility.

	Time of Purchase	
	Within three years	After three years
Salary	\$42,000.00	\$42,000.00
Cost basis	5 percent	Actuarial
Cost per month of service	\$175.00	\$1,027.41

Waiting another year to purchase service credit would cost you \$ 852.41 more for each month of prior service credit purchased.

### Applying to Purchase Prior Service Credit

To purchase service, you must complete an Application for Purchase of Prior Service Credit (VRS-26). You should submit your application as soon as possible to ensure you can purchase your service at the 5 percent rate. You must submit your application at least 90 days before your expected retirement date to complete your purchase of service credit before retirement.

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Once VRS has determined that you are eligible to purchase the service, you will be sent a cost letter explaining the cost basis and your payment options. If you do not purchase the service within 30 days of receiving the cost letter and you receive a salary increase, you must contact VRS to obtain an updated cost letter. Do not send your payment to VRS until you receive the cost letter.

It is your responsibility to apply for all periods of prior service credit that you are eligible to purchase. If any one of your employers is unable to certify the service and if contribution records are not available to VRS, the purchase will not be allowed.

### Methods of Payment

You may purchase prior service credit in a lump sum or through payroll deduction. If your employer allows it, you may purchase service credit on a tax-deferred basis. Only service credit purchased at the 5 percent rate can be purchased on a tax-deferred basis.

If you are purchasing service credit in a lump-sum payment on an after-tax basis, you have 30 days from the date of the cost letter to submit a lump-sum payment based on the cost provided. If you do not submit payment within 30 days of the cost letter, and your salary increases, you must request an updated cost letter.

VRS accepts rollovers for purchase of service credit from: 403(b) tax-sheltered annuities, 457(b) governmental deferred compensation plans, 401(a) qualified plans including 401(k), profit sharing, money purchase pension, and other defined contribution and defined benefit plans that pay lump sums or other eligible rollover distributions, and Traditional IRAs (but not Roth IRAs). It is your responsibility to provide written certification from your financial institution that the funds may be rolled over to a 401(a) plan and that the funds are either pre-tax or after-tax.

If the amount of the rollover is less than the cost of the purchase, the check is returned to you and you may either return the check with added funds or have the plan issue a new check for the correct amount if sufficient funds are available in the plan. If the amount of the rollover exceeds the cost of the purchase, the funds are returned to you in a check made payable to the transferring plan. If VRS does not receive adequate verification of the pre-tax or after-tax nature of the funds, VRS treats the rollover as pre-tax and it is subject to tax when later paid to you.

When you choose payroll deduction, 5 percent of your compensation at the time of the purchase (even if this is less than 5 percent of your average final compensation) is withheld from your pay each month for the service credit you are purchasing. Employers often report faculty members based on the contract period of 9, 10 or 11 months. If you are employed under a teaching contract and your employer reports you to VRS fewer than 12 times per year, the cost of each month of service credit is based on the number of months over which you are reported to VRS. If you are on a contract that is other than a 12-month contract, you must purchase service credit the same way you earn service credit.

Your employer will help you complete the appropriate form: the Authorization for After-Tax Payroll Deduction to Purchase Service Credit (VRS-26C) for after-tax purchases, or the Agreement for Salary Reduction to Purchase Service Credit (VRS-26E) for pre-tax purchases.



You may pay for the service through a combination of a lump-sum payment and payroll deduction. Remember payroll deduction can be used only if the service credit can be purchased at the 5 percent rate. If you have four years of service credit available for purchase, for example, and you wish to retire in two years, you may buy two years in a lump sum and pay for the remaining months through payroll deduction.

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## Service Retirement

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As a VRS member, you are eligible for a retirement benefit for life, provided you meet the age and eligibility requirements.

### Eligibility for Unreduced Benefits

You are eligible to retire with unreduced benefits at age 65 (normal retirement age) with at least five years of service, or as early as age 50 if you have at least 30 years of service (applies to state employees, teachers and most political subdivision employees).

Some political subdivisions require age 55 with 30 years of service, or age 60 with 30 years of service for an unreduced benefit. Other employers allow members to retire after age 55 when the sum of age and service is 90. Check with your benefits administrator for special provisions that might affect you.

### How to Calculate Your Unreduced Retirement Benefit

The formula for calculating service retirement benefits is 1.7 percent of your average final compensation (AFC), multiplied by the number of years of your creditable service. This benefit is actuarially reduced if you do not meet age and service requirements for a full benefit.

**Example:** The example below shows the benefit calculation for a member with an average final compensation (AFC) of \$31,000 at age 65, and a total of 18 years of service credit. Use the space at the right to figure your own benefit.

	<b>Example</b>	<b>Insert Your Numbers</b>
1. Add your 36 consecutive months of highest salary.	\$30,000 \$31,000 <u>\$32,000</u> \$93,000	1. _____ _____ _____ _____
2. Divide by three to get your Average Final Compensation (AFC).	$\$93,000 \div 3 = \$31,000$	2. _____
3. Multiply the result of Step 2 by .017.	$\$31,000 \times .017 = \$527.00$	3. _____
4. Multiply the result of Step 3 by total years of service. This is your annual benefit amount.	$\$527.00 \times 18 = \$9,486.00$	4. _____
5. Divide the result of Step 4 by 12 to get your monthly benefit amount.	$\$9,486.00 \div 12 = \$790.50$	5. _____

**Note:** This example assumes normal retirement (age 65) with an unreduced benefit. In cases of early retirement, the benefit would be reduced.

The Internal Revenue Code Section 401(a)(17) specifies that creditable compensation may not exceed the compensation limit for the plan year in which the compensation was earned. If your membership date was before April 9, 1996 and your creditable compensation is \$325,000 per year or more, see your benefits administrator for help in calculating your benefit estimate. If your membership date is on or after April 9, 1996 and your creditable compensation is \$220,000 per year or more, see your benefits administrator for help in calculating your benefit estimate.

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## Amount of Benefit

The amount of your service retirement benefit is based on your average final compensation (average of your 36 consecutive months of highest creditable compensation), your years of creditable service, and your age at retirement.

## Eligibility for Reduced Benefits

You may retire at age 55 with a reduced benefit if you have at least five years of service credit but less than 30 years. If you take early retirement with a reduced benefit, the amount of the reduction in your monthly benefit depends on your age and years of service credit. A one-half percent reduction is applied for the first 60 months, and four-tenths of one percent for any additional months you are short of meeting age or service requirements for unreduced benefits.

**Example:** If you retire at age 55 with 27 years of service, you are 36 months (three years) from the 30-year requirement for unreduced benefits and 10 years from meeting the age requirements. Because you are closer to meeting the service requirement, the reduction is based on service. A one-half percent reduction is applied for each month you are short of meeting the 30-year requirement. The reduction is 18 percent ( $36 \times 0.5 \text{ percent} = 18 \text{ percent}$ ). You receive 82 percent of the unreduced benefit.

## How to Calculate Your Reduced Early Retirement Benefit

(Fewer than 30 years of service and between age 55 and age 65)

The formula for calculating service retirement benefits is 1.7 percent of average final compensation (AFC), multiplied by number of years of creditable service, then multiplied by the early retirement reduction factor. (See the early retirement reduction factors in the Appendix, page 60.)

**Example:** The example below shows the benefit calculation for a member age 57 years and two months with an average final compensation (AFC) of \$31,000 and a total of 18 years of service credit. Use the space at the right to calculate your own benefit.

	Example	Insert Your Numbers
1. Add your 36 consecutive months of highest salary.	\$30,000 \$31,000 <u>\$32,000</u> \$93,000	1. _____ _____ _____
2. Divide by three to get your Average Final Compensation (AFC).	$\$93,000 \div 3 = \$31,000$	2. _____
3. Multiply the result of Step 2 by .017.	$\$31,000 \times .017 = \$527.00$	3. _____
4. Multiply the result of Step 3 by total years of service. This is your annual benefit amount.	$\$527.00 \times 18 = \$9,486.00$	4. _____
5. Divide the result of Step 4 by 12 to get your monthly benefit amount.	$\$9,486.00 \div 12 = \$790.50$	5. _____
6. Multiply the result of Step 5 by ERF (see Appendix, page 60)	$\$790.50 \times .564 = \$445.84$	6. _____

The Internal Revenue Code Section 401(a)(17) specifies that creditable compensation may not exceed the compensation limit for the plan year in which the compensation was earned. If your membership date was before April 9, 1996 and your creditable compensation is \$325,000 per year or more, see your benefits administrator for help in calculating your benefit estimate. If your membership date is on or after April 9, 1996 and your creditable compensation is \$220,000 per year or more, see your benefits administrator for help in calculating your benefit estimate.

## 50/10 Early Reduced Retirement

You may retire as early as age 50 if you have at least 10 years of service but fewer than 30 years of service. Under the 50/10 plan, your benefit is lower than what it would be if you wait until age 55 to retire. If you choose to retire under the 50/10 plan, your benefit at retirement is the higher of:

- an amount determined as though you are age 55 (but using your actual service credit and average final compensation), reduced by six-tenths percent for each month you are younger than age 55; or
- the actuarially calculated present value of the contributions and interest in your account, paid out in monthly payments over your lifetime.

Your benefits administrator can help you determine the amount of reduction to your benefit if you take early retirement.

### How to Calculate Your Reduced Early Retirement Benefit Under 50/10

The formula for calculating service retirement benefits is 1.7 percent of average final compensation (AFC), multiplied by number of years of creditable service, then multiplied by the early retirement reduction factor (see p.60), then multiplied by the appropriate 50/10 factor (See the 50/10 early retirement reduction factors in the Appendix, p. 61)

**Example:** The example below shows the benefit calculation for a member with an average final compensation (AFC) of \$31,000 and a total of 18 years of service credit. Use the space at the right to calculate your own benefit. The member is age 52 years and seven months (date of birth is not on the first day of the month).

	<b>Example</b>	<b>Insert Your Numbers</b>
1. Add your 36 consecutive months of highest salary.	\$30,000 \$31,000 <u>\$32,000</u> \$93,000	1. _____ _____ _____ _____
2. Divide by three to get your Average Final Compensation (AFC).	\$93,000 ÷ 3 = \$31,000	2. _____
3. Multiply the result of Step 2 by .017.	\$31,000 x .017 = \$527.00	3. _____
4. Multiply the result of Step 3 by total years of service.	\$527.00 x 18 = \$9,486.00	4. _____
5. Divide the result of Step 4 by 12.	\$9,486.00 ÷ 12 = \$790.50	5. _____
6. Multiply the result of Step 5 by ERF of .464* (see Appendix p. 60).	\$790.50 x .464 = \$366.79	6. _____
7. Multiply the result of Step 6 by 50/10 factor of .826.	\$366.79 x .826 = \$302.97	7. _____

(See Appendix, p. 61) to get your monthly basic benefit amount.

\* The ERF .464 is used when the member's age is less than 55 and service is less than 20 years. If service is over 20 years, use the ERF for service.

The Internal Revenue Code Section 401(a)(17) specifies that creditable compensation may not exceed the compensation limit for the plan year in which the compensation was earned. If your membership date was before April 9, 1996 and your creditable compensation is \$325,000 per year or more, see your benefits administrator for help in calculating your benefit estimate. If your membership date is on or after April 9, 1996 and your creditable compensation is \$220,000 per year or more, see your benefits administrator for help in calculating your benefit estimate.

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## Benefit Payout Choices Available To You When You Retire

You have several choices for how your retirement benefit payment is paid to you. You may choose the Basic Benefit or a survivor option that continues the benefit after your death to the person you designate to receive it. This person is called your contingent annuitant.

**Be careful when choosing a retirement payout method. In most cases you may not change your retirement payout method after the date of your retirement.**



### Basic Benefit

The Basic Benefit (the calculations shown in the preceding examples on pages 13-15) is the amount you receive based on your average final compensation, your years of service and your age at retirement. It is a lifetime benefit and will continue until your death. If you die before the amount credited to your member account has been paid to you, the remaining funds are paid in a lump sum to your designated beneficiary. If you select the Basic Benefit, you cannot change this option after your effective date of retirement.

### Survivor Option

You may choose to receive a benefit amount lower than the Basic Benefit during your lifetime in order to provide a benefit to a person you select (called your contingent annuitant) at your death. Your contingent annuitant may be your spouse or any other individual. Internal Revenue Service (IRS) regulations, however, limit the percentage of your benefit payable to a contingent annuitant who is not your spouse.

You may choose any whole percentage of your monthly benefit to be paid to your contingent annuitant after your death, from 10 percent to 100 percent. During your lifetime, your monthly benefit is reduced from the basic benefit depending on the percentage you chose for your survivor benefit, on your age, and on the age of your contingent annuitant at the time of your retirement. When you die, your contingent annuitant receives a monthly amount that is a percentage of the benefit you were receiving at the time of your death. This benefit continues to your contingent annuitant for life.

If the age difference between you and your non-spouse contingent annuitant is 11 years or more, your contingent annuitant is not eligible for a 100% survivor option, but is eligible for a lesser percentage as a survivor benefit. The greater the age difference between you and your non-spouse contingent annuitant, the lesser the amount of the benefit he or she can receive. See the chart in the Appendix on page 65.

## How to Calculate a Survivor Option

The following examples show how to calculate a survivor option. If you choose a 100% survivor option, multiply the Basic Benefit directly by the factor from the 100% Survivor Option table in the Appendix on pages 62 and 63. If you wish to leave less than the 100% Survivor Option to your survivor, then you must calculate a new factor, based on the percentage of your benefit that you want to leave to your contingent annuitant.

**Example:** This example shows the calculation of a 100% Survivor Option for a member who is age 60 with 30 years of service and an AFC of \$31,000. The survivor is age 58.

	<b>Example</b>	<b>Insert Your Numbers</b>
1. Add your 36 consecutive months of highest salary.	\$30,000 \$31,000 <u>\$32,000</u> \$93,000	1. _____ _____ _____ _____
2. Divide by three to get your Average Final Compensation (AFC).	$\$93,000 \div 3 = \$31,000$	2. _____
3. Multiply the result of Step 2 by .017.	$\$31,000 \times .017 = \$527.00$	3. _____
4. Multiply the result of Step 3 by total years of service.	$\$527.00 \times 30 = \$15,810.00$	4. _____
5. Divide the result of Step 4 by 12 to get your monthly basic benefit amount.	$\$15,810.00 \div 12 = \$1,317.50$	5. _____
6. Multiply the result of Step 5 by the Survivor Option Factor of .791 to get your monthly benefit amount.	$\$1,317.50 \times .791 = \$1,042.14$	6. _____
7. Multiply the result of Step 6 by 1.00 (the percentage of survivor option chosen) to get the amount your survivor would receive after your death.	\$1,042.14	7. _____

The Internal Revenue Code Section 401(a)(17) specifies that creditable compensation may not exceed the compensation limit for the plan year in which the compensation was earned. If your membership date was before April 9, 1996 and your creditable compensation is \$325,000 per year or more, see your benefits administrator for help in calculating your benefit estimate. If your membership date is on or after April 9, 1996 and your creditable compensation is \$220,000 per year or more, see your benefits administrator for help in calculating your benefit estimate.

**Example:** This example shows the calculation of the survivor benefit for the same member who wants to leave 30% of his monthly benefit to his survivor. Since less than 100% of the member's benefit will be continued to the survivor, the Survivor Option Factor is calculated, using the following formula:

$$\frac{100\% \text{ Survivor Option Factor}}{100\% \text{ Survivor Option Factor} \times (1 - \% \text{ to survivor}) + \% \text{ to survivor}}$$

	<b>Example</b>	<b>Insert Your Numbers</b>
1. Enter the monthly basic benefit amount from Step 5 of the example above.	\$1,317.50	1. _____
2. Enter the 100% Survivor Option Factor from the example above.	.791	2. _____
3. Subtract the percentage of the benefit to be left to the survivor (.30) from 1.00.	$1.00 - .30 = .70$	3. _____
4. Multiply the Survivor Option Factor in Step 2 by the result of Step 3.	$.791 \times .70 = .554$	4. _____
5. Add .30 to the result of Step 4.	$.554 + .30 = .854$	5. _____
6. Divide the Survivor Option factor in Step 2 by the result of Step 4 to get the new reduction factor.	$0.791 \div .854 = .926$	6. _____
7. Multiply the basic benefit amount in Step 1 by the result of Step 6 to get your monthly benefit amount.	$\$1,317.50 \times .926 = \$1,220.01$	7. _____
8. Multiply the result of Step 7 by .30 (the percentage of survivor option chosen) to get the amount your survivor would receive after your death.	$\$1,220.01 \times .30 = \$366.00$	8. _____

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## Advance Pension Option

The Advance Pension Option allows you to temporarily increase your VRS retirement benefit from the time you retire to an age you select (at least age 62, but no later than your unreduced retirement age under the Social Security Act).

First, your Basic Benefit is calculated based on the average of your 36 consecutive months of highest salary, your age, and years of service. Then, VRS adds a percentage of your estimated Social Security benefit amount to the Basic Benefit and pays you the increased amount until you reach the age you choose to have your increased VRS benefit to permanently reduce. The intent of the Advance Pension Option is to provide a level income throughout your retirement, when coordinated with your Social Security benefit.

You must provide VRS with an estimate from the Social Security Administration (SSA) of the benefit for which you will be eligible at the age you choose the temporary increase under VRS to end. The estimate from your Social Security office should be less than 12 months old, assume no future earnings after you leave your VRS-covered position, and be based on your Social Security Earnings Record.

When the increase stops, your VRS benefit is the increased benefit amount less the full Social Security amount shown on the estimate you provided to VRS at your retirement.

Cost-of-living increases are based on the Basic Benefit you would have received had you not selected the Advance Pension Option.

This option does not provide a survivor benefit, nor may you choose a partial lump-sum option payment.

If you are retiring under the 50/10 early retirement provision, you are not eligible to elect this option.

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## How to Calculate Your Advance Pension Option Benefit

You must first calculate the Basic Benefit to determine the Advance Pension Option calculation.

**Example:** The example below shows the benefit calculation for a member who is retiring at age 52 years and four months. The member's basic benefit is calculated to be \$2,869.10 and the member receives an estimate from Social Security of \$1,200.00 per month at age 65. The member has elected a reduction age of 65.

### Benefit Before Age 65

1. Multiply the Social Security benefit estimate at age 65 by 0.2901.  
(Called the Advance Pension Option Factor, this factor is determined actuarially and depends on your age at retirement and the age you choose for the VRS benefit to reduce. See the Advance Pension Option Factor chart in the Appendix, p.66-71)

### Example

$\$1,200 \times 0.2901 = \$348.12$   
(Amount to be added to the VRS Basic Benefit.)

### Insert Your Numbers

1. \_\_\_\_\_

2. Add the amount in Step 1 to your Basic Benefit amount.

$\$2,869.10 + \$348.12 = \$3,217.22$   
(Temporarily increased VRS benefit)

2. \_\_\_\_\_

### Benefit After Age 65

3. Subtract the full Social Security amount from the temporarily increased benefit amount to get the amount of the VRS benefit at the reduction age.

$\$3,217.22 - \$1,200 = \$2,017.22$   
(Reduced VRS benefit amount)

3. \_\_\_\_\_

If you choose the increase to end at age 64, the estimate from Social Security must show your expected Social Security benefit at age 64, assuming no earnings after retirement.

You can get an estimate by calling your local Social Security office for an appointment. For VRS to process your retirement application, you must provide an estimate of your benefits that is less than 12 months old. If you choose to retire under the Advance Pension Option, processing of your service retirement cannot begin until you provide this estimate.



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## Partial Lump-Sum Option Payment

If you choose the Basic Benefit or Survivor Option and work beyond the time you become eligible for an unreduced benefit, you may be eligible for a partial lump-sum option payment (PLOP).

This option allows you to receive a lump-sum payment of up to three times your annual benefit amount at the time you retire if you work past the date you become eligible for unreduced retirement. The amount of the lump-sum payment depends on the number of years you work beyond your eligibility for an unreduced retirement benefit.

Working one year beyond the date you are eligible for an unreduced retirement benefit qualifies you for a lump-sum payment equal to one year of your basic annual retirement benefit. Working two years beyond your eligibility for an unreduced benefit qualifies you for a lump-sum payment equal to one or two years of your basic annual retirement benefit. Working three years beyond your eligibility for an unreduced retirement benefit qualifies you for a lump-sum payment equal to one, two or three years of your basic benefit.

The partial lump-sum payment is subject to tax withholding (20 percent federal and 4 percent state) at the time you receive it. If part of the lump-sum amount consists of member contributions on which you have already paid taxes, that portion is not subject to tax withholding. If you are younger than 55, you must also pay a 10 percent tax penalty on the amount of the lump-sum payout for early distribution from a pension plan. You may defer paying taxes (and possibly eliminate the 10 percent tax penalty) on your lump-sum payment by rolling the taxable amount into an Individual Retirement Account (IRA) or another qualified plan.

If you are eligible, you may also roll some or all of the lump-sum payment into your Virginia Cash Match Plan. The Plan can accept both the pre-tax and after-tax portions of the payment.

If you choose to receive the lump-sum payment, your monthly retirement benefit will be reduced on an actuarially equivalent basis to reflect the payment of the distribution.

To be eligible for the distribution, you must have worked for at least one full year after qualifying for an unreduced retirement benefit. The maximum lump-sum payment is equal to three years of your annual benefit.

You can purchase service credit to meet the 30-year service requirement for unreduced retirement. You cannot use purchased service credit to meet the 12-, 24- or 36-month requirement to qualify for the partial lump-sum option payment.

## How to Calculate Your Partial Lump-Sum Option Payments

**Example:** A member age 63 years and 6 months with 33 years of service wants to determine partial lump-sum option payments for 12, 24, or 36 months.

	<b>Example</b>	<b>Insert Your Numbers</b>
1. Add your 36 consecutive months of highest salary.	\$54,000 \$55,000 <u>\$56,000</u> \$165,000	1. _____ _____ _____ _____
2. Divide by three to get your average final compensation (AFC).	$\$165,000 \div 3 = \$55,000$	2. _____
3. Multiply the result of Step 2 by .017.	$\$55,000 \times .017 = \$935.00$	3. _____
4. Multiply the result of Step 3 by your total years of service.	$\$935.00 \times 33 = \$30,855$	4. _____
5. Divide the result of Step 4 by 12 to get the amount of your monthly benefit.	$\$30,855 \div 12 = \$2,571.25$	5. _____
6. Multiply the amount in Step 5 by the number of months you choose for the lump-sum distribution (12-, 24-, or 36 months).  This is the amount of your lump-sum benefit at retirement.	$\$2,571.25 \times 12 = \$30,855$ $\$2,571.25 \times 24 = \$61,710$ $\$2,571.25 \times 36 = \$92,565$	6. _____
7. Find your age (year and month) on the Factor table (See Appendix, p. 72). Multiply by the monthly basic benefit calculated in Step 5. This is the present value of your benefit.	$\$2,571.25 \times 147.5020 = \$379,264.52$	7. _____
8. Subtract the amounts calculated in Step 6 from the amount calculated in Step 7. These are the new present values of the monthly benefit.	$\$379,264.52 - \$30,855 = \$348,409.52$ $\$379,264.52 - \$61,710 = \$317,554.52$ $\$379,264.52 - \$92,565 = \$286,699.52$	8. _____
9. Divide the amount in Step 8 by the Factor used in Step 7. The result is the reduced monthly benefit you will receive if you choose a lump-sum payment for 12, 24, or 36 months.	$\$348,409.52 \div 147.5020 = \$2,362.07$ $\$317,554.52 \div 147.5020 = \$2,152.88$ $\$286,699.52 \div 147.5020 = \$1,943.70$	9. _____

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## Changing Options

Be careful in your selection of retirement options. In most cases, you may not change your retirement option after your date of retirement. There are some exceptions if you select a survivor option. It may be possible to name a new contingent annuitant or to revert to the Basic Benefit if:

- Your contingent annuitant (person you designate to receive a portion of your benefit when you die) dies,
- Your contingent annuitant is your spouse and you divorce with fewer than 20 years of marriage\*,
- You divorce after 20 years or more and your former spouse either dies, remarries or consents\*, or
- You supply VRS with written consent from your contingent annuitant relinquishing claim to a benefit, along with satisfactory evidence of his or her good health.

\* If there is an Approved Domestic Relations Order (ADRO) on file with VRS, VRS must pay benefits as directed by the ADRO.

## Applying for Service Retirement

If you are thinking about retirement, remember that it's important to apply for your retirement benefits three to four months before the date you want to retire. It takes time for VRS to process your Application for Service Retirement (VRS-5) and to set up your account for direct deposit. Your application must be received by VRS at least 90 days, but not more than six months before your effective date of retirement.

Retirement dates are always the first of the month. If you quit work and retire at a later date, your application for retirement may be backdated up to 90 days from the date VRS receives it. Benefits are paid on the first of the month for the previous month.

When you apply for retirement, read the directions on the application carefully, fill out each section completely and provide all the signatures, notarizations and additional documentation required. Incorrect information or an incomplete form will delay processing of your retirement application.

Your retirement application must include:

- The Application for Service Retirement (VRS-5);
- An Authorization for Direct Deposit of Monthly Benefit (VRS-57), with a voided check attached;
- A Request For Income Tax Withholding (VRS-15) and
- A legible copy of your birth certificate.

In addition, you may be required to submit other documents. They include:

- A legible copy of your contingent annuitant's birth certificate, if you are choosing a survivor option for your retirement benefit;
- A Department of Human Resources Management State Health Benefits Program Enrollment/Waiver Form for Retirees, Survivors and VSDP/LTD Participants, if you are a state employee eligible for the state health insurance program;

- 
- A Request for Health Insurance Credit (VRS-45) if you are eligible for the health insurance credit and
  - A Social Security estimate as previously described, if you are choosing the advance pension option.

Processing of your retirement application will be delayed if it does not include a spousal acknowledgment, the proper birth certificates and the direct deposit form.



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## Disability Retirement

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You may apply for disability retirement if you become unable to perform your job because of a physical or mental disability and the disability is likely to be permanent.

### Eligibility

You are eligible to apply for disability retirement from the first day of your employment, provided the disability did not exist at the time you were employed (unless medical evidence supports that the condition worsened substantially since your employment). **Your application must be received at VRS while you are still employed in a VRS-covered position or within 90 days after your employment ends.**

If you have been on leave of absence without pay for more than 24 months, you are not eligible to apply for disability retirement. It is your responsibility to know when your leave of absence without pay begins and ends.

State employees enrolled in the Virginia Sickness and Disability Program (VSDP) are not eligible for disability retirement. (See page 29 for VSDP requirements.)

### Calculating Disability Retirement Benefits – Non-Work Related Disability

If you are vested (have five or more years of service credit), the amount of your benefit is the **higher** of the VRS formula amount, or the minimum guarantee benefit. You are eligible for only the minimum guarantee benefit if you have fewer than five years of service credit.

The VRS formula is 1.7 percent of your average final compensation multiplied by your years of service credit. If you retire before age 60, use the smaller of twice your actual period of service credit or your actual service credit plus the number of years remaining between your age at retirement and age 60 to determine your service credit.

The minimum guarantee benefit is equal to  $33 \frac{1}{3}$  percent of your Average Final Compensation (AFC) if you qualify for full Social Security benefits or 50 percent of your AFC if you do not qualify for full Social Security benefits. A full Social Security benefit is the amount you would receive from the Social Security Administration if you retired at normal retirement age as defined by the Social Security Administration. If you are at normal retirement age or older, you do not qualify for Social Security disability benefits.

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You must apply for Social Security disability benefits if you are not eligible for full Social Security retirement benefits when applying for disability retirement. If you are eligible for full Social Security benefits (you are age 65 or later depending on year of birth), you are paid the minimum guarantee benefit if higher than the VRS formula amount.

You must submit evidence of applying for Social Security disability benefits to VRS when you apply for VRS disability retirement. If VRS is not provided with evidence that you have applied for Social Security disability benefits, VRS will pay the lesser of  $33\frac{1}{3}$  percent of AFC or the VRS formula amount, until such evidence is received. If Social Security disability benefits are approved for a future date, VRS will pay 50 percent of the AFC or the formula amount, whichever is higher from the retirement date until the effective date of Social Security benefits. The higher of the formula amount or  $33\frac{1}{3}$  percent of the AFC is paid from the start of the Social Security benefits. If Social Security disability benefits are denied, VRS will pay the higher of the formula amount or 50 percent of your AFC upon receipt of a reimbursement agreement and an appeal statement.



### Calculating Disability Retirement Benefits – Work-Related Disability

A work-related disability is a disability for which you have received a Workers' Compensation award and the compensable condition is determined to be the primary cause of your disability.

If you qualify for a work-related disability benefit from VRS and you are vested, you receive the higher of either the VRS formula amount or the guarantee benefit. You are eligible only for the guarantee benefit if you have fewer than five years of service. The guarantee benefit is 50 percent of your AFC if you qualify for primary Social Security benefits, or  $66\frac{2}{3}$  percent of AFC if you do not qualify for primary Social Security benefits.

If you are eligible for a Workers' Compensation benefit that is equal to or greater than the VRS benefit for work-related disability, you are not eligible to receive benefits from VRS while receiving the Workers' Compensation benefit. If your Workers' Compensation benefit is less than the VRS benefit, VRS will pay the difference between the benefits.

If you are injured on the job, are receiving Workers' Compensation benefits and are approved for work-related disability retirement, your VRS benefit is reduced by the Workers' Compensation you receive. In most cases, VRS does not start disability payments until Workers' Compensation payments have ceased.

Disability retirement benefits that are paid both for work-related disabilities and based on the guarantee benefit will not be subject to federal income tax or to Virginia income tax if you are a resident of Virginia at the time they are paid.

In addition to your monthly disability benefit, VRS also refunds the contributions and interest in your member account.

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## Benefit Payout Options

VRS offers two retirement payout options under both regular and work-related disability retirement. The two options are:

### Basic Benefit

If you have five or more years of service credit, you receive the higher of either the VRS formula amount or the minimum guaranteed benefit amount. If you have fewer than five years of service credit, you receive the minimum guaranteed benefit amount. This amount is your Basic Benefit. If you retire under regular disability and die before you receive benefits equal to the amount of your contributions plus interest, the monthly benefit ceases and the amount that remains in your member account is paid in a lump sum to your designated beneficiary. If you retire under work-related disability, you receive a refund of contributions and interest at retirement. No further benefits are payable at death under this option. If you select the Basic Benefit you cannot change this option after your effective date of retirement.

### Survivor Option

You may choose to receive a benefit amount lower than the Basic Benefit during your lifetime in order to provide a benefit to another person (called your contingent annuitant) at your death. You may choose any whole percentage of your monthly benefit to be paid to your contingent annuitant after your death, from 10 percent to 100 percent. During your lifetime, your monthly benefit is reduced from the Basic Benefit depending on the percentage you've chosen for your survivor benefit, your age, and the age of your contingent annuitant at the time of your retirement. Your contingent annuitant, however, cannot receive more than 100 percent or less than 10 percent of the monthly benefit you received.

When you die, your contingent annuitant receives a monthly amount that is a percentage of the benefit you were receiving at the time of your death. This benefit continues to your contingent annuitant for life. For more information on the Survivor Option, see page 16.

## Applying for Disability Retirement

All application forms and documents must include your name and Social Security number.

You must submit all information requested for your application to be processed. VRS will not consider incomplete applications.

The following forms make up the disability application:

- **Application for Disability Retirement (VRS-6)** – You must answer every question on this form and have your signature notarized or otherwise acknowledged. Give the form to your employer to complete the certification section.
- **Explanation of Disability (VRS-6A)** – Answer every question on this form and have your signature notarized or otherwise acknowledged. Use extra sheets if necessary. If you willfully falsify any of your answers, your disability application will be denied.

- **Physician's Report (VRS-6B)** – It is your responsibility to see that your physician provide complete, factual, objective medical evidence about your claim for disability. An opinion or diagnosis does not satisfy this requirement. If you do not submit complete medical information, your claim could be delayed. The report must be made within six weeks of when your physician conducted an examination. You are responsible for any fee charged by your physician for completing this form.
- **Request for Estimate of Disability Retirement Benefits (VRS-6C)** – Complete this form only if you want to receive an estimate of your retirement benefit.
- **Employer Information for Disability Application (VRS-6D)** – If you are working at the time you apply for disability retirement, your employer must complete this form and send it to VRS along with the Application for Disability Retirement (VRS-6).
- **Authorization for Direct Deposit of Monthly Benefit (VRS-57)**
- **Request For Income Tax Withholding (VRS-15)**

In addition to the forms in the disability application (VRS-6, 6A, 6B, 6D, VRS-57, VRS-15), you must send the following to VRS:

- A birth certificate or other proof of age for you and your contingent annuitant, if applicable. If the birth certificate does not include the full given name and birth date, or if there is a discrepancy, other legal documentation will be required.
- A formal job description from your personnel department.
- A Social Security disability award or denial, or a receipt of application for disability Social Security.
- Your Workers' Compensation award and accident report if you are applying for work-related disability.

### Disability Re-examination

If you retire on disability, VRS can require you to provide updated medical information or to have a follow-up examination once a year until you reach normal retirement age. VRS pays the expense of any follow-up examinations. If you refuse the follow-up examination, your benefits stop until you have the examination. If your refusal continues for six months, your rights to any further disability benefits stop. If VRS determines that you are no longer disabled, your benefits cease.

### Administrative Appeals Process

The VRS Medical Review Board, composed of Commonwealth of Virginia board certified physicians, reviews your medical information and makes its recommendation to the VRS Board of Trustees either to approve or deny benefits. If VRS denies your disability application, you are notified of the appeal process.



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## Employer-Sponsored Tax-Deferred Retirement Savings Plans

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In addition to the defined benefit plan, VRS administers the Commonwealth's 457 Deferred Compensation Plan (DCP) that allows state employees and members of participating political subdivisions to defer paying taxes on a portion of their compensation while saving for retirement. The deferred amount of the compensation and any earnings that may result are not taxed until withdrawn. Distributions are taxed as ordinary income in the calendar year they are withdrawn. There are no early withdrawal penalties on distribution from the DCP.

### Eligibility

You may participate in the DCP if you are a state employee or a member of a participating political subdivision. You are eligible to participate from your first day of employment.

If you are employed by a school division, college or university, you have a similar opportunity to save on a tax-deferred basis through your employer's 403(b) tax-deferred annuity account. Some political subdivisions offer their own tax-deferred savings plans.

If you are eligible for both a 403(b) account and the 457 Plan, you may contribute the maximum amount to each for which you are eligible.

### Contributions

Under the DCP, you choose how much you want to contribute to the plan each pay period. The minimum contribution amount is \$10 a pay period. The maximum amount you can contribute is up to 100 percent of includible compensation or the maximum listed in the table below, whichever is less.

<b>Year</b>	<b>Annual Maximum</b>	<b>Age 50+ Catch-Up</b>	<b>Standard Catch-Up</b>
2004	\$13,000	\$3,000	\$26,000
2005	\$14,000	\$4,000	\$28,000
2006	\$15,000	\$5,000	\$30,000
2007-2010	Indexed to inflation in \$500 increments		

When you are close to retirement, you can contribute an additional amount, called the Catch-Up amount during each of the three consecutive calendar years before you reach normal retirement age. The maximum Catch-Up limits are: \$26,000 in 2004; \$28,000 in 2005; \$30,000 in 2006.

If you are age 50 or over during the calendar year, you may contribute an additional amount, called the Age 50+ Catch-Up Provision, into the DCP for all plan years except during the year you are using the Standard Catch-Up Provision.

The Age 50+ Catch-Up Provision and the Standard Catch-Up Provision cannot be used in the same calendar year.

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The Standard Catch-Up is available only in the last three years before your normal retirement age and then only up to the amount of the limits in prior years that were underutilized. A Maximum Contribution Amount Worksheet is available on the Plan's Web site at: [www.vadcp.com](http://www.vadcp.com) to calculate how much you may contribute and when you can begin the Standard Catch-Up.

The amount you designate is automatically deducted from your salary each pay period.

For more information on the DCP, the investment options and distribution provisions, see the plan website: [www.vadcp.com](http://www.vadcp.com)

### Virginia Cash Match Plan

VRS also administers the Virginia Cash Match Plan, which provides an incentive for employees to participate in the DCP.

If you are a salaried state employee participating in the DCP, you are eligible for a cash match from your employer. Under the Cash Match Plan, the state matches a percentage of your contributions to the DCP. The amount of the cash match for salaried state employees is currently 50 percent of deferred compensation plan contributions or \$20 a pay period, whichever is less (based on a semi-monthly pay period). If you are employed by a college or university you may qualify for the cash match by contributing to a 403(b) account. You may receive only one cash match, however.

Political subdivisions that participate in the Commonwealth's DCP may elect to participate in the cash-match plan based on the statutory provisions and local funds available. Participating subdivisions can set their own cash match percentages. Some political subdivisions participating in the Commonwealth's DCP also provide a cash match.

For information on the Cash Match Plan the investment options, and distribution provisions, see the plan Web site.



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## Virginia Sickness and Disability Program for State Employees

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The Virginia Sickness and Disability Program (VSDP) provides eligible employees with income protection during periods of partial or total disability, whether work-related or non-work-related.

### Eligibility

Eligible employees include: full-time state employees who are active members of the Virginia Retirement System; state police officers who are active members of the State Police Officers' Retirement System (SPORS), state employees who are active members of the Virginia Law Officers' Retirement System (VaLORS) and full-time teaching, research or administrative faculty of state institutions of higher education who participate in VRS.

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## Coverage

VSDP provides sick leave, family and personal leave, and short-term and long-term disability benefits. It provides up to 10 days of sick leave annually; up to five days of family or personal leave a year (all with no carry-over from year to year); and up to 125 work days of short-term disability coverage. Income replacement levels during short-term disability periods begin at 100 percent, reduce to 80 percent, then 60 percent of salary. The number of days available at each income replacement level depends on your total months of full-time and/or part-time salaried state service at the time of the disability.

## Sick Leave

On January 10 of each year, VSDP participants are credited with 32 to 80 hours of sick leave, based on total months of full-time or part-time state employment (including periods of leave for service in the military, or as the result of a layoff, temporary workforce reduction or periods of short-term and long-term disability during which you were working with reduced hours or with job restrictions). Months of employment also include periods of short-term disability.

Current Full-time	
Months of State Service	Sick Leave Hours
Fewer than 60	64
60 to 119	72
120 or more	80

Current Part-time	
Months of State Service	Sick Leave Hours
Fewer than 120	32
120 or more	40

You may use your sick leave throughout the calendar year for personal illness, injury or pregnancy and for doctor visits when disability benefits are not payable. You may not use sick leave during periods when you are receiving short-term or long-term disability benefits.

You may use up to 33 percent of your sick leave for an illness of an immediate family member. Immediate family members include your spouse; natural or adoptive parents and biological, adopted, foster or stepchildren or legal wards provided they are under 18 years of age, or, if over 18, incapable of self-care.

## Family and Personal Leave

In addition to sick leave, you are credited with up to five days of family and personal leave on January 10 of each calendar year. The amount of your leave is based on your total months of full-time or eligible part-time salaried state employment.

You may use family and personal leave for personal and family reasons, and for personal illnesses or injuries, with the approval of your supervisor.

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## Short-Term Disability

Short-term disability benefits provide you with income protection for up to 125 workdays if you become ill or are injured and cannot work. The 125 workday period is based on a Monday through Friday work week and includes holidays.

Benefits cover absences due to most medical conditions, including work-related and non-work related illnesses and injuries, as well as complications resulting from pregnancy.

Your short-term disability benefits begin after a seven-calendar day waiting period. If you work for 20 hours or less during the waiting period, you will be considered to have fulfilled the seven-calendar day waiting period.

Short-term disability payments continue for up to 125 workdays, beginning at 100 percent income replacement and reducing to 80 percent and 60 percent of pre-disability income. If your disability is work related, the period of income replacement at 100 percent, 80 percent and 60 percent levels are longer and the income is generally not taxable.

Days of Income Replacement			
Months of State Service	Workdays of Income Replacement at 100%	Workdays of Income Replacement at 80%	Workdays of Income Replacement at 60%
Fewer than 60	5	20	100
60-119	25	25	75
120-179	25	50	50
180 or more	25	75	25

Days of Income Replacement – Work-Related Disabilities			
Workdays of Months of State Service	Workdays of Income Replacement at 100%	Workdays of Income Replacement at 80%	Workdays of Income Replacement at 60%
Fewer than 60	65	25	35
60-119	85	25	15
120-179	85	40	0
180 or more	85	40	0

## Long-Term Disability

Long-term disability benefits provide you with income replacement if you become disabled and are unable to work for an extended period of time. Long-term disability benefits begin at the expiration of the maximum period of short-term disability.

While you are on long-term disability, you accrue service as a VRS-covered member. However, you are not considered an employee of the Commonwealth of Virginia while you are on long-term disability and your agency is allowed to fill your position. Because of the length of long-term disability, you are not guaranteed the same job you had before your long-term disability.

Long-term disability provides you with an income replacement of 60 percent of your pre-disability income, or 80 percent for a catastrophic condition, including any salary increases you may have received while on short-term disability.



Both the short-term and long-term disability benefits supplement Workers' Compensation, which is the primary benefit, when applicable. Both Social Security disability and income from outside employment, are offsets to the VSDP benefit.

If the disability is work-related the VSDP benefit is generally not taxable.

### Long-Term Care

As a VSDP participant, you are eligible for a \$75 basic daily benefit with a two-year lifetime maximum should you require assistance for an extended period of time. Long-term care includes: nursing or hospice facility care; assisted living facility care; home health care services; alternate care; transitional care; informal caregiver training; and respite care.

When you qualify for benefits, the employer-paid plan available to VSDP participants reimburses you for your expenses, up to \$75 a day for licensed nursing care, hospice care facility or an assisted living facility, up to a two-year lifetime maximum benefit of \$54,750. If you are cared for at home, the plan pays 50 percent of the maximum daily benefit amount, or \$37.50 a day for care by a registered nurse or licensed professional or home health aide, and for physical, occupational, speech or respiratory therapy.

You can learn more about VSDP from the VSDP Member Handbook, which is available from your benefits administrator, or on the VRS Web site: [www.varetire.org](http://www.varetire.org).

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## Life Insurance Benefits

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### Basic Group Life Insurance

If your employer provides VRS Basic Group Life Insurance, coverage is automatic. Your basic group life insurance provides you with two kinds of life insurance during active employment – basic life insurance and accidental death and dismemberment insurance. Your life insurance benefits are

- group life insurance without a medical examination,
- natural death benefits,
- double the natural death benefit for an accidental death,
- dismemberment payments for accidental loss of one or more limbs or the loss of sight in one or both eyes,
- accelerated death benefit for a terminal medical condition,
- a safety belt benefit,
- a repatriation benefit, and
- felonious assault benefits.

The VRS group life insurance provider is Minnesota Life. Questions about your life insurance coverage can be directed to:

Minnesota Life  
P.O. Box 1193,  
Richmond, VA 23218-1193  
Toll free: 1-800-441-2258

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## Eligibility

You are eligible if you are a full-time, permanent, classified state employee; public school teacher, administrator or clerical employee of a school division; a school board support employee; or an employee of a participating political subdivision or authority. Salaried, part-time state employees who work at least 20 hours a week are also eligible.

Temporary or part-time employees are not eligible for life insurance coverage.

If you are not sure about your eligibility for this benefit, contact your benefits administrator.

## Amount of Benefit

For natural death, the amount of basic group life insurance is equal to your annual salary rounded to the next highest thousand, and then doubled. For example, if your annual salary is \$25,200, it is rounded up to the next highest thousand - \$26,000. When doubled, the benefit amount is \$52,000 for natural death. If death is accidental, the amount is doubled again, so in this example, the benefit amount is \$104,000 (\$52,000 natural death benefit and \$52,000 for accidental death).

## Dismemberment Benefit

You receive a payment equal to your salary rounded to the next highest thousand for the accidental loss of one limb or the sight of one eye. You receive a payment equal to your salary rounded to the next highest thousand and doubled, for the loss of two or more limbs, the total loss of eyesight, or the loss of one limb and the sight of one eye.

## Felonious Assault Benefit

The life insurance benefit pays an amount equal to the lesser of \$50,000 or 25 percent of the accidental death or dismemberment benefit amount, if you die or suffer dismemberment because of a felonious assault.

If the assault causes your death, and you have a qualifying child or children, the benefit will provide a Virginia Education Savings Trust account to be used for college tuition and mandatory fees at any accredited college or university in the country that is eligible to participate in federal student financial aid programs. The amount will be approximately equal to the current cost of a pre-paid contract for tuition and mandatory fees for a public four-year institution of higher education in Virginia.

A felonious assault is a physical assault by another person resulting in bodily harm. The assault must take place while you are performing your customary duties at your employer's normal place of business or while you are on work-related travel, and must involve the use of force with intent to cause harm and must be either a felony or a misdemeanor. No benefit is payable if the assault is committed by an immediate family member.

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## Repatriation Benefit

If you die in an accident at least 75 miles from home, this benefit pays an additional accidental death benefit for returning your remains. The amount paid will be either the cost of transportation or \$5,000, whichever is less.

## Safety Belt Benefit

If you die or suffer dismemberment in an accident while driving or riding in a private passenger vehicle, your life insurance benefit will pay an additional amount equal to 10 percent of the accidental death or dismemberment amount. This benefit will be paid provided the private passenger car was equipped with a safety restraint system that was in proper use at the time of the accident, and the driver of the vehicle was a licensed driver and was not intoxicated, impaired, or under the influence of alcohol or drugs. The maximum benefit payable is \$50,000. A safety restraint system means a properly installed seatbelt, lap and shoulder restraint or other restraint system approved by the National Highway Safety Administration. An airbag system is not required.



## Voluntary Irrevocable Assignment

You may make an irrevocable assignment of your ownership rights to the insurance provided by the basic group life insurance benefit by completing a form provided by Minnesota Life. Anyone considering such an assignment should seek the advice of legal counsel.

An irrevocable assignment does not automatically change the beneficiary designation made before the date the assignment is made; however, the new owner may change the beneficiary. Using the life insurance as collateral to secure a loan is prohibited.

## Accelerated Death Benefit

If you are diagnosed with a terminal condition and have fewer than 12 months to live, you can withdraw any amount of your life insurance coverage (up to the total amount of your natural death benefit) for any purpose. Any amount left in the plan is paid to your beneficiary. If you withdraw the entire amount of your life insurance coverage, no payment remains for your beneficiary.

## Taxes

Basic group life insurance is subject to imputed income and FICA taxes. This means that if your coverage exceeds \$50,000, the value of the coverage in excess of \$50,000 is subject to FICA and federal and state income taxes if the premiums are paid by your employer. The value used to determine imputed income is based on a table provided by the Internal Revenue Service, not by VRS or Minnesota Life.

## Cost of Coverage

In many cases the employer pays the premium for members. If not, this premium is deducted automatically from your salary.

## Coverage While On Leave Without Pay

You can continue coverage while on leave without pay for up to a total of 24 months. You must submit your premiums monthly through your employer, unless your employer pays the premiums for you while you are on leave.

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## Waiving Coverage

If you waived coverage for basic group life insurance when your employer began participation in the program, you may apply for coverage by completing a Group Life Insurance Evidence of Insurability (EOI) form, available from Minnesota Life. Minnesota Life will determine if you qualify for insurance. If you are planning to retire, you must be approved for coverage and reported for insurance by your employer for at least one month prior to your effective date of retirement in order to continue coverage.

## Termination of Employment

Your basic group life insurance benefit ends when you leave your VRS-covered employment before you are eligible for retirement.

If you meet the age and service requirements to retire at the time you terminate employment, but defer your retirement, your basic group life insurance remains in effect at no cost. A 25 percent reduction in the amount of your coverage begins on January 1 of the first full calendar year after you terminate employment and continues each January 1 until the amount of your coverage is 25 percent of the value of the natural death coverage at termination of employment.

To be eligible to continue basic group life insurance, you must have had at least five years of service.

## Conversion of Life Insurance Benefits

As noted above, your basic group life insurance benefit ends when you leave VRS-covered employment before you are eligible for retirement. You may convert to an individual whole-life policy at non-group rates, however, by completing a Conversion of Group Life Insurance Enrollment (VRS-35E). The conversion must take place within 31 days of the last day of the month in which you terminate employment. If you die within 31 days of the last day of the month in which you terminate employment, the natural death benefit is payable. Accidental death and dismemberment coverage ends at termination of employment.

The conversion privilege is not available to members retiring on an immediate annuity or to members who meet age and service requirements for retirement, but defer retirement.

## Life Insurance After Retirement

If you were covered under the Basic Group Life Insurance Program while actively employed, you are eligible for basic group life insurance coverage at no cost to you when you retire with an unreduced or reduced benefit.

At retirement, your basic life insurance benefit is equal to your annual compensation at retirement, rounded to the next highest thousand, then doubled. If you have more than 20 years of covered service, your life insurance benefit at retirement is equal to twice your highest annual compensation in your history of VRS-covered employment, even if your highest annual compensation was not your compensation at retirement.

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After retirement, you remain eligible for the death benefit and accelerated benefit. However; the provision that allows for payment of double the death benefit for an accidental death ceases upon retirement. Dismemberment insurance also ceases upon retirement.

Your coverage begins to reduce on the January 1 following one calendar year of retirement. The reduction rate is 25 percent each January 1 until it reaches 25 percent of its value at retirement.

You have life insurance coverage also if you retire because of a disability. If you retire because of disability, your basic group life insurance begins to reduce on January 1 following one calendar year from your 65th birthday. The reduction rate is 25 percent each January 1 until it reaches 25 percent of its value at retirement.



### Beneficiary Designations

VRS pays life insurance benefits according to the order of precedence:

- To the spouse;
- If no surviving spouse, to the children and descendants of deceased children, per stirpes;
- If none of the above, to the parents;
- If none of the above, to the duly appointed executor or administrator of the estate; or
- If no executor is named, to the next of kin under the laws of the state where the member resided at the time of death.

You should complete a Designation of Beneficiary (VRS-2) only if you wish to designate a beneficiary other than in the order of precedence, or if your beneficiary form on file is incorrect.

If a valid designation form is on file with VRS, it will be followed at the time of your death.

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## Optional Group Life Insurance

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The Optional Group Life Insurance Program is a voluntary program that allows you to purchase additional protection for yourself and your family. Minnesota Life, the administrator of the Group Life Insurance Program also administers the Optional Group Life Insurance Program. Minnesota Life can be reached at:

Minnesota Life  
P.O. Box 1193  
Richmond, VA 23218-1193  
Toll free: 1-800-441-2258

### Eligibility

If you have basic group life coverage and the amount of basic group life insurance provided does not totally meet your life insurance needs, you may be eligible to purchase optional group life insurance for natural and accidental death and dismemberment for yourself, your spouse and your dependents.

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## Amount of Insurance

You can purchase the optional group life insurance coverage for one, two, three, or four times your salary, not to exceed \$600,000. You are responsible for paying the premiums through payroll deduction.

If you purchase optional group life insurance within 31 days of becoming covered by the VRS basic group life insurance (this is usually your first day of VRS-covered employment), you may purchase the optional insurance without providing evidence of insurability. If you apply for optional life insurance program after your first 31 days of covered employment, if you request more than \$300,000 of coverage, or if you later request an increase in the amount of coverage, you must provide evidence of insurability.

## Dependent Coverage

If you are an active employee, participating in the Optional Group Life Insurance plan, optional group life insurance is available also to your spouse and dependent children. Your spouse is eligible for up to 50 percent of the maximum amount of your optional group life insurance coverage. You can purchase optional group life coverage for your minor children.

<b>Option</b>	<b>Employee Insurance Amount</b>	<b>Spouse Insurance Amount</b>	<b>*Children 15 Days to Maximum</b>
1	1 x salary	1/2 x salary	\$ 10,000
2	2 x salary	1 x salary	10,000
3	3 x salary	1.5 x salary	20,000
4	4 x salary	2 x salary	30,000

\*Effective July 1, 2004

If both you and your spouse are covered under VRS-sponsored group life insurance, you can both purchase optional life coverage for yourselves, but neither one of you can choose spousal coverage. If you have minor children, you or your spouse, but not both, may elect coverage for your children.

Your spouse's coverage ends when your coverage ends. Your spouse's coverage also ends if there is a final divorce decree between you and your spouse.

Optional life coverage for minor children ends when a child turns age 21, or age 25 if he or she is a full-time student. Optional life coverage also ends when a child marries or becomes self-supporting. If a minor dependent has a physical or mental disability, coverage may continue until three months after he or she is no longer disabled.

Proof of good health is required for all coverage if not elected within 31 days of your first day of coverage under basic group life insurance or qualifying event (e.g., marriage or birth or adoption of a child). Proof of good health is also required for amounts in excess of \$300,000 for you and for more than one-half of your salary for your spouse's coverage.

After you have had insurance coverage for two years from your effective date of coverage, the insurance provider cannot contest your coverage, except in cases of fraud or non-payment of premiums.

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## Optional Life Insurance after Retirement

You may continue a portion of optional life insurance coverage for yourself, your spouse and dependents, into retirement. If you want to continue coverage, you and your dependents must have been covered continuously under optional life insurance during the 60 months immediately preceding retirement. You must elect the coverage within 31 days of terminating employment. Insurance amounts begin to reduce when you reach age 65 and all optional insurance ends when you reach age 80.

For more details on Optional Life Insurance benefits, visit the VRS Web site ([www.varetire.org](http://www.varetire.org)), and select Optional Life Insurance.



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## When You Terminate Employment

You continue your membership in VRS after you terminate employment as long as you do not withdraw the contributions and interest in your account. By leaving the money in the account, you become a member in deferred status and retain your right to a lifetime retirement benefit when you meet eligibility requirements.

You are not considered to have terminated employment if you transfer from a VRS-covered position to a non-covered position. Also if you leave employment and intend to return to work within 30 days for your current employer or for another covered employer, you are not considered to have terminated employment.

### Taking a Refund

If you take a refund of the contributions in your account, you lose membership in VRS and you lose the service credit represented by the amount refunded. You also lose the right to receive a lifetime monthly benefit at retirement. If you purchase this service later (when you are re-employed in a VRS-covered position) your purchase will be based on your new salary, which may be higher.

To withdraw or transfer your member contributions and interest, you must complete a Request for Refund (VRS-3).

If you move to a position eligible to elect an Optional Retirement Plan (ORP) as your retirement plan, you may move your VRS contributions to the ORP. Use the Request for Transfer of Refund to Optional Retirement Plan (VRS-3ORP).

VRS usually processes a refund within 45-60 days after all payroll reports from your employer to VRS are updated or the date VRS receives the completed refund request form, whichever is the later date.

### Taxes on Refunds

If you terminate employment and have the refund of contributions and interest paid directly to you, 20 percent federal and 4 percent state income tax (if you live in Virginia when you take a refund) is withheld from the taxable portion of your refund. The taxable amount reported in your federal adjusted gross income (FAGI) may not be subtracted from FAGI when you calculate your Virginia taxable income amount.

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If you withdraw contributions before you are age 59 1/2, the IRS may impose an additional 10 percent federal tax penalty on the distribution.

It is important that you understand the tax implications of taking a refund. VRS recommends that you read the IRS 402(f) – Special Tax Notice, available from your benefits administrator, and that you consult with a tax advisor before taking a refund.

Although VRS makes every effort to provide you with the best information available on the tax status of your benefits, it is your responsibility to ensure compliance with federal and state tax laws.

### **Rollovers**

A rollover is the transfer of all or part of your contributions and interest to another eligible plan or Individual Retirement Account (IRA) that allows you to continue to postpone taxation of that benefit until it is paid to you. An eligible employer plan is not legally required to accept a rollover. You are responsible for determining if your plan is a qualified retirement plan that can accept a direct rollover.

If a plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If this is the case, and your distribution includes after-tax amounts, you may want to roll your distribution over to a traditional IRA or split your rollover amount between the employer plan in which you will participate and a traditional IRA.

You may roll after-tax contributions to your new employer's qualified retirement plan if the plan provides separate accounting for amounts rolled over, including separate accounts for the after-tax employee contributions and earnings on those contributions. You cannot roll after-tax contributions into a governmental 457 plan.

### **Deferred Compensation and Cash Match Plans**

If you participate in the Commonwealth's 457 Deferred Compensation Plan (DCP) and the Virginia Cash Match Plan, you may select from a number of payout options including rollovers. Federal and state income taxes are due on payments made to you. There is no penalty for early withdrawals from the DCP. You may have an early withdrawal penalty, however, if you take a payout from your Cash Match Plan.

You may also keep your funds in the plans and manage your accounts until you choose to begin a payout. You cannot make additional contributions to the Plans unless you return to work with a participating employer. If you are no longer with a participating employer, you must start receiving a payout from the Plan by April 1 following the year you turn 70 1/2. Contact the Plan services provider at 1-866-226-6682 (option 2) or visit the Plan Web site at [www.vadcp.com](http://www.vadcp.com) to learn more about the payout choices available.

If you participate in another employer-sponsored savings plan, check with your employer to determine your obligations for making payout choices and the time restraints that may apply to you.

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## Deferring Retirement

If you terminate employment after you have five or more years of service and leave your contributions in the retirement system, you retain the service credit you earned while employed. You will be entitled to a monthly benefit at retirement age. You can take early retirement if you meet the age requirements, but your benefit will be lower. You are eligible for full retirement benefits at age 65 with a minimum of five years of service, or at age 50 if you have at 30 years of service.

Your earned service credit is added to future credit if you are later employed in a VRS-covered position.

You receive a statement each year while you maintain contributions in your account. The statement shows the amount of service credit you have and the total contributions and interest in your account. It is important that you keep your mailing address current so that VRS can send you this statement each year.

## Life Insurance Coverage

If you meet the age and service requirements for retirement before you terminate employment, your basic life insurance continues on the same basis as if you had retired. If you do not meet age and service requirements for retirement at the time you leave your VRS-covered position, your life insurance coverage does not resume when you apply for deferred retirement.

As noted above, you may convert your group life insurance to an individual policy when you leave your covered position.



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## Your Benefits After Retirement

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### Retirement Benefits

In most cases, after you retire, you will receive a monthly benefit for life with annual cost-of-living adjustments.

### Direct Deposit

Direct deposit is automatic for all VRS retirees. You must submit an Authorization for Direct Deposit of Monthly Benefit (VRS-57) and a voided check from your bank or financial institution, with your retirement application. VRS makes deposits on the first business day of each month or on the last business day of the preceding month, if the first day of the month falls on a holiday or weekend. Your retirement benefits are payable the first of the month for the previous month.

### Cost-of-Living Increases

You qualify for a cost-of-living increase on July 1 of the second calendar year after your retirement. Increases, if any, are made yearly after that. If you retire on September 1, 2006, for example, you will be eligible for a cost-of-living increase effective July 1, 2008. This increase will be reflected in the payment you receive on August 1, 2008.

The amount of cost-of-living increases is equal to the first 3 percent of the increase in the Consumer Price Index (CPI) plus half of each percentage increase from 3 percent to 7 percent.

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**Example:** If the CPI is 3.57 percent, the cost-of-living increase would be 3 percent +  $(1/2 \times .57) = 3.29$  percent.

## Taxes

VRS makes every effort to provide you with the best information available, but it is your responsibility to ensure compliance with federal and state tax laws.

Your VRS retirement benefit is subject to federal and Virginia state income tax (if you reside in Virginia during your retirement). You can have Virginia state and federal taxes withheld from your retirement check through payroll deduction. If you do not file a Request For Income Tax Withholding (VRS-15), VRS must withhold federal taxes as if you were married with three allowances, and Virginia state taxes as if you had zero allowances.

If you do not want taxes withheld, you should notify VRS (using the VRS-15). If you elect not to have taxes withheld, you may be responsible for paying estimated taxes, and there may be tax penalties if your withholding and estimated tax payments are not sufficient. You should consult a professional tax advisor concerning your VRS benefits, or contact your nearest IRS office to determine your actual federal tax liability. Contact your local Commissioner of the Revenue, Director of Finance, Supervisor of Assessments, or the taxpayers assistance unit of the Virginia Department of Taxation to determine your state tax liability.

If there is money in your VRS member contribution account that you contributed on an after-tax basis, these dollars will not be taxed again when they are paid to you as part of your retirement benefit. If you have these after-tax dollars in your account you will be notified when you retire of the amount of each payment that is excluded from state and federal income taxes.

If, at retirement, the value of your Basic Group Life Insurance is more than \$50,000, the value of the amount over \$50,000 is subject to income and FICA taxes. VRS automatically withholds these taxes and provides you with a W2 form each year showing the taxes withheld.

Each January, VRS will send you an IRS form 1099 to use when filing your income taxes.

## Attachments to Retirement Benefits

If you divorce, your VRS benefit could be regarded as marital property in a property settlement. The *Code of Virginia* authorizes VRS to make direct payment to a former spouse if the court awards the spouse part of the VRS benefit. It's important to remember that the law does not require that the court divide VRS benefits. It simply authorizes VRS to make direct payments if the court divides the benefit. The court – not VRS – makes the decision whether or not to divide your retirement benefits. Your attorney should work with VRS to determine how this can be done.

VRS implements the court decision only if a certified copy of an Approved Domestic Relations Order (ADRO) is received and the order does not require VRS to make a distribution contrary to the Virginia Code provisions regarding payment of benefits or distribution of a member's account.

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The language of the ADRO must conform to the requirements of VRS. Your attorney should provide VRS with a draft of the ADRO before filing it with the court to ensure that the language of the order is acceptable to VRS.

VRS has developed guidelines regarding payments to alternate payees in a divorce. Your attorney can obtain a copy of the guidelines by contacting VRS.

VRS will not release information about your benefit to anyone other than yourself without your written authorization. Information may be secured by a subpoena, however, without your authorization.

If your spouse is covered under your State Retiree Health Benefits Program and you divorce, you must submit an enrollment form to VRS with a copy of the final divorce decree in order to stop coverage for your former spouse. He or she will lose coverage at the end of the month in which the divorce decree is final. He or she may enroll in extended coverage (COBRA) for 36 months, providing an enrollment form is returned to VRS within 60 days of notice of loss of eligibility.

### Health Insurance Benefits

If you are a state employee, you have 31 days from your retirement date to enroll in the State Retiree Health Benefits Program (provided you retire the first of the month following your termination of employment). The Department of Human Resource Management administers the health benefits program, with VRS handling the premium deductions and maintenance of participant coverage changes. VRS deducts the health insurance premiums from your monthly retirement payment. If your benefit is not sufficient to cover the insurance deduction, you are billed directly by your health insurance carrier.

If you are enrolled in the COVA Care program, you are no longer required to select a primary care physician. However, you must seek care from physicians and facilities that are in the Virginia provider network or participate in the Anthem Blue Card PPO network outside the state.

If you are enrolled in Kaiser Permanente, the Health Maintenance Organization (HMO) offered in Northern Virginia, you must select a primary care physician (PCP) to receive the maximum benefit allowance from the plan. If you do not select a PCP, you may receive a lower benefit or no benefit.

You must secure both Hospital Part A and Medical Part B of Medicare and must select a health insurance plan that coordinates with your Medicare benefits, if you are eligible for Medicare. Contact your local Social Security Administration before your retirement to enroll in Medicare. Remember that Hospital Part A and Medical Part B of Medicare are required to ensure that you receive the full benefit payment from your selected plan option.

If you continue to participate in the State Retiree Health Benefits Program and enroll in one of the Medicare Coordinating plans that provides prescription drug coverage, you will be automatically enrolled in Medicare Part D prescription drug coverage. Contact your local Social Security Administration before your retirement to enroll in Medicare.



If you select a survivor option, your spouse and dependents may enroll in the State Retiree Health Benefits Program after your death, providing you were a current plan participant at the time of your death. If you select any other retirement option, your eligible spouse and dependents can continue health coverage after your death if they were covered at the time of your death. In either case they must apply for coverage within 60 days of your death.

You may cancel your coverage at any time after you retire by either completing the “cancel/waive” portion of the Department of Human Resources Management State Health Benefits Program Enrollment/Waiver Form for Retirees, Survivors and VSDP/LTD Participants, or by sending a cancellation request in writing to VRS. Include your name and Social Security number in the written cancellation request. Once you cancel your coverage you will not have another opportunity to enroll in the State Retiree Health Benefits Program unless you return to work in a classified position in a state agency, or are the dependent of an active Commonwealth of Virginia employee and covered under his or her State health benefit plan. You will have 31 days from the loss of your existing eligibility to enroll in the State Retiree Health Benefits program.

Your request to cancel your coverage will also cancel coverage for your covered dependents.

If you terminate employment and defer retirement (do not take an immediate retirement benefit), you are not eligible to enroll in the State Retiree Health Benefits Program when you do retire.

### Health Insurance Benefits – Non-State Retirees

If you retire from a political subdivision or school system and continue to be covered under a health insurance plan sponsored by your employer, you may have your monthly premium deducted from your VRS retirement payment, provided your employer has an agreement with VRS. Contact your benefits administrator for more information.

### Health Insurance Credit

When you retire, you may be eligible for a health insurance credit to assist with the cost of your health insurance premium. To be eligible for the health insurance credit, you must have a minimum of 15 years of VRS creditable service.

The health insurance credit is a dollar amount set by the General Assembly for each year of creditable service at retirement, up to a maximum of 30 years of service. There is no maximum for retirees of state agencies. The credit applies to the retiree portion of the premium only and cannot exceed the amount of your individual health insurance premium. The credit ends upon your death.

If you go on long-term disability through the Virginia Sickness and Disability Program (VSDP) or if you are a state employee who retires on disability, you are eligible for the maximum health insurance credit. The maximum credit is \$120 per month if you have fewer than 30 years of creditable service at the time of long-term disability benefits or disability retirement. If you have more than 30 years of creditable service at the time of long-term disability benefits or disability retirement, you are eligible for a health insurance credit of \$4 per year of creditable service.

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If you are not a state employee and you retire on disability from an employer offering the health insurance credit, you are eligible for the maximum health insurance credit that your employer provides, regardless of your years of service.

The health insurance credit is a non-taxable benefit and is paid as a reimbursement. The credit is added to your monthly retirement benefit payment. If you do not receive a monthly benefit from VRS, your reimbursement will be mailed directly to your home.

Qualifying health plans include:

- Individual health plans.
- Employer-sponsored health plans, including the Commonwealth of Virginia Health Benefits Program.
- Medicare Part B.
- Dental and vision plans.
- Prescription drug plans, including Medicare Part D.

Other types of plans for specific conditions or coverage are not eligible.

You are eligible for the health insurance credit if you retire and have creditable service as a:

- Teacher, administrator or staff member of a school board.
- State employee.
- Political subdivision employee and your employer offered the credit.
- Local officer, general registrar, employee of a general registrar or a local social service employee.

To apply for the health insurance credit, complete and send the Request for Health Insurance Credit (VRS-45) to VRS, when you send in your retirement application. The credit will be added to your monthly retirement benefit. If you do not receive a monthly benefit, you will receive a check from VRS for the reimbursable amount. The VRS-45 form and more information on the health insurance credit can be found in the retiree section of the VRS Web site at [www.varetire.org](http://www.varetire.org).

To determine if you meet the eligibility criteria for the health insurance credit when employed as a local officer, general registrar, employee of a general registrar, or as a local social service employee, complete a Certification of Employment for Health Insurance Credit Eligibility (VRS-76). The employer where you held the qualifying position must certify your eligibility in order for you to receive the health insurance credit.

### **Deferred Compensation Plan and Cash Match Plan**

If you participate in your employer-sponsored tax deferred savings plan and Cash Match Plan, to determine your obligations for making payout choices and the time restraints that may apply to you, see the Plan website at [www.vadcp.com](http://www.vadcp.com) or call 1-866-226-6682.



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## Returning to Work After Retirement

If you retire from VRS and go back to work in a VRS-covered position, your retirement benefits stop and you again become an active member.

When you retire again, your monthly benefit is recalculated to include the additional service as well as average final compensation (AFC) if it is higher than your previous AFC. Your benefit will be based on the benefit payout option you selected the first time you retired.

In most cases, you continue to receive your VRS retirement benefits if you return to a VRS-participating employer in a temporary, hourly or other non-covered position. The Internal Revenue Service requires that you have a *bona fide* break in service, if you return to work in the non-VRS-covered (part time) position with the VRS participating employer from which you retired. This means that you and your employer must not have a predetermined date for your return to non-covered employment. Also, the work you do must not have the same duties or hours that you worked before retirement. VRS policy requires that you be off the payroll for no less than 30 days over a period during which you would otherwise be working before a *bona fide* break in service is considered to have occurred. Without this break in service, VRS will not consider you to have retired and you cannot receive your retirement benefits until the break has occurred.

Because they are considered different employers, you may move from one political subdivision to another, or from a political subdivision to a school division or state agency, without meeting the 30 day-break-in-service requirement

After the break in service, you may return to work in a non-covered (part-time) position with VRS, the Judicial Retirement System (JRS), State Police Officers' Retirement System (SPORS), Virginia Law Officers' Retirement System (VaLORS), or an Optional Retirement Plan (ORP) participating employer without affecting your retirement benefits. If you accept employment in a covered position under VRS, JRS, SPORS, VaLORS or an ORP, your monthly benefit stops and you earn service credit again.

If you return to covered employment, you also resume your group life insurance coverage if your employer participates in the VRS Group Life Insurance program. Your group life insurance coverage will be based on your new salary (even if it is lower) unless your first retirement was on or after July 1, 1999 and you had 20 years or more of service. In this case, your life insurance amount will be based on your highest annual salary during your career.

When you retire again, your benefit is recalculated to include the additional service credit and your average final compensation. This will be the average of the 36 consecutive months of highest creditable compensation over your entire career. You must retire under the same option you chose the first time you retired.

Your disability benefit stops if you take disability retirement and later go to work in a position covered by VRS. The period of disability retirement counts as credited service. If you take a position not covered by VRS, your disability benefit stops if the duties of the position are similar to those you were previously found unable to perform.

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You may take a full-time or part-time job after retirement without affecting your retirement benefits if that job is not covered by VRS or by one of the Optional Retirement Plans (ORPs) for Virginia's public employees.

Retired teachers and other covered employees who become certified to teach will continue to receive their VRS retirement benefits if they teach full time in a critical shortage area. To be eligible, they must:

- Have a one-year break in service, including part-time or full-time teaching, from their previous position.
- Not have retired under an early retirement incentive program.
- Teach in a position deemed critical by the Department of Education, school board or school superintendent.



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## Protection for Your Survivors

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### Death in Service

VRS will pay benefits to your eligible survivors, in addition to any VRS life insurance you may have, if you die while you are employed in a VRS-covered position.

### Non-Work-Related Death

If you die while employed in a covered position, the person you have named as the beneficiary for your member contribution account is eligible to receive a lump-sum payment of your account contributions. If the person named as your primary beneficiary for your member account is your spouse, minor child, or parent, he or she may choose either the lump-sum payment of the member contribution account or a monthly death-in-service benefit. The monthly death-in-service benefit is calculated using the 100 percent survivor option which factors in your age at death, the age of your beneficiary and your years of service, including any service purchased.

You are presumed to be age 55 at your death for calculating the monthly benefit, if you die in service before age 55. The actual age difference between you and your beneficiary is adjusted accordingly. If you die in service after age 55, your actual age is used to calculate the monthly benefit and no adjustments are made.

If you die after submitting your retirement application but before your retirement date, and have named your spouse, minor child or parent as your contingent annuitant on your retirement application, he or she is eligible for either the death-in-service benefit or the survivor option (see page 16), whichever is higher.

If you have named more than one primary beneficiary, the first person named in the order of precedence specified by law is eligible to receive the monthly death-in-service benefit to the exclusion of the other named beneficiaries (if this person is your spouse, minor child or parent). If your beneficiary is your minor child, benefits cease when the child reaches the age of 18 years. This exclusion does not apply if you have more than one minor child as beneficiary. In this case, each child receives an equal share. When one child reaches age 18, that child's share of the benefit is equally redistributed among the remaining minor children. The monthly benefit ends entirely when all children reach age 18.

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A monthly benefit will be paid according to the order of precedence, if you have not named a beneficiary: to your spouse; if no surviving spouse, to your minor children (until each reaches age 18); if none, to your parents. If none of these individuals qualifies for a monthly survivor benefit and if you have not designated a beneficiary for your member contribution account, and if you do not have a living spouse, minor child or parent, VRS will pay the account balance based on the following order of precedence: the duly-appointed executor or administrator of your estate; if none, to your next of kin.

The death-in-service benefit is paid in addition to any VRS life insurance coverage you may have.

### **Work-Related Death**

If your death is work-related, your spouse, minor child or parent receives a monthly benefit, even if another person has been named as your beneficiary for your retirement benefits. The monthly benefit amount depends on whether your spouse, minor child or parent qualifies for Social Security survivor benefits. If your beneficiary does not qualify for Social Security survivor benefits then he or she is guaranteed at least 50 percent of your AFC when offset by Workers' Compensation. If your beneficiary does qualify for death benefits from Social Security, the guaranteed benefit equals 33 1/3 percent of your AFC.

### **Payment to Beneficiaries**

In addition to the monthly benefit payable to your spouse, minor child or parent, a refund of your member contribution account is paid to your beneficiary (or beneficiaries) of your retirement benefits. This may or may not be the same person who receives the monthly benefit.

The monthly benefit paid to your spouse or parent is payable for life. If it is paid to both parents, the benefit is calculated based upon your age and the age of your younger parent at the time of your death.

If one of your parents predeceases the other, his or her share of the benefit reverts to your living parent. If both parents who were receiving a monthly survivor benefit die before all of the funds in your member account have been paid out, the remaining contributions and interest are payable to the estate of the last living parent.

A monthly benefit paid to a minor child ends when the child reaches 18 years of age. If more than one child receives a monthly benefit, the benefit is based upon your age and the age of the youngest child at the time of your death. Each child receives an equal share. When one child reaches age 18, that child's share of the benefit is equally redistributed among the remaining minor children. The monthly benefit ends entirely when all children reach age 18.

A refund of the contributions and interest in your member account will be divided equally among all the children who had been receiving a monthly benefit if contributions and interest remain after all children who were receiving a monthly benefit reach age 18.

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If none of the individuals listed above qualifies for a monthly survivor benefit and if you have not designated a beneficiary for your member contribution account, VRS will pay the account balance based on the following order of precedence: to the duly qualified executor or administrator of your estate; if none, to your next of kin.

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## Social Security

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Public employers in Virginia participate in Social Security. This means that in addition to your VRS benefits, you also qualify for Social Security benefits. Social Security benefits include disability, survivor and retirement benefits. The following chart shows the ages at which you qualify for full Social Security retirement benefits. For additional information, or to request an estimate of your Social Security benefits, contact the Social Security Administration at [www.socialsecurity.gov](http://www.socialsecurity.gov) or 1-800-772-1213.

<b>Social Security Full Retirement Benefits</b>	
<b>Birth Year</b>	<b>Full Retirement Benefits At Age</b>
1937 or earlier	65
1938	65 + 2 months
1939	65 + 4 months
1940	65 + 6 months
1941	65 + 8 months
1942	65 + 10 months
1943 - 54	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960 and later	67

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## Services for Members

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The Virginia Retirement System publishes this handbook, newsletters for active and retired members, brochures, and an annual benefits statement. All publications are available from your benefits administrator and on the VRS Web site. VRS also provides pre-retirement education, individual and group counseling, a customer contact center and an interactive voice response system (IVR).

### VRS Web Site

You can find the answers to many of your questions about VRS benefits and services on the VRS Web site. All official VRS publications and forms are posted to the Web site, as well as general information. Schedules for member and employer training events are also posted to the site.



The VRS Web site features important information about VRS, news, VRS publications and VRS forms. The VRS Web site address is [www.varetire.org](http://www.varetire.org). You can e-mail VRS at [member-info@varetire.org](mailto:member-info@varetire.org)

### Retirement Education

VRS sponsors retirement education seminars, offered through the Virginia Community College System at locations around the state. These half-day seminars include information about financial management, estate planning, long-term financial planning, and the use of benefits, such as deferred compensation, to increase retirement income.

VRS also offers group counseling sessions for members who plan to retire within the next five years. These half-day sessions provide practical advice about purchasing service credit to increase retirement benefits, tips on the retirement application process, and information on retiree health insurance and life insurance after retirement.

Schedules for both these sessions are published in the Member Bulletin and are posted on the VRS Web site at [www.varetire.org](http://www.varetire.org). Members who wish to register for a retirement education seminar or a group counseling session should complete and fax the registration form to the college contact listed on the form.

### Customer Contact Center

The Customer Contact Center answers member, retiree and employers questions and provides counseling over the telephone, through e-mail and in person.

### Members with Disabilities

VRS makes every effort to ensure that its communication with individuals with disabilities is as effective as its communication with others. VRS makes special arrangements such as providing a qualified interpreter or reader, or any other reasonable accommodation to ensure that disabled members receive the full benefit of VRS services and programs.

### Virginia Informational Phone System (VIPS)

VIPS is an interactive voice response system that gives you a quick and easy way to get information about VRS benefits. You can use VIPS seven days a week from 7 a.m. to midnight. You can find out about your retirement account balance, amount of service credit, and hear general information about service retirement, disability retirement and life insurance benefits. In addition, you may check on the status of a submitted refund request or learn the amount of the refund.

You can register for VIPS by calling 1-888-VARETIR (827-3847). During your first call, you provide your Social Security number and date of birth. You then select a four-digit personal identification number (PIN).



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## Communicating With VRS

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### Writing to VRS

Address all correspondence to:

Virginia Retirement System

P.O. Box 2500

Richmond, VA 23218-2500

Fax: 804-786-1541

E-mail: [member-info@varetire.org](mailto:member-info@varetire.org)

When writing to VRS, please include your full name and Social Security number so that VRS can respond to your request quickly. The VRS e-mail is not a secured system. To protect your personal information, please **do not** include your Social Security number when e-mailing VRS.

Questions about Basic Group Life Insurance or Optional Group Life Insurance should be addressed to:

Minnesota Life

P.O. Box 1193

Richmond, VA 23218-1193

Toll free: 1-800-441-2258

### Calling VRS

VRS is open from 8:30 a.m. to 5:00 p.m., Monday through Friday, except during state holidays. VRS' telephone number is:

Toll free: 1-888-VARETIR (827-3847)

VRS receives a high volume of calls at the beginning of each month and at the beginning of each week. If you are making a routine call, you will receive an answer faster if you call at other times. The best times to call are Wednesdays through Fridays during the middle of the month. When calling VRS, please have your Social Security number available so that VRS can respond to your request quickly.

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## What You Need to do When ...

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<b>When</b>	<b>What</b>	<b>How</b>
You are hired.	Understand your benefits; Select optional life insurance; Enroll in tax-deferred savings plan.	Read your Handbook for Members; visit the VRS Web site: <a href="http://www.varetire.org">www.varetire.org</a>
	Purchase any prior service credit you may have.	Go to the VRS Web site for an Application for Purchase of Prior Service Credit (VRS-26).
	Check on retirement education seminars on the VRS Web site.	
You marry.	Change your beneficiary for all benefits and plans in which you participate.	Complete the Designation of Beneficiary (VRS-2) and have it notarized.
	Change your name and/or marital status on VRS records.	Your benefits administrator will assist you in completing the proper forms.
	Add your spouse for coverage under optional life insurance.	Submit a Request for Change Under Optional Group Life Plan.
You divorce.	Change your beneficiary for all benefits and plans in which you participate. Change your name.	Submit a new Designation of Beneficiary (VRS-2).
You have or adopt a child.	Add your child to optional life insurance.	Submit a Request for Change Under Optional Group Life Plan.
You go on leave without pay.	Continue group life insurance coverage.	Ask your benefits administrator about the procedures for advance payment of premiums.
You quit your job before becoming eligible to retire.	Take a refund or leave the money in your account. Make decisions about your DCP account.	If you are vested, ask your benefits administrator for an estimate, comparing your deferred benefit to a refund. If you decide to take a refund, fill out a Request for Refund (VRS-3). If you are leaving contributions in the system, fill out a Name/Address Declaration for Deferred Members (VRS-3A).
	Convert your group life insurance and optional life insurance to an individual policy.	Contact your benefits administrator for information about your conversion rights and responsibilities.
You return to work in a covered position after taking a refund and wish to restore lost service credit.	Purchase prior service credit within three years of returning to a covered position.	Determine your eligibility; if eligible, complete an Application for Purchase of Prior Service Credit (VRS-26).
	Re-enroll in DCP and Optional Life.	Contact plan providers for the necessary forms.

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## What You Need to do When ... (continued)

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<b>When</b>	<b>What</b>	<b>How</b>
You need to change the information in your member records.	Report changes to your benefits office.	Complete a Request for Member Information Change (VRS- 48).
You need to start planning for retirement.	Check on retirement counseling sessions in your area.	See <i>Member Bulletin</i> , or the VRS Web site for a schedule and registration form.
You become injured on the job, or you become disabled.	Contact your benefits office immediately to find out about eligibility for benefits.	Ask your benefits administrator to assist you in completing the proper forms to access disability benefits.
You die while employed in a VRS position.	Your employer reports your death to VRS.	A family member should contact your employer for assistance in filing a death claim and to get information about life insurance or death-in-service benefits that may be payable.
You want to retire.	Decide on a retirement date and payout option; enroll in retiree optional life (if eligible) for self, spouse and dependents. Determine deferred compensation payout. Assemble important documents.	Complete an Application for Service Retirement (VRS-5).
<b>After you retire...</b>		
You change your address.	Notify VRS immediately in writing or by phone or from the VRS Web site.	Ask for a Name/Address Declaration for Retirees (VRS-58); or, if you have direct deposit, simply call VRS.
You marry.	Change your beneficiary for group life insurance.	See the VRS Web site for a Designation of Beneficiary (VRS-2).
You divorce, or your beneficiary dies.	Change your beneficiary for your group life insurance. If you chose a survivor option for retirement, you may be eligible to return to the Basic Benefit or change your survivor.	Contact VRS for a Designation of Beneficiary (VRS-2) and to find out if you are eligible for the Basic Benefit.
You die.	A family member reports your death to Minnesota Life.	Your beneficiary or contingent annuitant should contact Minnesota Life about eligibility for survivor benefits.

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## Glossary

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<b>Absolute Assignment</b>	An irrevocable decision to transfer ownership of member or retiree life insurance coverage to an individual or organization. An absolute assignment does not transfer ownership of the dependents' insurance or change a beneficiary.
<b>Accelerated Death Benefit</b>	The payment of the value of life insurance to a member or covered dependent who is diagnosed as having a terminal medical condition that directly results in a life expectancy of 12 months or less. The terminal medical condition may be caused by sickness or accident.
<b>Accidental Death</b>	A death that is caused directly by an unintended and unexpected injury. Death must occur within 90 days after the date of the injury while the employee's coverage is still in effect for the beneficiary to receive double the natural death benefit for accidental death.
<b>Active Member</b>	An employee of a VRS-participating employer who is working in a VRS-covered position whose contributions for retirement and, in most cases, for life insurance are being paid to VRS.
<b>Actuarial Equivalent Cost</b>	The full cost associated with paying for a benefit. Factors that determine actuarial equivalent cost include age and life expectancy, investment earnings, inflation, unemployment rates and retirement patterns.
<b>Advance Pension Option</b>	A retirement payout option that allows a temporary increase in retirement benefits. The increased VRS benefit continues to the age chosen for reduction. This age can be as early as age 62, but no later than the age the member is eligible for an unreduced Social Security benefit. The Advance Pension Option is designed to provide a level income throughout retirement, when coordinated with Social Security benefits.
<b>After-Tax Payroll Deduction</b>	Method of purchasing service in which the amount of the purchase is deducted from the member's pay after payroll taxes have been applied.
<b>Annual Salary</b>	The full compensation payable annually to an employee working full-time in a VRS-covered position. Annual salary does not include overtime pay, extraordinary pay, bonus pay, non-permanent shift differentials or termination pay for annual or sick leave.
<b>Approved Domestic Relations Order (ADRO)</b>	An order issued by a court of competent jurisdiction that relates to child support, alimony payments or marital property rights of a spouse former spouse, child or other dependent. An ADRO gives the person concerned rights to receive a portion of the benefits payable to a member or retiree and cannot alter the amount of those benefits. The language of the ADRO must conform to VRS requirements.
<b>Assignee</b>	The person to whom the right of a member's group life insurance is legally transferred when an absolute assignment is made.
<b>Average Final Compensation (AFC)</b>	The average of the 36 consecutive months of highest creditable compensation wherever it appears in the member's VRS salary history.

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<b>Basic Benefit</b>	A lifetime retirement benefit due a VRS member. It is based on age, service, creditable compensation, and any actuarial reductions that may apply. The Basic Benefit does not provide continuation of a benefit to a survivor.
<b>Basic Group Life Insurance</b>	The group life insurance plan that is provided to VRS-participating employers.
<b>Beneficiary</b>	The individual designated to receive a VRS annuity or contributions in the member contribution account, as well as any person named to receive group life insurance proceeds upon the member's death.
<b>Board of Trustees</b>	The nine-member Virginia Retirement System Board which is appointed by the governor and General Assembly, consisting of one faculty member or employee of a state-supported institution of higher education; one state employee; one public school teacher; one employee from a political subdivision; four investment experts; and one expert in employee benefit plans.
<b>Contingent Annuitant</b>	A person designated, under the VRS Survivor Option, at the time of a member's retirement to receive a lifetime annuity upon the death of the primary annuitant (the member).
<b>Conversion Privilege</b>	The right of a member, retiree or dependent who is no longer eligible to continue to be insured under basic group life insurance, to buy an individual non-term policy without evidence of insurability. Conversion coverage is at non-group rates.
<b>Cost-of-Living Adjustment (COLA)</b>	An increase in the monthly benefit given in the second calendar year after retirement. Increases if any, are made yearly thereafter. The amount of the COLA is equal to the first 3 percent of the increase in the Consumer Price Index (CPI-Urban), plus half of each percentage increase from 3 percent to 7 percent.
<b>Covered Position</b>	A position in a state agency, school board or political subdivision covered by VRS or the Group Life Insurance Program considered by the employer to be permanent, full-time, and salaried. This also includes classified, salaried, part-time state employees.
<b>Creditable Compensation</b>	Annual salary not including overtime pay, payments of a temporary nature, or payments for extra duties, such as pay for teachers who provide coaching or act as advisor for special activities. The employer reports this compensation monthly to VRS.
<b>Death in Service</b>	The death of a member while actively employed in a VRS-covered position. A monthly benefit instead of a refund of the member's retirement contributions may be payable to certain beneficiaries.
<b>Dependents</b>	The VRS member's spouse and any unmarried children who can be claimed on the member's federal tax return.
<b>Disability Retirement</b>	A type of retirement available to all VRS members except state employees who elected to participate in the Virginia Sickness and Disability Program (VSDP), and all state employees hired on or after January 1, 1999. A qualifying employee may apply for a disability retirement if unable to perform job functions because of a physical or mental disability and if the disability is likely to be permanent.

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<b>Direct Deposit</b>	The electronic transfer of a monthly retirement benefit directly from VRS into an account with a financial institution specified by a retiree or beneficiary.
<b>Dismemberment</b>	The accidental permanent and irrecoverable loss of sight in one or both eyes or loss of one or more limbs. Permanent and irrecoverable loss of sight means that sight cannot be corrected by medical, surgical, or artificial means. The loss of a limb is defined as a complete severance at or above the wrist or ankle joint. Dismemberment coverage is available under the VRS Group Life Insurance Plan.
<b>Early Retirement Reduction Factor (ERF)</b>	A factor applied to the basic benefit if a member retires before requirements for an unreduced retirement have been met.
<b>Employer</b>	The entity with which a person maintains a common law employee-employer relationship. The employer must be a state agency, school division or political subdivision participating in VRS retirement or group life insurance.
<b>Employer Contribution</b>	The amount that must be paid by the employer to fund retirement allowances and other benefits payable to employees who become VRS members. This is a percentage that is applied to the employer's total covered payroll. The plan's actuary determines what contribution rate is required to meet current and future benefit payments.
<b>Group Life Insurance Evidence of Insurability (EOI)</b>	The form on which members demonstrate satisfactory health status allowing an employee to secure group life insurance coverage after an initial waiver of coverage. Minnesota Life, the group life insurance provider, must approve this form for coverage to become effective. It is also used to allow a member to purchase optional group life insurance beyond guaranteed issue.
<b>Guaranteed Issue</b>	The 31-day period after a member or dependent first becomes eligible for optional group life insurance during which coverage is guaranteed for certain insurance amounts without demonstrating evidence of insurability.
<b>Health Insurance Credit</b>	A dollar amount based on years of service, type of retirement, employer type and employer election to help retirees with the cost of health insurance premiums.
<b>Imputed Income</b>	The value of life insurance coverage in excess of \$50,000 that may be subject to FICA tax and federal and state income taxes.
<b>Irrevocable Assignment</b>	A voluntary assignment of a member's ownership rights to group life insurance.
<b>Judicial Retirement System</b>	A retirement plan administered by the Virginia Retirement System covering justices and judges of the Commonwealth of Virginia, the commissioners of the State Corporation Commission, and the commissioners of the Virginia Workers' Compensation Commission.
<b>Leave With Pay</b>	An approved leave of absence during which a member continues to be paid at some level. A member on leave with partial pay may continue to have creditable compensation reported to VRS.

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<b>Leave Without Pay</b>	An approved leave of absence during which a member does not receive any pay for the duration of the leave. A member may remain on leave without pay for up to 24 months and remain eligible for VRS Basic Group Life and Optional Group Life Insurance. Members on leave without pay must pay group life insurance premiums in advance or on a monthly basis to continue coverage.
<b>Long-Term Disability</b>	A period of approved disability absence beginning after 180 calendar days of short-term disability benefits for state employees covered under the Virginia Sickness and Disability Program (VSDP).
<b>Lump-Sum Payment</b>	A method of purchasing service credit by which payment is made at one time. Members may use direct payment, or a tax-deferred rollover from certain IRAs or other qualified retirement plans, to purchase service credit in a lump sum.
<b>Medical Review Board</b>	Physicians appointed by the VRS Board of Trustees to review medical information related to a disability retirement application and make recommendation with regard to approval or denial of the application.
<b>Member</b>	An employee working in a VRS-covered position for whom contributions are made to VRS.
<b>Member Benefit Profile (MBP)</b>	An annual statement issued for active members specifying individual projected retirement benefits, contribution account balances, and service credit amounts.
<b>Member Contribution Account</b>	The individual account to which a member's retirement contributions including employer-paid member contributions, monies that the member may have paid to purchase service, and accrued interest are credited. The balance of the Member Contribution Account is paid to the member's beneficiary if the member dies before retirement or before all contributions have been paid in the form of retirement benefits. A member may request a refund of the Member Contribution Account upon termination of VRS-covered employment if the member is not retiring.
<b>Member in Deferred Status</b>	A member who has terminated employment in a VRS-covered position but did not take a refund of the Member Contribution Account (MCA), thereby retaining VRS membership. These members are not eligible to receive death-in-service benefits; however, if a member in deferred status dies, the member's beneficiary will receive a refund of the MCA.
<b>Minnesota Life Insurance Company</b>	The carrier for VRS Basic Group Life Insurance and Optional Group Life Insurance programs.
<b>Natural Death</b>	Under basic group life insurance, a death that results from natural causes and not from an accident. Natural death benefits are paid to the designated beneficiary.
<b>Normal Retirement Age</b>	Age 65
<b>Optional Group Life Insurance</b>	A supplemental group life insurance plan that allows employees of participating employers to purchase additional insurance at group rates for themselves, their spouse, and their dependents.

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<b>Optional Retirement Plan (ORP)</b>	A defined contribution pension plan offered to certain teaching, administrative and research faculty at participating institutions of higher education, to political appointees, and to superintendents of public schools.
<b>Order of Precedence</b>	The order in which proceeds are paid to persons surviving at the member's death if the member has not made a beneficiary designation, or if all named beneficiaries have predeceased the member. The order of precedence varies for the payout of retirement contributions and group life insurance.
<b>Partial Lump-Sum Option Payment (PLOP)</b>	A lump-sum distribution paid at the time of service retirement of up to three times the annual benefit amount if working the required years past eligibility for an unreduced benefit.
<b>Participating Employer</b>	A state agency, school division, or political subdivision in Virginia that provides retirement and life insurance to its employees through VRS.
<b>Per stirpes</b>	When the share of an estate that would have gone to a deceased beneficiary is divided among that person's children in equal shares.
<b>Political Subdivision</b>	Any county, city, or town, any political entity, subdivision, branch, or unit of the Commonwealth, or any commission, public authority, or body corporate created by or under an act of the General Assembly specifying the powers, privileges, or authority capable of exercise by the commission, public authority, or body corporate.
<b>Portability Agreement</b>	An agreement between VRS and a local Virginia public retirement system that allows members of the local system to transfer assets from the local system to purchase VRS service credit if they become employed in a VRS-covered position. The agreement also allows members of VRS to transfer assets from VRS to purchase local Virginia public retirement system service credit if they become employed in a position covered under a participating system.
<b>Premium</b>	The amount paid by the employee or employer for basic group life insurance. The premium is set by the VRS Board of Trustees based on recommendations of the VRS actuary.
<b>Primary Beneficiary</b>	The individual a member designates on the Designation of Beneficiary (VRS-2) as the first to receive life insurance benefits, if the member chooses to designate beneficiaries rather than follow the order of precedence. There can be more than one primary beneficiary. Unless otherwise designated, all primary beneficiaries receive an equal share of the insurance benefits.
<b>Qualifying Event</b>	An event such as marriage, birth or adoption of a child, or retirement from a covered position for a spouse who also was covered under optional life insurance (except for disability retirement) which qualifies a member to add optional group life insurance for a spouse and dependents without showing evidence of insurability. The member has 31 days from the qualifying event to add coverage.
<b>Refund</b>	The payment of member contributions and interest upon the request of a member who terminates from a VRS-covered position.

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<b>Repatriation Benefit</b>	A basic group life insurance benefit that pays for transport and additional costs of returning a member's remains if the member dies in an accident at least 75 miles away from the principal place of residence.
<b>Retire</b>	To stop working in a VRS-covered position and start receiving an immediate monthly retirement benefit.
<b>Retiree</b>	A former employee of a VRS-participating employer who is receiving a retirement benefit based on service earned while in a covered position.
<b>Rollover</b>	Non-taxable transfer of funds between a qualified plan and an IRA or other qualified plan.
<b>Service Credit</b>	The credit toward retirement that a member earns in a VRS-covered position. A member is credited with one month of service for each month the member (or the employer on the member's behalf) makes a contribution to VRS. A member cannot receive more than 12 service credits per year worked.
<b>Service Retirement</b>	A type of retirement available to members who meet certain age and service requirements. Members may take an unreduced service retirement as early as age 50 with 30 years of service credit (some political subdivisions require members to be older). In addition, members may take a reduced retirement as early as age 50 with 10 years of service credit.
<b>Short-Term Disability</b>	For state employees covered under the Virginia Sickness and Disability Program (VSDP), a period of approved disability absence that begins after a seven calendar day waiting period, during which fewer than 20 hours are worked.
<b>State</b>	The Commonwealth of Virginia
<b>State Police Officers' Retirement System (SPORS)</b>	A retirement plan administered by the Virginia Retirement System that provides retirement benefits for all state police officers in Virginia.
<b>Survivor Option</b>	A retirement benefit payout option that allows a retiree to receive a decreased benefit during the retiree's life to provide for a monthly benefit of between 10 percent and 100 percent of the retiree's monthly retirement benefit to a designated contingent annuitant for life, payable at the death of the retiree.
<b>Tax-Deferred (Pre-Tax) Salary Reduction</b>	A method of purchasing service credit. The amount of the purchase is deducted from the member's pay before income tax withholdings are calculated, which reduces taxable income.
<b>Terminate</b>	To cease employment in a VRS-covered position.
<b>Trustee-to-Trustee Transfer</b>	A means by which an active member can use money from a qualified pension plan to purchase service credit in VRS or transfer funds into an Optional Retirement Plan (ORP).

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<b>Unreduced Retirement Benefit</b>	The full benefit amount paid to a member who is at least age 65 with five years of service credit or at least age 50 with 30 years of service credit. Some employers require age 55 with 30 or more years of service, age 60 with 30 or more years of service, or require that the member be at age least 55, with age plus service equaling 90.
<b>Unused Sick Leave</b>	Accumulated sick leave that has not been used at the time of retirement. For members not enrolled in VSDP, accumulated unused sick leave can be used to purchase service credit at retirement provided the employer pays the employee for any unused sick leave at retirement.
<b>Vested</b>	Having the minimum period of service needed to qualify for service retirement once the required age is reached. For the retirement plans administered by VRS, members become vested with five years of service credit.
<b>Virginia Cash Match Plan</b>	An employer-paid incentive for eligible employees who participate in their employer-sponsored tax-deferred savings plan.
<b>Virginia Deferred Compensation Plan</b>	An employer-sponsored, tax-deferred retirement savings plan established under Section 457(b) of the Internal Revenue Code that is available to all state employees and employees of participating political subdivisions.
<b>Virginia Law Officers' Retirement System (VaLORS)</b>	A retirement plan administered by the Virginia Retirement System that covers certain designated state employees such as correctional officers and campus police officers.
<b>Virginia Sickness and Disability Program (VSDP)</b>	A benefit plan that provides eligible state employees with supplemental or replacement income during periods of partial or total disability.
<b>VRS</b>	Virginia Retirement System
<b>Virginia Workers' Compensation Act</b>	The act that provides comprehensive benefits including wage loss benefits and reimbursement for medical expenses for injured employees deemed to have a compensable injury under the Act. The Virginia Workers' Compensation Commission administers the provisions of the Act.
<b>Work-Related Death</b>	The death of a member while in service from a cause compensable under the Virginia Workers' Compensation Act.
<b>Work-Related Disability</b>	A disability resulting from an injury or illness found compensable under the Virginia Workers' Compensation Act.

## Appendix

### Early Retirement Reduction Factors (ERF)

If you are retiring between ages 55 and 65 with fewer than 30 years of service, refer to both the factor for age and for service and use the factor that gives you the higher benefit. If you are retiring with fewer than 20 years of service, use the age factor.

Early Retirement			Early Retirement		
Age	Service	Factor	Age	Service	Factor
65 - 0	30 - +	1.000	60 - 0	25 - 0	.7000
64 - 11	29 - 11	.9950	59 - 11	24 - 11	.6960
10	10	.9900	10	10	.6920
9	9	.9850	9	9	.6880
8	8	.9800	8	8	.6840
7	7	.9750	7	7	.6800
6	6	.9700	6	6	.6760
5	5	.9650	5	5	.6720
4	4	.9600	4	4	.6680
3	3	.9550	3	3	.6640
2	2	.9500	2	2	.6600
1	1	.9450	1	1	.6560
64 - 0	29 - 0	.9400	59 - 0	24 - 0	.6520
63 - 11	28 - 11	.9350	58 - 11	23 - 11	.6480
10	10	.9300	10	10	.6440
9	9	.9250	9	9	.6400
8	8	.9200	8	8	.6360
7	7	.9150	7	7	.6320
6	6	.9100	6	6	.6280
5	5	.9050	5	5	.6240
4	4	.9000	4	4	.6200
3	3	.8950	3	3	.6160
2	2	.8900	2	2	.6120
1	1	.8850	1	1	.6080
63 - 0	28 - 0	.8800	58 - 0	23 - 0	.6040
62 - 1	27 - 11	.8750	57 - 11	22 - 11	.6000
10	10	.8700	10	10	.5960
9	9	.8650	9	9	.5920
8	8	.8600	8	8	.5880
7	7	.8550	7	7	.5840
6	6	.8500	6	6	.5800
5	5	.8450	5	5	.5760
4	4	.8400	4	4	.5720
3	3	.8350	3	3	.5680
2	2	.8300	2	2	.5640
1	1	.8250	1	1	.5600
62 - 0	27 - 0	.8200	57 - 0	22 - 0	.5560
61 - 11	26 - 11	.8150	56 - 11	21 - 11	.5520
10	10	.8100	10	10	.5480
9	9	.8050	9	9	.5440
8	8	.8000	8	8	.5400
7	7	.7950	7	7	.5360
6	6	.7900	6	6	.5320
5	5	.7850	5	5	.5280
4	4	.7800	4	4	.5240
3	3	.7750	3	3	.5200
2	2	.7700	2	2	.5160
1	1	.7650	1	1	.5120
61 - 0	26 - 0	.7600	56 - 0	21 - 0	.5080
60 - 11	25 - 11	.7550	55 - 11	20 - 11	.5040
10	10	.7500	10	10	.5000
9	9	.7450	9	9	.4960
8	8	.7400	8	8	.4920
7	7	.7350	7	7	.4880
6	6	.7300	6	6	.4840
5	5	.7250	5	5	.4800
4	4	.7200	4	4	.4760
3	3	.7150	3	3	.4720
2	2	.7100	2	2	.4680
1	1	.7050	1	1	.4640
60 - 0	25 - 0	.7000	55 - 0	20 - 0	.4600

## 50/10 Early Retirement Reduction Factors

Age		Months	Factor	Age		Months	Factor
Year	Month	Until Age 55		Year	Month	Until Age 55	
50	0	60	0.640	52	6	30	0.820
50	1	59	0.646	52	7	29	0.826
50	2	58	0.652	52	8	28	0.832
50	3	57	0.658	52	9	27	0.838
50	4	56	0.664	52	10	26	0.844
50	5	55	0.670	52	11	25	0.850
50	6	54	0.676	53	0	24	0.856
50	7	53	0.682	53	1	23	0.862
50	8	52	0.688	53	2	22	0.868
50	9	51	0.694	53	3	21	0.874
50	10	50	0.700	53	4	20	0.880
50	11	49	0.706	53	5	19	0.886
51	0	48	0.712	53	6	18	0.892
51	1	47	0.718	53	7	17	0.898
51	2	46	0.724	53	8	16	0.904
51	3	45	0.730	53	9	15	0.910
51	4	44	0.736	53	10	14	0.916
51	5	43	0.742	53	1	13	0.922
51	6	42	0.748	54	0	12	0.928
51	7	41	0.754	54	1	11	0.934
51	8	40	0.760	54	2	10	0.940
51	9	39	0.766	54	3	9	0.946
51	10	38	0.772	54	4	8	0.952
51	11	37	0.778	54	5	7	0.958
52	0	36	0.784	54	6	6	0.964
52	1	35	0.790	54	7	5	0.970
52	2	34	0.796	54	8	4	0.976
52	3	33	0.802	54	9	3	0.982
52	4	32	0.808	54	10	2	0.988
52	5	31	0.814	54	11	1	0.994

## Reduction Factors for Survivor Options

Under the Survivor Option, the reduction in the Basic Benefit depends on your age and the age of your contingent annuitant at the time of your retirement and the percentage of your benefit you have designated for your contingent annuitant to receive. The following charts give the percentage of the Basic Benefit you receive under the 100% Survivor Option at specified ages. If your date of birth is on or before July 1, 1945, VRS compares this chart to the chart on page 64 and uses the chart that gives you the higher benefit.

### 100% SURVIVOR OPTION (for members born after July 1, 1945)

Age of Beneficiary	Age of Member												
	50	51	52	53	54	55	56	57	58	59	60	61	62
90													
89													
88													
87													0.951
86												0.950	0.947
85											0.949	0.946	0.942
84										0.947	0.945	0.942	0.938
83									0.946	0.944	0.941	0.938	0.934
82								0.945	0.943	0.940	0.937	0.934	0.930
81								0.942	0.939	0.936	0.933	0.930	0.926
80						0.943	0.941	0.938	0.936	0.933	0.929	0.926	0.922
79					0.942	0.940	0.938	0.935	0.932	0.929	0.925	0.922	0.917
78				0.940	0.939	0.937	0.934	0.932	0.929	0.925	0.922	0.918	0.913
77			0.939	0.938	0.936	0.934	0.931	0.928	0.925	0.922	0.918	0.914	0.909
76		0.938	0.937	0.935	0.933	0.931	0.928	0.925	0.922	0.918	0.914	0.910	0.901
75	0.937	0.936	0.934	0.932	0.930	0.928	0.925	0.922	0.918	0.914	0.910	0.902	0.894
74	0.935	0.933	0.932	0.930	0.927	0.925	0.922	0.918	0.915	0.911	0.903	0.895	0.886
73	0.933	0.931	0.929	0.927	0.924	0.922	0.918	0.915	0.911	0.904	0.896	0.888	0.879
72	0.930	0.929	0.927	0.924	0.922	0.919	0.915	0.912	0.905	0.897	0.889	0.880	0.871
71	0.928	0.926	0.924	0.922	0.919	0.916	0.912	0.905	0.898	0.890	0.882	0.873	0.863
70	0.926	0.924	0.922	0.919	0.916	0.913	0.906	0.899	0.892	0.884	0.875	0.866	0.856
69	0.924	0.922	0.919	0.916	0.913	0.907	0.900	0.893	0.885	0.877	0.868	0.858	0.848
68	0.922	0.919	0.917	0.914	0.908	0.902	0.895	0.887	0.879	0.870	0.861	0.851	0.841
67	0.919	0.917	0.914	0.909	0.903	0.896	0.889	0.881	0.873	0.864	0.854	0.844	0.833
66	0.917	0.915	0.909	0.904	0.897	0.891	0.883	0.875	0.866	0.857	0.847	0.837	0.825
65	0.915	0.910	0.905	0.899	0.892	0.885	0.877	0.869	0.860	0.850	0.840	0.829	0.818
64	0.911	0.906	0.900	0.894	0.887	0.880	0.871	0.863	0.853	0.844	0.833	0.822	0.810
63	0.907	0.902	0.896	0.889	0.882	0.874	0.866	0.857	0.847	0.837	0.826	0.815	0.803
62	0.903	0.897	0.891	0.884	0.877	0.869	0.860	0.851	0.841	0.830	0.819	0.807	0.795
61	0.899	0.893	0.886	0.879	0.871	0.863	0.854	0.844	0.834	0.823	0.812	0.800	0.787
60	0.895	0.889	0.882	0.874	0.866	0.858	0.848	0.838	0.828	0.817	0.805	0.793	0.780
59	0.891	0.884	0.877	0.869	0.861	0.852	0.842	0.832	0.821	0.810	0.798	0.785	0.772
58	0.887	0.880	0.873	0.865	0.856	0.847	0.837	0.826	0.815	0.803	0.791	0.778	0.765
57	0.883	0.876	0.868	0.860	0.851	0.841	0.831	0.820	0.809	0.797	0.784	0.771	0.757
56	0.879	0.872	0.863	0.855	0.845	0.836	0.825	0.814	0.802	0.790	0.777	0.764	0.749
55	0.875	0.867	0.859	0.850	0.840	0.830	0.819	0.808	0.796	0.783	0.770	0.756	0.742
54	0.871	0.863	0.854	0.845	0.835	0.825	0.813	0.802	0.789	0.777	0.763	0.749	0.734
53	0.867	0.859	0.850	0.840	0.830	0.819	0.808	0.796	0.783	0.770	0.756	0.742	0.727
52	0.863	0.854	0.845	0.835	0.825	0.814	0.802	0.790	0.777	0.763	0.749	0.734	0.719
51	0.859	0.850	0.840	0.830	0.819	0.808	0.796	0.783	0.770	0.756	0.742	0.727	0.711
50	0.855	0.846	0.836	0.825	0.814	0.803	0.790	0.777	0.764	0.750	0.735	0.720	0.704
49	0.851	0.841	0.831	0.820	0.809	0.797	0.784	0.771	0.757	0.743	0.728	0.712	0.696
48	0.847	0.837	0.827	0.816	0.804	0.792	0.779	0.765	0.751	0.736	0.721	0.705	0.689
47	0.843	0.833	0.822	0.811	0.799	0.786	0.773	0.759	0.745	0.730	0.714	0.698	0.681
46	0.839	0.829	0.817	0.806	0.793	0.781	0.767	0.753	0.738	0.723	0.707	0.691	0.677
45	0.835	0.824	0.813	0.801	0.788	0.775	0.761	0.747	0.732	0.716	0.700	0.686	0.673
44	0.831	0.820	0.808	0.796	0.783	0.770	0.755	0.741	0.725	0.710	0.696	0.682	0.668
43	0.827	0.816	0.804	0.791	0.778	0.764	0.750	0.735	0.719	0.706	0.692	0.678	0.664
42	0.823	0.811	0.799	0.786	0.773	0.759	0.744	0.729	0.715	0.702	0.688	0.674	0.660
41	0.819	0.807	0.794	0.781	0.767	0.753	0.738	0.725	0.712	0.698	0.685	0.670	0.656
40	0.815	0.803	0.790	0.776	0.762	0.748	0.735	0.722	0.708	0.695	0.681	0.666	0.652
39	0.811	0.798	0.785	0.771	0.757	0.744	0.732	0.718	0.705	0.691	0.677	0.662	0.648
38	0.807	0.794	0.781	0.767	0.754	0.741	0.728	0.715	0.701	0.687	0.673	0.658	0.643
37	0.803	0.790	0.776	0.764	0.751	0.738	0.725	0.712	0.698	0.684	0.669	0.654	0.639
36	0.799	0.786	0.773	0.761	0.748	0.735	0.722	0.708	0.694	0.680	0.665	0.650	0.635
35	0.795	0.783	0.771	0.758	0.746	0.732	0.719	0.705	0.691	0.676	0.662	0.646	0.631
34	0.793	0.781	0.768	0.756	0.743	0.729	0.716	0.702	0.687	0.673	0.658	0.642	0.627
33	0.791	0.778	0.766	0.753	0.740	0.726	0.712	0.698	0.684	0.669	0.654	0.638	0.622
32	0.788	0.776	0.763	0.750	0.737	0.723	0.709	0.695	0.680	0.665	0.650	0.634	0.618
31	0.786	0.774	0.761	0.748	0.734	0.720	0.706	0.692	0.677	0.662	0.646	0.630	0.614
30	0.784	0.771	0.758	0.745	0.731	0.717	0.703	0.688	0.673	0.658	0.642	0.626	0.610
29	0.782	0.769	0.756	0.742	0.728	0.714	0.700	0.685	0.670	0.654	0.638	0.622	0.606
28	0.780	0.767	0.753	0.740	0.726	0.711	0.697	0.682	0.666	0.651	0.635	0.618	0.602
27	0.777	0.764	0.751	0.737	0.723	0.708	0.693	0.678	0.663	0.647	0.631	0.614	0.597
26	0.775	0.762	0.748	0.734	0.720	0.705	0.690	0.675	0.659	0.643	0.627	0.610	
25	0.773	0.759	0.746	0.731	0.717	0.702	0.687	0.671	0.656	0.639	0.623		
24	0.771	0.757	0.743	0.729	0.714	0.699	0.684	0.668	0.652	0.636			
23	0.769	0.755	0.741	0.726	0.711	0.696	0.681	0.665	0.649				
22	0.766	0.752	0.738	0.723	0.708	0.693	0.677	0.661					
21	0.764	0.750	0.736	0.721	0.706	0.690	0.674						
20	0.762	0.748	0.733	0.718	0.703	0.687							
19	0.760	0.745	0.730	0.715	0.700								
18	0.758	0.743	0.728	0.713									
17	0.755	0.741	0.725										
16	0.753	0.738											
15	0.751												

## 100% SURVIVOR OPTION (for members born after July 1, 1945)

Age of Beneficiary	Age of Member		65	66	67	68	69	70	71	72	73	74	75
	63	64											
90			0.954	0.951	0.947	0.942	0.938	0.933	0.927	0.921	0.915	0.909	0.903
89		0.953	0.950	0.946	0.942	0.937	0.932	0.927	0.921	0.916	0.909	0.903	0.891
88	0.952	0.949	0.945	0.941	0.937	0.932	0.927	0.922	0.916	0.910	0.904	0.892	0.880
87	0.948	0.944	0.940	0.936	0.932	0.927	0.922	0.916	0.910	0.904	0.893	0.881	0.868
86	0.943	0.940	0.936	0.931	0.927	0.922	0.916	0.911	0.905	0.893	0.882	0.869	0.857
85	0.939	0.935	0.931	0.926	0.922	0.916	0.911	0.905	0.894	0.883	0.871	0.858	0.845
84	0.935	0.931	0.926	0.922	0.917	0.911	0.906	0.895	0.884	0.872	0.860	0.847	0.834
83	0.930	0.926	0.922	0.917	0.912	0.906	0.896	0.885	0.874	0.862	0.849	0.836	0.822
82	0.926	0.922	0.917	0.912	0.907	0.897	0.886	0.875	0.863	0.851	0.838	0.825	0.811
81	0.922	0.917	0.912	0.907	0.897	0.887	0.876	0.865	0.853	0.840	0.827	0.813	0.799
80	0.917	0.913	0.908	0.898	0.888	0.878	0.867	0.855	0.843	0.830	0.816	0.802	0.788
79	0.913	0.908	0.899	0.889	0.879	0.868	0.857	0.845	0.832	0.819	0.805	0.791	0.776
78	0.909	0.900	0.891	0.881	0.870	0.859	0.847	0.835	0.822	0.809	0.795	0.780	0.765
77	0.901	0.892	0.882	0.872	0.861	0.850	0.838	0.825	0.812	0.798	0.784	0.769	0.753
76	0.893	0.883	0.874	0.863	0.852	0.840	0.828	0.815	0.802	0.787	0.773	0.757	0.742
75	0.885	0.875	0.865	0.854	0.843	0.831	0.818	0.805	0.791	0.777	0.762	0.746	0.730
74	0.877	0.867	0.857	0.845	0.834	0.821	0.809	0.795	0.781	0.766	0.751	0.735	0.719
73	0.869	0.859	0.848	0.837	0.825	0.812	0.799	0.785	0.771	0.756	0.740	0.724	0.707
72	0.861	0.851	0.840	0.828	0.816	0.803	0.789	0.775	0.760	0.745	0.729	0.713	0.696
71	0.853	0.842	0.831	0.819	0.806	0.793	0.779	0.765	0.750	0.734	0.718	0.701	0.684
70	0.845	0.834	0.823	0.810	0.797	0.784	0.770	0.755	0.740	0.724	0.707	0.690	0.673
69	0.837	0.826	0.814	0.801	0.788	0.774	0.760	0.745	0.729	0.713	0.696	0.679	0.661
68	0.830	0.818	0.806	0.793	0.779	0.765	0.750	0.735	0.719	0.703	0.686	0.668	0.650
67	0.822	0.810	0.797	0.784	0.770	0.756	0.741	0.725	0.709	0.692	0.675	0.657	0.638
66	0.814	0.801	0.789	0.775	0.761	0.746	0.731	0.715	0.699	0.681	0.664	0.645	0.627
65	0.806	0.793	0.780	0.766	0.752	0.737	0.721	0.705	0.688	0.671	0.653	0.634	0.615
64	0.798	0.785	0.772	0.757	0.743	0.727	0.712	0.695	0.678	0.660	0.642	0.623	0.604
63	0.790	0.777	0.763	0.749	0.734	0.718	0.702	0.685	0.668	0.650	0.631	0.612	0.592
62	0.782	0.769	0.755	0.740	0.725	0.709	0.692	0.675	0.657	0.639	0.620	0.601	0.581
61	0.774	0.760	0.746	0.731	0.715	0.699	0.682	0.665	0.647	0.628	0.609	0.589	0.569
60	0.766	0.752	0.738	0.722	0.706	0.690	0.673	0.655	0.637	0.618	0.598	0.578	0.558
59	0.758	0.744	0.729	0.713	0.697	0.680	0.663	0.645	0.626	0.607	0.587	0.567	0.551
58	0.751	0.736	0.721	0.705	0.688	0.671	0.653	0.635	0.616	0.597	0.577	0.561	0.545
57	0.743	0.728	0.712	0.696	0.679	0.662	0.644	0.625	0.606	0.586	0.571	0.555	0.539
56	0.735	0.719	0.704	0.687	0.670	0.652	0.634	0.615	0.596	0.580	0.565	0.549	0.532
55	0.727	0.711	0.695	0.678	0.661	0.643	0.624	0.605	0.590	0.574	0.559	0.542	0.526
54	0.719	0.703	0.687	0.669	0.652	0.633	0.615	0.600	0.584	0.569	0.553	0.536	0.520
53	0.711	0.695	0.678	0.661	0.643	0.624	0.609	0.594	0.579	0.563	0.547	0.530	0.513
52	0.703	0.687	0.670	0.652	0.634	0.619	0.604	0.589	0.573	0.557	0.541	0.524	0.507
51	0.695	0.678	0.661	0.643	0.628	0.614	0.598	0.583	0.567	0.551	0.535	0.518	0.501
50	0.687	0.670	0.653	0.638	0.623	0.608	0.593	0.578	0.562	0.545	0.529	0.512	0.494
49	0.679	0.662	0.648	0.633	0.618	0.603	0.588	0.572	0.556	0.539	0.523	0.505	0.488
48	0.672	0.657	0.643	0.628	0.613	0.598	0.582	0.567	0.550	0.534	0.517	0.499	0.482
47	0.667	0.653	0.638	0.624	0.608	0.593	0.577	0.561	0.545	0.528	0.511	0.493	0.475
46	0.663	0.648	0.634	0.619	0.603	0.588	0.572	0.556	0.539	0.522	0.505	0.487	0.469
45	0.658	0.644	0.629	0.614	0.598	0.583	0.566	0.550	0.533	0.516	0.499	0.481	0.463
44	0.654	0.639	0.624	0.609	0.593	0.577	0.561	0.545	0.528	0.510	0.493	0.475	0.456
43	0.650	0.635	0.620	0.604	0.588	0.572	0.556	0.539	0.522	0.504	0.487	0.468	0.450
42	0.645	0.630	0.615	0.599	0.583	0.567	0.550	0.534	0.516	0.499	0.481	0.462	0.444
41	0.641	0.626	0.610	0.595	0.578	0.562	0.545	0.528	0.511	0.493	0.475	0.456	0.437
40	0.637	0.621	0.606	0.590	0.573	0.557	0.540	0.523	0.505	0.487	0.469	0.450	0.431
39	0.632	0.617	0.601	0.585	0.568	0.552	0.534	0.517	0.499	0.481	0.463	0.444	
38	0.628	0.612	0.596	0.580	0.563	0.546	0.529	0.512	0.494	0.475	0.457		
37	0.624	0.608	0.592	0.575	0.558	0.541	0.524	0.506	0.488	0.469			
36	0.619	0.603	0.587	0.570	0.553	0.536	0.518	0.501	0.482				
35	0.615	0.599	0.582	0.566	0.548	0.531	0.513	0.495					
34	0.611	0.594	0.578	0.561	0.543	0.526	0.508						
33	0.606	0.590	0.573	0.556	0.538	0.521							
32	0.602	0.585	0.568	0.551	0.533								
31	0.598	0.581	0.564	0.546									
30	0.593	0.576	0.559										
29	0.589	0.572											
28	0.585												
27													
26													
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**VRS Joint and Survivor Factors**  
**100% Survivor Option**  
 Effective September 1, 1983

If the retiree's date of birth is on or before July 1, 1945, this table is compared to the survivor option charts on pages 62 and 63 and the more favorable factor is used.

<b>Number of Years of Age Difference</b>	<b>Member Older Than Survivor</b>	<b>Member Younger Than Survivor</b>
0	0.790	0.790
1	0.782	0.798
2	0.774	0.806
3	0.766	0.814
4	0.758	0.822
5	0.750	0.830
6	0.742	0.838
7	0.734	0.846
8	0.726	0.854
9	0.718	0.862
10	0.710	0.870
11	0.702	0.878
12	0.694	0.886
13	0.686	0.894
14	0.678	0.902
15	0.670	0.910
16	0.662	0.918
17	0.654	0.926
18	0.646	0.934
19	0.638	0.942
20	0.630	0.950
21	0.622	
22	0.614	
23	0.606	
24	0.598	
25	0.590	
26	0.582	
27	0.574	
28	0.566	
29	0.558	
30	0.550	
31	0.542	
32	0.534	
33	0.526	
34	0.518	
35	0.510	
36	0.502	

## Determining the Maximum Non-Spouse Contingent Annuity Percentage

Use the chart below to determine the maximum survivor percentage that may be paid to a non-spouse contingent annuitant. The benefit amount that may be paid depends on the age difference between you and your survivor and your age at the time you begin to receive benefits. If you will begin receiving benefits before age 70, the age difference between you and your non-spouse survivor is adjusted. The adjustment is equal to the number of years you will receive benefits before age 70.

**Example:** You are age 68 at retirement. The difference in age between you and your non-spouse survivor is 30 years. You will receive two years of benefits before age 70. The age difference is adjusted by two years to equal 28. The maximum percentage that can be paid to your non-spouse survivor is 62 percent.

If you will begin receiving benefits after age 70, the actual age difference is used.

### Maximum Non-spouse Contingent Annuity Percentage

Excess of Member's Age Over Age of Contingent Annuitant	Maximum % of Member's Benefit that may be paid as a Survivor Annuity
10 years or less	100%
11	96%
12	93%
13	90%
14	87%
15	84%
16	82%
17	79%
18	77%
19	75%
20	73%
21	72%
22	70%
23	68%
24	67%
25	66%
26	64%
27	63%
28	62%
29	61%
30	60%
31	59%
32	59%
33	58%
34	57%
35	56%
36	56%
37	55%
38	55%
39	54%
40	54%
41	53%
42	53%
43	53%
44 and greater	52%

If the contingent annuitant is your spouse, these percentage limitations do not apply, regardless of the age difference.

## Advance Pension Option Factors

Current Age	Reduction Age							
	62	63	64	65	65-02	65-04	65-06	65-08
50-00	0.3230	0.2914	0.2625	0.2359	0.2318	0.2277	0.2237	0.2196
50-01	0.3254	0.2936	0.2645	0.2377	0.2336	0.2295	0.2254	0.2213
50-02	0.3279	0.2959	0.2665	0.2395	0.2354	0.2312	0.2271	0.2230
50-03	0.3304	0.2981	0.2685	0.2413	0.2371	0.2330	0.2288	0.2246
50-04	0.3328	0.3003	0.2705	0.2431	0.2389	0.2347	0.2305	0.2263
50-05	0.3353	0.3025	0.2725	0.2449	0.2407	0.2364	0.2322	0.2280
50-06	0.3377	0.3048	0.2745	0.2467	0.2424	0.2382	0.2339	0.2296
50-07	0.3402	0.3070	0.2765	0.2485	0.2442	0.2399	0.2356	0.2313
50-08	0.3427	0.3092	0.2785	0.2503	0.2460	0.2417	0.2373	0.2330
50-09	0.3451	0.3115	0.2805	0.2522	0.2478	0.2434	0.2391	0.2347
50-10	0.3476	0.3137	0.2825	0.2540	0.2496	0.2452	0.2408	0.2363
50-11	0.3501	0.3159	0.2845	0.2558	0.2514	0.2469	0.2425	0.2380
51-00	0.3525	0.3182	0.2865	0.2576	0.2531	0.2487	0.2442	0.2397
51-01	0.3552	0.3206	0.2887	0.2596	0.2551	0.2506	0.2461	0.2415
51-02	0.3580	0.3231	0.2909	0.2616	0.2570	0.2525	0.2479	0.2434
51-03	0.3607	0.3255	0.2931	0.2635	0.2590	0.2544	0.2498	0.2453
51-04	0.3634	0.3280	0.2953	0.2655	0.2609	0.2563	0.2517	0.2471
51-05	0.3661	0.3304	0.2976	0.2675	0.2629	0.2582	0.2536	0.2490
51-06	0.3688	0.3329	0.2998	0.2695	0.2648	0.2601	0.2555	0.2508
51-07	0.3716	0.3353	0.3020	0.2715	0.2667	0.2620	0.2574	0.2526
51-08	0.3743	0.3378	0.3042	0.2735	0.2687	0.2640	0.2593	0.2545
51-09	0.3770	0.3402	0.3064	0.2754	0.2707	0.2659	0.2611	0.2563
51-10	0.3797	0.3427	0.3086	0.2774	0.2726	0.2678	0.2630	0.2582
51-11	0.3825	0.3452	0.3108	0.2794	0.2746	0.2697	0.2649	0.2601
52-00	0.3852	0.3476	0.3131	0.2814	0.2765	0.2717	0.2668	0.2619
52-01	0.3882	0.3503	0.3155	0.2836	0.2787	0.2738	0.2688	0.2639
52-02	0.3912	0.3530	0.3179	0.2858	0.2808	0.2759	0.2709	0.2660
52-03	0.3942	0.3557	0.3204	0.2879	0.2830	0.2780	0.2730	0.2680
52-04	0.3972	0.3584	0.3228	0.2901	0.2851	0.2801	0.2751	0.2701
52-05	0.4002	0.3611	0.3252	0.2923	0.2873	0.2822	0.2772	0.2721
52-06	0.4032	0.3638	0.3277	0.2945	0.2894	0.2843	0.2792	0.2741
52-07	0.4062	0.3665	0.3301	0.2967	0.2916	0.2864	0.2813	0.2762
52-08	0.4092	0.3692	0.3326	0.2989	0.2938	0.2885	0.2834	0.2782
52-09	0.4122	0.3719	0.3350	0.3011	0.2959	0.2907	0.2855	0.2803
52-10	0.4152	0.3746	0.3374	0.3033	0.2980	0.2928	0.2875	0.2823
52-11	0.4183	0.3774	0.3399	0.3055	0.3002	0.2949	0.2896	0.2843
53-00	0.4213	0.3800	0.3423	0.3077	0.3024	0.2970	0.2917	0.2864
53-01	0.4246	0.3830	0.3450	0.3101	0.3047	0.2994	0.2940	0.2886
53-02	0.4279	0.3861	0.3477	0.3125	0.3071	0.3017	0.2963	0.2909
53-03	0.4312	0.3890	0.3504	0.3149	0.3095	0.3041	0.2986	0.2932
53-04	0.4345	0.3920	0.3531	0.3174	0.3119	0.3064	0.3009	0.2954
53-05	0.4378	0.3951	0.3558	0.3198	0.3143	0.3087	0.3032	0.2977
53-06	0.4411	0.3980	0.3585	0.3222	0.3166	0.3111	0.3055	0.2999
53-07	0.4444	0.4010	0.3612	0.3246	0.3190	0.3134	0.3078	0.3022
53-08	0.4478	0.4041	0.3639	0.3271	0.3215	0.3157	0.3101	0.3044
53-09	0.4511	0.4070	0.3666	0.3295	0.3238	0.3181	0.3124	0.3067
53-10	0.4544	0.4100	0.3692	0.3319	0.3262	0.3204	0.3147	0.3089
53-11	0.4577	0.4131	0.3720	0.3344	0.3286	0.3228	0.3170	0.3112
54-00	0.4610	0.4160	0.3746	0.3368	0.3310	0.3251	0.3193	0.3134
54-01	0.4647	0.4193	0.3776	0.3395	0.3336	0.3277	0.3218	0.3159
54-02	0.4684	0.4227	0.3806	0.3422	0.3363	0.3303	0.3244	0.3185
54-03	0.4721	0.4260	0.3836	0.3449	0.3389	0.3329	0.3269	0.3210
54-04	0.4757	0.4293	0.3866	0.3475	0.3415	0.3355	0.3295	0.3235
54-05	0.4794	0.4326	0.3896	0.3502	0.3442	0.3381	0.3320	0.3260
54-06	0.4831	0.4359	0.3926	0.3529	0.3468	0.3407	0.3346	0.3285
54-07	0.4867	0.4392	0.3956	0.3556	0.3494	0.3432	0.3371	0.3310
54-08	0.4904	0.4426	0.3986	0.3583	0.3521	0.3459	0.3397	0.3335
54-09	0.4941	0.4459	0.4016	0.3610	0.3547	0.3484	0.3422	0.3360
54-10	0.4977	0.4492	0.4045	0.3636	0.3574	0.3511	0.3448	0.3385
54-11	0.5014	0.4525	0.4076	0.3663	0.3600	0.3537	0.3473	0.3410
55-00	0.5051	0.4558	0.4105	0.3690	0.3627	0.3563	0.3499	0.3435
55-01	0.5091	0.4595	0.4138	0.3720	0.3656	0.3591	0.3527	0.3462
55-02	0.5133	0.4632	0.4172	0.3750	0.3685	0.3620	0.3555	0.3491
55-03	0.5173	0.4668	0.4205	0.3779	0.3714	0.3649	0.3583	0.3518
55-04	0.5214	0.4705	0.4238	0.3809	0.3743	0.3677	0.3611	0.3546
55-05	0.5255	0.4742	0.4271	0.3839	0.3773	0.3706	0.3640	0.3573

## Advance Pension Option Factors (continued)

Current Age	Reduction Age							
	62	63	64	65	65-02	65-04	65-06	65-08
55-06	0.5296	0.4779	0.4304	0.3869	0.3802	0.3735	0.3668	0.3601
55-07	0.5336	0.4815	0.4337	0.3898	0.3831	0.3763	0.3696	0.3628
55-08	0.5378	0.4853	0.4371	0.3928	0.3861	0.3792	0.3724	0.3656
55-09	0.5418	0.4889	0.4404	0.3958	0.3890	0.3821	0.3753	0.3684
55-10	0.5459	0.4926	0.4437	0.3988	0.3919	0.3850	0.3781	0.3712
55-11	0.5500	0.4963	0.4470	0.4018	0.3948	0.3879	0.3809	0.3739
56-00	0.5541	0.4999	0.4503	0.4047	0.3977	0.3907	0.3837	0.3767
56-01	0.5586	0.5040	0.4540	0.4080	0.4010	0.3939	0.3868	0.3798
56-02	0.5632	0.5081	0.4577	0.4113	0.4043	0.3971	0.3900	0.3829
56-03	0.5677	0.5122	0.4613	0.4146	0.4075	0.4003	0.3931	0.3860
56-04	0.5722	0.5163	0.4650	0.4179	0.4107	0.4035	0.3962	0.3890
56-05	0.5767	0.5204	0.4687	0.4213	0.4140	0.4067	0.3994	0.3921
56-06	0.5813	0.5244	0.4724	0.4245	0.4172	0.4098	0.4025	0.3952
56-07	0.5858	0.5285	0.4760	0.4278	0.4204	0.4130	0.4056	0.3982
56-08	0.5903	0.5326	0.4797	0.4312	0.4237	0.4162	0.4088	0.4013
56-09	0.5948	0.5367	0.4834	0.4345	0.4270	0.4194	0.4119	0.4044
56-10	0.5994	0.5408	0.4870	0.4378	0.4302	0.4226	0.4150	0.4075
56-11	0.6039	0.5449	0.4908	0.4411	0.4335	0.4258	0.4182	0.4106
57-00	0.6084	0.5489	0.4944	0.4444	0.4367	0.4290	0.4213	0.4136
57-01	0.6135	0.5535	0.4985	0.4481	0.4403	0.4326	0.4248	0.4170
57-02	0.6185	0.5581	0.5026	0.4518	0.4440	0.4362	0.4283	0.4205
57-03	0.6236	0.5626	0.5067	0.4555	0.4476	0.4397	0.4318	0.4240
57-04	0.6286	0.5671	0.5108	0.4591	0.4512	0.4433	0.4353	0.4274
57-05	0.6337	0.5717	0.5149	0.4629	0.4548	0.4468	0.4388	0.4308
57-06	0.6387	0.5763	0.5190	0.4665	0.4584	0.4503	0.4423	0.4342
57-07	0.6437	0.5808	0.5231	0.4702	0.4620	0.4539	0.4458	0.4376
57-08	0.6488	0.5854	0.5272	0.4739	0.4658	0.4575	0.4493	0.4411
57-09	0.6538	0.5899	0.5313	0.4776	0.4694	0.4610	0.4528	0.4445
57-10	0.6588	0.5945	0.5354	0.4813	0.4730	0.4646	0.4563	0.4479
57-11	0.6639	0.5991	0.5395	0.4850	0.4766	0.4682	0.4598	0.4514
58-00	0.6689	0.6036	0.5436	0.4887	0.4803	0.4718	0.4633	0.4548
58-01	0.6745	0.6086	0.5482	0.4928	0.4843	0.4757	0.4672	0.4586
58-02	0.6802	0.6138	0.5528	0.4969	0.4883	0.4797	0.4711	0.4625
58-03	0.6858	0.6188	0.5573	0.5010	0.4924	0.4837	0.4750	0.4663
58-04	0.6914	0.6239	0.5619	0.5051	0.4964	0.4876	0.4789	0.4702
58-05	0.6971	0.6290	0.5665	0.5092	0.5004	0.4916	0.4828	0.4740
58-06	0.7027	0.6341	0.5711	0.5133	0.5044	0.4955	0.4867	0.4778
58-07	0.7083	0.6391	0.5756	0.5174	0.5084	0.4995	0.4906	0.4816
58-08	0.7140	0.6443	0.5802	0.5216	0.5126	0.5035	0.4945	0.4854
58-09	0.7196	0.6493	0.5848	0.5256	0.5166	0.5074	0.4984	0.4893
58-10	0.7252	0.6544	0.5894	0.5297	0.5206	0.5114	0.5023	0.4931
58-11	0.7309	0.6595	0.5940	0.5339	0.5247	0.5154	0.5062	0.4969
59-00	0.7365	0.6646	0.5985	0.5380	0.5287	0.5194	0.5101	0.5007
59-01	0.7428	0.6702	0.6036	0.5426	0.5332	0.5238	0.5144	0.5050
59-02	0.7491	0.6760	0.6088	0.5472	0.5378	0.5283	0.5188	0.5094
59-03	0.7554	0.6816	0.6139	0.5518	0.5423	0.5327	0.5231	0.5136
59-04	0.7617	0.6873	0.6190	0.5564	0.5468	0.5371	0.5275	0.5179
59-05	0.7680	0.6930	0.6241	0.5610	0.5513	0.5415	0.5319	0.5222
59-06	0.7743	0.6986	0.6292	0.5656	0.5558	0.5460	0.5362	0.5264
59-07	0.7806	0.7043	0.6343	0.5702	0.5603	0.5504	0.5406	0.5307
59-08	0.7869	0.7100	0.6395	0.5748	0.5649	0.5549	0.5450	0.5350
59-09	0.7932	0.7157	0.6446	0.5794	0.5694	0.5593	0.5493	0.5393
59-10	0.7994	0.7213	0.6497	0.5840	0.5739	0.5638	0.5536	0.5435
59-11	0.8058	0.7271	0.6548	0.5886	0.5785	0.5683	0.5580	0.5478
60-00	0.8121	0.7327	0.6599	0.5932	0.5830	0.5727	0.5624	0.5521
60-01	0.8191	0.7391	0.6656	0.5983	0.5880	0.5776	0.5673	0.5569
60-02	0.8262	0.7455	0.6714	0.6035	0.5931	0.5827	0.5722	0.5618
60-03	0.8332	0.7518	0.6771	0.6087	0.5982	0.5876	0.5771	0.5666
60-04	0.8403	0.7582	0.6828	0.6138	0.6032	0.5926	0.5819	0.5713
60-05	0.8474	0.7646	0.6886	0.6190	0.6083	0.5975	0.5869	0.5761
60-06	0.8544	0.7709	0.6943	0.6241	0.6133	0.6025	0.5917	0.5809
60-07	0.8615	0.7773	0.7000	0.6293	0.6183	0.6074	0.5966	0.5857
60-08	0.8686	0.7837	0.7058	0.6345	0.6235	0.6125	0.6015	0.5905
60-09	0.8756	0.7901	0.7115	0.6396	0.6286	0.6174	0.6064	0.5953
60-10	0.8826	0.7964	0.7172	0.6447	0.6336	0.6224	0.6113	0.6001
60-11	0.8897	0.8028	0.7230	0.6499	0.6387	0.6275	0.6162	0.6049
61-00	0.8968	0.8092	0.7287	0.6551	0.6438	0.6324	0.6211	0.6097
61-01	0.9047	0.8163	0.7352	0.6608	0.6494	0.6380	0.6265	0.6151

## Advance Pension Option Factors (continued)

Current Age	Reduction Age							
	62	63	64	65	65-02	65-04	65-06	65-08
61-02	0.9127	0.8235	0.7417	0.6667	0.6552	0.6436	0.6321	0.6206
61-03	0.9206	0.8306	0.7481	0.6724	0.6608	0.6492	0.6375	0.6259
61-04	0.9285	0.8378	0.7545	0.6782	0.6665	0.6548	0.6430	0.6313
61-05	0.9364	0.8450	0.7610	0.6840	0.6722	0.6603	0.6485	0.6367
61-06	0.9443	0.8521	0.7674	0.6898	0.6778	0.6659	0.6540	0.6420
61-07	0.9522	0.8592	0.7738	0.6956	0.6835	0.6715	0.6595	0.6474
61-08	0.9602	0.8665	0.7803	0.7014	0.6893	0.6771	0.6650	0.6529
61-09	0.9681	0.8736	0.7867	0.7072	0.6950	0.6827	0.6705	0.6582
61-10	0.9760	0.8807	0.7932	0.7130	0.7007	0.6883	0.6760	0.6636
61-11	0.9840	0.8879	0.7997	0.7188	0.7064	0.6939	0.6815	0.6690
62-00		0.8951	0.8061	0.7246	0.7121	0.6995	0.6870	0.6744
62-01		0.9031	0.8133	0.7311	0.7185	0.7058	0.6931	0.6804
62-02		0.9112	0.8206	0.7376	0.7249	0.7121	0.6994	0.6866
62-03		0.9192	0.8279	0.7441	0.7313	0.7184	0.7055	0.6927
62-04		0.9273	0.8351	0.7506	0.7377	0.7247	0.7117	0.6987
62-05		0.9354	0.8424	0.7572	0.7441	0.7310	0.7179	0.7048
62-06		0.9434	0.8497	0.7637	0.7505	0.7372	0.7241	0.7108
62-07		0.9514	0.8569	0.7702	0.7569	0.7435	0.7302	0.7169
62-08		0.9596	0.8642	0.7768	0.7634	0.7499	0.7365	0.7230
62-09		0.9676	0.8715	0.7833	0.7698	0.7561	0.7426	0.7290
62-10		0.9756	0.8787	0.7898	0.7762	0.7625	0.7488	0.7351
62-11		0.9837	0.8860	0.7964	0.7826	0.7688	0.7550	0.7412
63-00			0.8932	0.8029	0.7890	0.7751	0.7612	0.7472
63-01			0.9014	0.8102	0.7962	0.7822	0.7681	0.7541
63-02			0.9097	0.8176	0.8036	0.7894	0.7752	0.7611
63-03			0.9178	0.8250	0.8108	0.7965	0.7822	0.7679
63-04			0.9260	0.8323	0.8180	0.8035	0.7891	0.7748
63-05			0.9343	0.8398	0.8252	0.8106	0.7962	0.7816
63-06			0.9424	0.8471	0.8324	0.8177	0.8031	0.7884
63-07			0.9506	0.8544	0.8396	0.8248	0.8101	0.7953
63-08			0.9589	0.8619	0.8470	0.8320	0.8171	0.8022
63-09			0.9670	0.8692	0.8542	0.8391	0.8241	0.8090
63-10			0.9752	0.8766	0.8614	0.8463	0.8311	0.8159
63-11			0.9835	0.8840	0.8688	0.8534	0.8381	0.8228
64-00				0.8913	0.8760	0.8605	0.8451	0.8296
64-01				0.8996	0.8841	0.8685	0.8530	0.8374
64-02				0.9080	0.8924	0.8767	0.8609	0.8453
64-03				0.9164	0.9006	0.8847	0.8688	0.8530
64-04				0.9247	0.9087	0.8927	0.8767	0.8608
64-05				0.9331	0.9169	0.9007	0.8847	0.8685
64-06				0.9414	0.9251	0.9088	0.8925	0.8762
64-07				0.9497	0.9332	0.9168	0.9004	0.8840
64-08				0.9581	0.9416	0.9249	0.9084	0.8918
64-09				0.9664	0.9498	0.9329	0.9163	0.8995
64-10				0.9747	0.9579	0.9410	0.9242	0.9073
64-11				0.9831	0.9662	0.9492	0.9321	0.9151
65-00					0.9744	0.9572	0.9400	0.9228
65-01					0.9837	0.9663	0.9490	0.9316
65-02						0.9755	0.9580	0.9406
65-03						0.9846	0.9670	0.9494
65-04							0.9759	0.9582
65-05							0.9850	0.9670
65-06								0.9757
65-07								0.9845
65-08								
65-09								
65-10								
65-11								
66-00								
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66-04								
66-05								
66-06								
66-07								
66-08								
66-09								
66-10								
66-11								

## Advance Pension Option Factors (continued)

Current Age	Reduction Age							
	65-10	66	66-02	66-04	66-06	66-08	66-10	67
50-00	0.2155	0.2116	0.2079	0.2042	0.2004	0.1967	0.1930	0.1894
50-01	0.2172	0.2132	0.2095	0.2057	0.2020	0.1982	0.1944	0.1908
50-02	0.2188	0.2149	0.2111	0.2073	0.2035	0.1997	0.1959	0.1923
50-03	0.2204	0.2165	0.2127	0.2088	0.2050	0.2012	0.1974	0.1937
50-04	0.2221	0.2181	0.2142	0.2104	0.2065	0.2027	0.1989	0.1952
50-05	0.2237	0.2197	0.2158	0.2119	0.2081	0.2042	0.2003	0.1966
50-06	0.2254	0.2213	0.2174	0.2135	0.2096	0.2057	0.2018	0.1981
50-07	0.2270	0.2229	0.2190	0.2150	0.2111	0.2072	0.2033	0.1995
50-08	0.2287	0.2245	0.2206	0.2166	0.2127	0.2087	0.2047	0.2010
50-09	0.2303	0.2261	0.2222	0.2182	0.2142	0.2102	0.2062	0.2024
50-10	0.2319	0.2277	0.2238	0.2197	0.2157	0.2117	0.2077	0.2038
50-11	0.2336	0.2294	0.2253	0.2213	0.2173	0.2132	0.2092	0.2053
51-00	0.2352	0.2310	0.2269	0.2228	0.2188	0.2147	0.2106	0.2067
51-01	0.2370	0.2328	0.2287	0.2246	0.2205	0.2163	0.2122	0.2083
51-02	0.2389	0.2345	0.2304	0.2263	0.2222	0.2180	0.2139	0.2099
51-03	0.2407	0.2363	0.2322	0.2280	0.2238	0.2197	0.2155	0.2115
51-04	0.2425	0.2381	0.2339	0.2297	0.2255	0.2213	0.2171	0.2131
51-05	0.2443	0.2399	0.2357	0.2314	0.2272	0.2230	0.2188	0.2147
51-06	0.2461	0.2417	0.2374	0.2331	0.2289	0.2246	0.2204	0.2163
51-07	0.2479	0.2435	0.2392	0.2349	0.2306	0.2263	0.2220	0.2179
51-08	0.2498	0.2453	0.2409	0.2366	0.2323	0.2280	0.2236	0.2195
51-09	0.2516	0.2470	0.2427	0.2383	0.2340	0.2296	0.2252	0.2211
51-10	0.2534	0.2488	0.2444	0.2400	0.2357	0.2313	0.2269	0.2227
51-11	0.2552	0.2506	0.2462	0.2418	0.2374	0.2329	0.2285	0.2243
52-00	0.2570	0.2524	0.2480	0.2435	0.2390	0.2346	0.2301	0.2259
52-01	0.2590	0.2543	0.2499	0.2454	0.2409	0.2364	0.2319	0.2276
52-02	0.2610	0.2563	0.2518	0.2473	0.2428	0.2383	0.2337	0.2294
52-03	0.2630	0.2583	0.2537	0.2492	0.2446	0.2401	0.2355	0.2312
52-04	0.2651	0.2602	0.2557	0.2511	0.2465	0.2419	0.2373	0.2329
52-05	0.2670	0.2622	0.2576	0.2530	0.2484	0.2437	0.2391	0.2347
52-06	0.2690	0.2642	0.2595	0.2548	0.2502	0.2455	0.2409	0.2364
52-07	0.2710	0.2661	0.2614	0.2567	0.2521	0.2474	0.2427	0.2382
52-08	0.2730	0.2681	0.2634	0.2586	0.2539	0.2492	0.2445	0.2400
52-09	0.2750	0.2701	0.2653	0.2605	0.2558	0.2510	0.2462	0.2417
52-10	0.2770	0.2720	0.2673	0.2625	0.2576	0.2528	0.2480	0.2435
52-11	0.2791	0.2740	0.2692	0.2644	0.2595	0.2547	0.2498	0.2452
53-00	0.2810	0.2760	0.2711	0.2663	0.2614	0.2565	0.2516	0.2470
53-01	0.2833	0.2781	0.2733	0.2683	0.2634	0.2585	0.2536	0.2489
53-02	0.2855	0.2803	0.2754	0.2705	0.2655	0.2606	0.2556	0.2509
53-03	0.2877	0.2825	0.2775	0.2725	0.2675	0.2626	0.2576	0.2528
53-04	0.2899	0.2847	0.2797	0.2746	0.2696	0.2646	0.2596	0.2547
53-05	0.2921	0.2868	0.2818	0.2767	0.2717	0.2666	0.2615	0.2567
53-06	0.2943	0.2890	0.2839	0.2788	0.2737	0.2686	0.2635	0.2586
53-07	0.2965	0.2912	0.2860	0.2809	0.2758	0.2706	0.2655	0.2606
53-08	0.2988	0.2934	0.2882	0.2830	0.2778	0.2726	0.2675	0.2625
53-09	0.3010	0.2955	0.2903	0.2851	0.2799	0.2746	0.2694	0.2645
53-10	0.3032	0.2977	0.2925	0.2872	0.2819	0.2767	0.2714	0.2664
53-11	0.3054	0.2999	0.2946	0.2893	0.2840	0.2787	0.2734	0.2683
54-00	0.3076	0.3020	0.2967	0.2914	0.2860	0.2807	0.2754	0.2703
54-01	0.3101	0.3044	0.2991	0.2937	0.2883	0.2829	0.2775	0.2724
54-02	0.3125	0.3069	0.3015	0.2960	0.2906	0.2852	0.2798	0.2746
54-03	0.3150	0.3093	0.3038	0.2984	0.2929	0.2875	0.2819	0.2767
54-04	0.3175	0.3117	0.3062	0.3007	0.2952	0.2897	0.2842	0.2789
54-05	0.3199	0.3141	0.3086	0.3030	0.2975	0.2919	0.2863	0.2811
54-06	0.3223	0.3165	0.3109	0.3053	0.2997	0.2941	0.2885	0.2832
54-07	0.3248	0.3189	0.3133	0.3076	0.3020	0.2964	0.2907	0.2854
54-08	0.3273	0.3213	0.3157	0.3100	0.3043	0.2986	0.2929	0.2875
54-09	0.3297	0.3238	0.3181	0.3123	0.3066	0.3009	0.2951	0.2897
54-10	0.3322	0.3262	0.3204	0.3146	0.3089	0.3031	0.2973	0.2918
54-11	0.3346	0.3286	0.3228	0.3170	0.3112	0.3053	0.2995	0.2940
55-00	0.3371	0.3310	0.3252	0.3193	0.3134	0.3076	0.3017	0.2961
55-01	0.3398	0.3336	0.3278	0.3219	0.3160	0.3101	0.3041	0.2985
55-02	0.3425	0.3363	0.3304	0.3245	0.3185	0.3126	0.3066	0.3009
55-03	0.3452	0.3390	0.3330	0.3270	0.3210	0.3151	0.3090	0.3033
55-04	0.3480	0.3417	0.3356	0.3296	0.3236	0.3175	0.3115	0.3057
55-05	0.3507	0.3443	0.3382	0.3322	0.3261	0.3200	0.3139	0.3081

## Advance Pension Option Factors (continued)

Current Age	Reduction Age							
	65-10	66	66-02	66-04	66-06	66-08	66-10	67
55-06	0.3534	0.3470	0.3409	0.3347	0.3286	0.3225	0.3164	0.3105
55-07	0.3561	0.3497	0.3435	0.3373	0.3311	0.3250	0.3188	0.3129
55-08	0.3588	0.3523	0.3462	0.3399	0.3337	0.3275	0.3212	0.3153
55-09	0.3615	0.3550	0.3488	0.3425	0.3362	0.3299	0.3237	0.3177
55-10	0.3642	0.3577	0.3514	0.3451	0.3387	0.3324	0.3261	0.3201
55-11	0.3670	0.3604	0.3540	0.3477	0.3413	0.3349	0.3286	0.3225
56-00	0.3697	0.3630	0.3566	0.3502	0.3438	0.3374	0.3310	0.3249
56-01	0.3727	0.3660	0.3595	0.3531	0.3466	0.3401	0.3337	0.3275
56-02	0.3757	0.3690	0.3625	0.3560	0.3494	0.3430	0.3364	0.3302
56-03	0.3787	0.3719	0.3654	0.3588	0.3522	0.3457	0.3391	0.3328
56-04	0.3818	0.3749	0.3683	0.3617	0.3550	0.3484	0.3418	0.3355
56-05	0.3848	0.3779	0.3712	0.3645	0.3579	0.3512	0.3445	0.3382
56-06	0.3878	0.3808	0.3741	0.3673	0.3607	0.3539	0.3472	0.3408
56-07	0.3908	0.3838	0.3770	0.3702	0.3635	0.3567	0.3499	0.3434
56-08	0.3939	0.3867	0.3800	0.3731	0.3663	0.3594	0.3526	0.3461
56-09	0.3969	0.3897	0.3829	0.3759	0.3691	0.3622	0.3553	0.3487
56-10	0.3999	0.3927	0.3858	0.3788	0.3719	0.3649	0.3580	0.3514
56-11	0.4029	0.3956	0.3887	0.3817	0.3747	0.3677	0.3607	0.3541
57-00	0.4059	0.3986	0.3916	0.3845	0.3775	0.3704	0.3634	0.3567
57-01	0.4093	0.4019	0.3948	0.3877	0.3806	0.3735	0.3664	0.3596
57-02	0.4127	0.4052	0.3981	0.3909	0.3838	0.3766	0.3694	0.3626
57-03	0.4160	0.4085	0.4013	0.3941	0.3869	0.3797	0.3724	0.3656
57-04	0.4194	0.4118	0.4046	0.3973	0.3900	0.3828	0.3755	0.3685
57-05	0.4228	0.4151	0.4078	0.4005	0.3932	0.3858	0.3785	0.3715
57-06	0.4261	0.4184	0.4110	0.4036	0.3963	0.3889	0.3815	0.3744
57-07	0.4295	0.4217	0.4143	0.4068	0.3994	0.3919	0.3845	0.3774
57-08	0.4329	0.4250	0.4176	0.4100	0.4025	0.3950	0.3875	0.3804
57-09	0.4362	0.4283	0.4208	0.4132	0.4057	0.3981	0.3905	0.3833
57-10	0.4396	0.4316	0.4240	0.4164	0.4088	0.4011	0.3935	0.3863
57-11	0.4430	0.4350	0.4273	0.4196	0.4119	0.4042	0.3966	0.3892
58-00	0.4463	0.4382	0.4305	0.4228	0.4150	0.4073	0.3996	0.3922
58-01	0.4501	0.4419	0.4342	0.4263	0.4185	0.4107	0.4029	0.3955
58-02	0.4539	0.4456	0.4378	0.4299	0.4221	0.4142	0.4063	0.3988
58-03	0.4576	0.4493	0.4414	0.4335	0.4255	0.4176	0.4096	0.4021
58-04	0.4614	0.4530	0.4450	0.4370	0.4290	0.4211	0.4130	0.4054
58-05	0.4651	0.4567	0.4486	0.4406	0.4325	0.4245	0.4164	0.4087
58-06	0.4689	0.4604	0.4523	0.4441	0.4360	0.4279	0.4197	0.4120
58-07	0.4726	0.4641	0.4559	0.4477	0.4395	0.4313	0.4231	0.4153
58-08	0.4764	0.4678	0.4596	0.4513	0.4430	0.4348	0.4265	0.4186
58-09	0.4802	0.4715	0.4632	0.4548	0.4465	0.4382	0.4298	0.4219
58-10	0.4839	0.4752	0.4668	0.4584	0.4500	0.4416	0.4332	0.4252
58-11	0.4877	0.4789	0.4705	0.4620	0.4535	0.4451	0.4366	0.4285
59-00	0.4914	0.4826	0.4741	0.4655	0.4570	0.4485	0.4399	0.4318
59-01	0.4956	0.4867	0.4781	0.4695	0.4609	0.4523	0.4437	0.4355
59-02	0.4998	0.4908	0.4822	0.4735	0.4648	0.4562	0.4475	0.4392
59-03	0.5040	0.4949	0.4862	0.4775	0.4687	0.4600	0.4512	0.4429
59-04	0.5083	0.4990	0.4903	0.4814	0.4726	0.4638	0.4550	0.4466
59-05	0.5124	0.5032	0.4943	0.4854	0.4766	0.4677	0.4588	0.4503
59-06	0.5166	0.5073	0.4983	0.4894	0.4804	0.4715	0.4625	0.4540
59-07	0.5208	0.5114	0.5024	0.4933	0.4843	0.4753	0.4663	0.4577
59-08	0.5250	0.5156	0.5065	0.4973	0.4883	0.4792	0.4700	0.4614
59-09	0.5292	0.5197	0.5105	0.5013	0.4922	0.4830	0.4738	0.4651
59-10	0.5334	0.5238	0.5146	0.5053	0.4960	0.4868	0.4775	0.4687
59-11	0.5376	0.5279	0.5186	0.5093	0.5000	0.4907	0.4813	0.4725
60-00	0.5418	0.5320	0.5227	0.5133	0.5039	0.4945	0.4851	0.4761
60-01	0.5465	0.5366	0.5272	0.5177	0.5082	0.4988	0.4893	0.4803
60-02	0.5513	0.5413	0.5318	0.5222	0.5127	0.5031	0.4935	0.4844
60-03	0.5559	0.5459	0.5363	0.5267	0.5170	0.5074	0.4977	0.4885
60-04	0.5607	0.5505	0.5408	0.5311	0.5214	0.5117	0.5020	0.4927
60-05	0.5654	0.5552	0.5454	0.5355	0.5258	0.5160	0.5062	0.4968
60-06	0.5701	0.5598	0.5499	0.5400	0.5302	0.5203	0.5104	0.5010
60-07	0.5748	0.5644	0.5544	0.5444	0.5345	0.5245	0.5146	0.5051
60-08	0.5795	0.5691	0.5591	0.5489	0.5389	0.5289	0.5188	0.5093
60-09	0.5842	0.5737	0.5636	0.5534	0.5433	0.5332	0.5230	0.5134
60-10	0.5889	0.5783	0.5681	0.5579	0.5477	0.5374	0.5272	0.5175
60-11	0.5937	0.5829	0.5727	0.5624	0.5521	0.5418	0.5315	0.5217
61-00	0.5983	0.5875	0.5772	0.5668	0.5564	0.5460	0.5357	0.5258
61-01	0.6036	0.5927	0.5823	0.5718	0.5613	0.5509	0.5404	0.5304

## Advance Pension Option Factors (continued)

Current Age	Reduction Age							
	65-10	66	66-02	66-04	66-06	66-08	66-10	67
61-02	0.6089	0.5980	0.5874	0.5769	0.5663	0.5558	0.5452	0.5351
61-03	0.6142	0.6031	0.5925	0.5819	0.5712	0.5606	0.5499	0.5397
61-04	0.6196	0.6083	0.5976	0.5869	0.5761	0.5654	0.5547	0.5444
61-05	0.6248	0.6135	0.6027	0.5918	0.5811	0.5702	0.5594	0.5491
61-06	0.6301	0.6187	0.6078	0.5968	0.5860	0.5750	0.5641	0.5537
61-07	0.6354	0.6239	0.6129	0.6018	0.5909	0.5798	0.5688	0.5583
61-08	0.6407	0.6291	0.6181	0.6069	0.5958	0.5847	0.5736	0.5630
61-09	0.6460	0.6343	0.6232	0.6119	0.6007	0.5895	0.5783	0.5676
61-10	0.6512	0.6395	0.6282	0.6169	0.6056	0.5943	0.5830	0.5723
61-11	0.6566	0.6447	0.6334	0.6220	0.6106	0.5992	0.5878	0.5770
62-00	0.6618	0.6499	0.6385	0.6270	0.6155	0.6040	0.5925	0.5816
62-01	0.6678	0.6557	0.6442	0.6326	0.6210	0.6094	0.5978	0.5868
62-02	0.6738	0.6616	0.6500	0.6383	0.6266	0.6150	0.6032	0.5921
62-03	0.6797	0.6674	0.6557	0.6439	0.6321	0.6204	0.6085	0.5973
62-04	0.6857	0.6733	0.6614	0.6495	0.6376	0.6258	0.6139	0.6025
62-05	0.6916	0.6792	0.6672	0.6551	0.6432	0.6312	0.6192	0.6078
62-06	0.6976	0.6850	0.6729	0.6608	0.6487	0.6366	0.6245	0.6130
62-07	0.7035	0.6908	0.6786	0.6664	0.6543	0.6420	0.6298	0.6182
62-08	0.7095	0.6967	0.6845	0.6721	0.6598	0.6475	0.6352	0.6235
62-09	0.7155	0.7025	0.6902	0.6777	0.6654	0.6529	0.6405	0.6287
62-10	0.7214	0.7084	0.6959	0.6834	0.6709	0.6584	0.6458	0.6339
62-11	0.7274	0.7142	0.7017	0.6891	0.6765	0.6638	0.6512	0.6392
63-00	0.7333	0.7201	0.7074	0.6947	0.6820	0.6692	0.6565	0.6444
63-01	0.7400	0.7267	0.7139	0.7011	0.6882	0.6754	0.6625	0.6503
63-02	0.7468	0.7333	0.7204	0.7075	0.6945	0.6816	0.6686	0.6563
63-03	0.7535	0.7399	0.7269	0.7138	0.7008	0.6878	0.6746	0.6622
63-04	0.7603	0.7465	0.7334	0.7202	0.7070	0.6939	0.6807	0.6681
63-05	0.7670	0.7532	0.7399	0.7265	0.7133	0.7000	0.6867	0.6740
63-06	0.7737	0.7598	0.7463	0.7329	0.7195	0.7061	0.6927	0.6799
63-07	0.7805	0.7664	0.7528	0.7393	0.7258	0.7122	0.6987	0.6858
63-08	0.7873	0.7730	0.7594	0.7457	0.7321	0.7184	0.7048	0.6918
63-09	0.7940	0.7796	0.7659	0.7520	0.7383	0.7245	0.7108	0.6976
63-10	0.8007	0.7862	0.7724	0.7585	0.7446	0.7307	0.7168	0.7035
63-11	0.8075	0.7929	0.7789	0.7649	0.7509	0.7369	0.7228	0.7095
64-00	0.8142	0.7995	0.7854	0.7713	0.7571	0.7430	0.7288	0.7154
64-01	0.8218	0.8069	0.7927	0.7785	0.7642	0.7499	0.7356	0.7221
64-02	0.8295	0.8145	0.8001	0.7857	0.7713	0.7570	0.7425	0.7288
64-03	0.8370	0.8219	0.8075	0.7929	0.7784	0.7639	0.7493	0.7355
64-04	0.8447	0.8294	0.8148	0.8001	0.7854	0.7709	0.7562	0.7422
64-05	0.8523	0.8369	0.8221	0.8073	0.7926	0.7778	0.7630	0.7489
64-06	0.8599	0.8444	0.8294	0.8145	0.7997	0.7847	0.7698	0.7556
64-07	0.8675	0.8518	0.8368	0.8217	0.8067	0.7916	0.7766	0.7622
64-08	0.8752	0.8594	0.8443	0.8290	0.8139	0.7987	0.7834	0.7690
64-09	0.8828	0.8668	0.8516	0.8362	0.8209	0.8056	0.7902	0.7757
64-10	0.8904	0.8743	0.8589	0.8434	0.8280	0.8125	0.7970	0.7823
64-11	0.8980	0.8818	0.8663	0.8507	0.8351	0.8195	0.8039	0.7891
65-00	0.9056	0.8893	0.8736	0.8579	0.8422	0.8264	0.8107	0.7958
65-01	0.9143	0.8977	0.8820	0.8661	0.8502	0.8343	0.8184	0.8034
65-02	0.9230	0.9063	0.8904	0.8744	0.8583	0.8424	0.8263	0.8110
65-03	0.9316	0.9148	0.8987	0.8825	0.8663	0.8503	0.8340	0.8186
65-04	0.9403	0.9233	0.9070	0.8907	0.8744	0.8581	0.8418	0.8262
65-05	0.9490	0.9318	0.9153	0.8989	0.8825	0.8660	0.8495	0.8339
65-06	0.9576	0.9403	0.9237	0.9070	0.8905	0.8739	0.8573	0.8415
65-07	0.9662	0.9488	0.9320	0.9152	0.8985	0.8818	0.8650	0.8490
65-08	0.9749	0.9573	0.9405	0.9235	0.9067	0.8897	0.8728	0.8567
65-09	0.9836	0.9658	0.9488	0.9316	0.9147	0.8976	0.8805	0.8643
65-10		0.9743	0.9571	0.9399	0.9227	0.9055	0.8883	0.8719
65-11		0.9828	0.9656	0.9482	0.9308	0.9135	0.8961	0.8796
66-00			0.9739	0.9564	0.9388	0.9213	0.9038	0.8871
66-01			0.9834	0.9657	0.9480	0.9303	0.9126	0.8958
66-02				0.9751	0.9572	0.9395	0.9215	0.9045
66-03				0.9844	0.9664	0.9484	0.9303	0.9131
66-04					0.9755	0.9574	0.9392	0.9218
66-05					0.9847	0.9664	0.9480	0.9305
66-06						0.9753	0.9568	0.9391
66-07						0.9843	0.9656	0.9478
66-08							0.9745	0.9565
66-09							0.9832	0.9651
66-10								0.9737
66-11								0.9825

## Partial Lump-Sum Option Payment Factors

Age	Months											
Years	0	1	2	3	4	5	6	7	8	9	10	11
49	196.7787	196.5437	196.3088	196.0738	195.8388	195.6039	195.3689	195.1339	194.8989	194.6640	194.4290	194.1940
50	193.9591	193.7177	193.4763	193.2349	192.9935	192.7521	192.5107	192.2693	192.0279	191.7865	191.5451	191.3038
51	191.0624	190.8143	190.5663	190.3182	190.0702	189.8221	189.5741	189.3260	189.0780	188.8299	188.5819	188.3338
52	188.0858	187.8308	187.5758	187.3208	187.0659	186.8109	186.5559	186.3010	186.0460	185.7910	185.5360	185.2811
53	185.0261	184.7639	184.5018	184.2396	183.9775	183.7153	183.4532	183.1910	182.9289	182.6667	182.4046	182.1424
54	181.8803	181.6108	181.3413	181.0718	180.8023	180.5328	180.2633	179.9938	179.7243	179.4548	179.1853	178.9159
55	178.6464	178.3693	178.0922	177.8151	177.5380	177.2609	176.9839	176.7068	176.4297	176.1526	175.8755	175.5985
56	175.3214	175.0365	174.7517	174.4669	174.1821	173.8972	173.6124	173.3276	173.0427	172.7579	172.4731	172.1882
57	171.9034	171.6108	171.3181	171.0254	170.7328	170.4401	170.1474	169.8548	169.5621	169.2695	168.9768	168.6841
58	168.3915	168.0911	167.7906	167.4902	167.1898	166.8894	166.5890	166.2886	165.9882	165.6878	165.3874	165.0869
59	164.7865	164.4786	164.1706	163.8627	163.5547	163.2467	162.9388	162.6308	162.3229	162.0149	161.7070	161.3990
60	161.0910	160.7759	160.4607	160.1455	159.8303	159.5151	159.1999	158.8847	158.5695	158.2544	157.9392	157.6240
61	157.3088	156.9868	156.6648	156.3427	156.0207	155.6987	155.3767	155.0547	154.7326	154.4106	154.0886	153.7666
62	153.4446	153.1163	152.7880	152.4597	152.1315	151.8032	151.4749	151.1466	150.8184	150.4901	150.1618	149.8335
63	149.5053	149.1714	148.8375	148.5036	148.1698	147.8359	147.5020	147.1681	146.8342	146.5004	146.1665	145.8326
64	145.4987	145.1601	144.8214	144.4827	144.1440	143.8054	143.4667	143.1280	142.7893	142.4507	142.1120	141.7733
65	141.4346	141.0920	140.7494	140.4068	140.0642	139.7216	139.3790	139.0364	138.6938	138.3512	138.0086	137.6660
66	137.3233	136.9777	136.6321	136.2865	135.9409	135.5952	135.2496	134.9040	134.5584	134.2127	133.8671	133.5215
67	133.1759	132.8281	132.4803	132.1325	131.7846	131.4368	131.0890	130.7412	130.3934	130.0456	129.6978	129.3500
68	129.0022	128.6530	128.3038	127.9546	127.6053	127.2561	126.9069	126.5577	126.2084	125.8592	125.5100	125.1608
69	124.8115	124.4615	124.1115	123.7614	123.4114	123.0613	122.7113	122.3612	122.0112	121.6611	121.3111	120.9610
70	120.6110	120.2606	119.9103	119.5599	119.2095	118.8592	118.5088	118.1585	117.8081	117.4577	117.1074	116.7570
71	116.4067	116.0564	115.7061	115.3559	115.0056	114.6554	114.3051	113.9549	113.6046	113.2544	112.9041	112.5539
72	112.2036	111.8542	111.5047	111.1553	110.8058	110.4564	110.1070	109.7575	109.4081	109.0586	108.7092	108.3597
73	108.0103	107.6626	107.3149	106.9673	106.6196	106.2720	105.9243	105.5766	105.2290	104.8813	104.5336	104.1860
74	103.8383	103.4936	103.1489	102.8043	102.4596	102.1149	101.7702	101.4255	101.0809	100.7362	100.3915	100.0468
75	99.7022	99.3619	99.0216	98.6814	98.3411	98.0009	97.6606	97.3203	96.9801	96.6398	96.2995	95.9593
76	95.6190	95.2847	94.9504	94.6160	94.2817	93.9474	93.6130	93.2787	92.9444	92.6100	92.2757	91.9414
77	91.6071	91.2799	90.9528	90.6257	90.2986	89.9715	89.6444	89.3172	88.9901	88.6630	88.3359	88.0088
78	87.6817	87.3627	87.0438	86.7248	86.4059	86.0869	85.7680	85.4490	85.1301	84.8111	84.4922	84.1732
79	83.8543	83.5442	83.2341	82.9240	82.6139	82.3038	81.9936	81.6835	81.3734	81.0633	80.7532	80.4431
80	80.1330	79.8321	79.5312	79.2303	78.9295	78.6286	78.3277	78.0268	77.7260	77.4251	77.1242	76.8233
81	76.5225	76.2310	75.9395	75.6480	75.3565	75.0649	74.7734	74.4819	74.1904	73.8989	73.6074	73.3159
82	73.0244	72.7422	72.4599	72.1776	71.8953	71.6131	71.3308	71.0485	70.7663	70.4840	70.2017	69.9195
83	69.6372	69.3637	69.0902	68.8168	68.5433	68.2699	67.9964	67.7229	67.4495	67.1760	66.9025	66.6291
84	66.3556	66.0902	65.8248	65.5594	65.2940	65.0286	64.7633	64.4979	64.2325	63.9671	63.7017	63.4363
85	63.1709	62.9126	62.6542	62.3959	62.1375	61.8792	61.6208	61.3624	61.1041	60.8457	60.5874	60.3290
86	60.0707	59.8193	59.5680	59.3167	59.0653	58.8140	58.5626	58.3113	58.0600	57.8086	57.5573	57.3059
87	57.0546	56.8098	56.5649	56.3201	56.0753	55.8304	55.5856	55.3408	55.0959	54.8511	54.6063	54.3614
88	54.1166	53.8781	53.6397	53.4012	53.1627	52.9242	52.6858	52.4473	52.2088	51.9704	51.7319	51.4934
89	51.2549	51.0240	50.7932	50.5623	50.3314	50.1005	49.8696	49.6387	49.4078	49.1769	48.9460	48.7151

