



Vesting

FOR TIER 1 AND 2 MEMBERS

APRIL 2014

ABOUT VESTING

Vesting is your right to receive a retirement benefit in the future if you have met the requirements of your plan even if you leave City service before you are eligible to retire. Think of it as freezing your retirement benefit now and thawing it out later. The contributions you have made remain at NYCERS, where they will continue to accrue interest at the rate of 8¹/₄%, compounded annually.

Some plans in Tier 1 and Tier 2 do not have a vesting provision; others require you to withdraw and elect another plan if you wish to vest. For example:

- Tier 1 Plan A members must withdraw from Plan A and elect Plan B in order to vest.
- Tier 2 Plan C members must withdraw from Plan C and elect Plan D in order to vest.

To withdraw from one plan and elect another, you must file Form #162 (Election of Career Pension Plan for Tier 1 and Tier 2 Members) with NYCERS. Your election must be received by NYCERS prior to your separation from City service.

Please see the charts at the end of this brochure for details on the vesting requirements of your plan.

Note: Even if your plan has a vesting provision, in certain cases if your City employment is terminated for cause, you are not eligible to vest.

PAYABILITY DATE AND VESTED RETIREMENT BENEFIT

Upon reaching the age of your retirement plan, or upon reaching a point in time at which you would have achieved the minimum years of service required of your plan if you had not separated from City service, you are eligible to collect a Vested Retirement Benefit. The date by which you meet either point in time is commonly referred to as your Payability Date.

In most Tier 1 and 2 plans, at least five years of Allowable or Credited Service is required to vest. Allowable Service is title-specific service that is required for retirement under certain special plans. Credited Service includes service rendered while a member of NYCERS, transferred service, purchased service, membership reinstatement service, military service, and union leave service.

Please see the charts at the end of this brochure to find out how the vested benefit is calculated for your plan.

Note: Tier 2 members of the Uniformed force of the NYC Department of Correction or Sanitation who pay Additional Member Contributions (AMCs) cannot collect a vested benefit

with a deficit in their Retirement Reserve Fund, which holds the AMCs. Any deficit in AMCs must be paid in full prior to payment of a vested benefit.

PURCHASING SERVICE CREDIT

As an active member, you are eligible to purchase previous public service rendered in New York City or New York State. As a vested member, you may NOT submit an application to purchase previous service credit after you have separated from City service. However, if you are laid off for economic reasons, you may submit an application within 90 days from the date of your separation from City service.

Tier 1 members: You are eligible to buy back full or part-time New York City service rendered previous to your NYCERS membership.

Tier 2 members: You may buy back full- or part-time public service rendered within New York State prior to your NYCERS membership. For the service you wish to purchase, you must have been in a position that would have allowed you to join a public employee retirement system in New York State (regardless of whether you actually joined or not).

All purchases of previous service are used in the calculation of a vested benefit in Tier 1. However, such purchased service does not count as qualifying service or allowable service (see charts at end).

Tier 2 members must complete two years of membership service before purchased service is credited to them. Membership service is service rendered while a member of NYCERS, transferred service, or purchased military service.

FILING FOR A VESTED BENEFIT

NYCERS recommends that you obtain confirmation of your eligibility to vest **before** you leave the City payroll. You may meet with a NYCERS representative at our Customer Service Center at 340 Jay Street, Brooklyn, NY 11201 or send a written request to the mailing address below. Once your eligibility is confirmed, you will receive the documents needed to vest.

If you know that you have satisfied your plan requirements (see charts at end), you may file the applicable forms:

Non-uniformed members

File a Notice of Intention to File an Application for a Vested Retirement Benefit (Form #251). By doing so, NYCERS can send you important information regarding your vested membership, including an Annual Disclosure Statement with details of your account balance.

In order to receive payment of a Vested Retirement Benefit, Tier 1 and Tier 2 members must be enrolled in Plan B or Plan D and must

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file an Application for Payment of a Vested Retirement Benefit (Form #261) no more than 90 days prior to your Payability Date. If you file Form #261 within 90 days before attaining age 55, your allowance becomes payable on your 55th birthday. If you file the application after attaining age 55, your allowance is payable as of the date you filed the application with NYCERS.

Members of the Uniformed force of the NYC Department of Correction or Sanitation

File an Application for a Deferred Vested Retirement Benefit (Form #263 for Corrections; Form #269 for Sanitation) at least 30 days prior to separation from City service.

Be sure to keep NYCERS informed of any address change so that we can send you your Annual Disclosure Statement, notify you when your Payability Date is approaching, and mail you any forms required to be filed before you can start collecting your benefit.

REFUNDS WHILE VESTED

Tier 1 and Tier 2 members who are vested may withdraw their Accumulated Deductions, which include basic employee contributions and AMCs where applicable. However, in doing so, their membership terminates and they forfeit the right to any future benefits from NYCERS, including the Vested Retirement Benefit for which they would otherwise be eligible.

Tier 1 members in the Dispatchers 25-Year Retirement Plan or EMT 25-Year Retirement Plan may obtain a refund of AMCs only if they have less than five years of Allowable Service. Tier 1 members in the Special Officers 25-Year Retirement Plan may obtain a refund of AMCs only if they have less than 15 years of Allowable Service.

TRANSFERRING WHILE VESTED

After you leave City service, you are eligible to transfer your NYCERS membership to another New York City or New York State public retirement system. You must be a member of the retirement system to which you are transferring. To complete this transfer, file Form #321 (Application for Transfer of Member's Accumulated Salary Deductions to Another Retirement System within New York State). NYCERS encourages you to consult with representatives of both retirement systems before you transfer your membership.

DEATH BENEFITS

In the event of your death prior to your Payability Date, a lump-sum death benefit will be paid to the beneficiary(ies) you last designated if you have 10 or more years of Credited Service at the time of your death. The amount is based on 50% of the death benefit that would have been payable if you had died on your last day in active service, plus a refund of your Accumulated Deductions (basic contributions plus AMCs if applicable).

If you have at least five but less than 10 years of Credited Service, your beneficiary will receive only the Accumulated Deductions.

HEALTH INSURANCE

NYCERS does not administer health benefits for employees of NYC mayoral agencies or employees of any of the participating employers of NYCERS. Contact your agency's personnel office to find out how you can continue your health benefit coverage into retirement.

Office of Labor Relations	212-513-0470
NYC Transit	646-376-0123
MTA Bridges and Tunnels	646-252-7935

Plan	Eligibility & Payability	Vested Retirement Benefit
Tier 1, Plan B Tier 2, Plan D	Five or more years of Credited Service.* Note: If you are a Plan A member with less than 20 years of Career Pension Plan Qualifying Service or a Plan C member, you must withdraw from Plan A and elect Plan B, or withdraw from Plan C and elect Plan D prior to your resignation and while you are on the City payroll, in order to obtain a Vested Retirement Benefit. You must then resign from your City position. Benefit payable at age 55 for Plan B members; age 62 (unreduced) or age 55 (reduced) for Plan D members, if application is filed within 90 days prior to attainment of payability age. Plan D members must submit Form #255 in order to receive a vested retirement benefit prior to age 62. *If you separated from City service prior to July 17, 1993, you would need 15 years of Credited Service to vest. Special Note on Payability Age of TBTA Members: TBTA members may be eligible to receive an unreduced Tier 2, Plan D Service Retirement Benefit before reaching age 62, and as early as age 55, depending on the member's years of <i>continued on next page</i>	Plan B and Plan D members are eligible for a benefit equal to: 1.53% x Final Salary for Plan B members (Final Average Salary for Plan D members), or average of any three calendar years, if you elect, x Years of service after June 30, 1968; plus 1.2% x Final Salary for Plan B members (Final Average Salary for Plan D members), or average of any three calendar years, if you elect, x Years of service before July 1, 1968; plus a pension based on the actuarial value of your ITHP reserve account as of effective date of payability; plus an annuity based on the actuarial value of your accumulated deductions as of effective date of payability. Note: Plan A members with more than 20 years but less than 25 years of Career Pension Plan Qualifying Service and Plan C members who are 55 or older with 20 or more years of Career Pension Plan Qualifying Service are eligible for a Deferred Service Retirement Benefit equal to: 2.2% x Years of total qualifying service x Final Salary for Plan A members (Final Average Salary for Plan C members). Eligible members must file a service retirement application at least 30 but not more than 90 days before they leave City service.

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Plan	Eligibility & Payability	Vested Retirement Benefit
Tier 1, Plan B Tier 2, Plan D (cont'd)	Allowable Service prior to January 1, 1971 and/or after December 31, 1970. A member may retire: • six (6) months prior to age 62, for each full year of Allowable Service in a TBTA Eligible Position performed before January 1, 1971, and • four (4) months prior to age 62, for each full year of Allowable Service in a TBTA Eligible Position performed after December 31, 1970. In either case, payments cannot begin before age 55.	
Tier 2 – Age 55 Improved Benefit Retirement Plan (CPP-I)	No provision for vesting. Plan CPP-I members must switch to Plan ISF-I to be eligible for a Vested Retirement Benefit.	
Tier 2 – Age 55 Improved Increased Service Fraction Plan (ISF-I)	Five or more years of Credited Service.* Benefit payable at age 62 on an unreduced basis or age 55 on a reduced basis. *If you separated from City service prior to July 17, 1993, you would need 15 years of Credited Service.	1.53% x Final Average Salary x Years of service after June 30, 1968; plus 1.2% x Final Average Salary x Years of service before July 1, 1968; plus a pension based on the actuarial value of your ITHP reserve account as of effective date of payability; plus an annuity based on the actuarial value of your accumulated deductions as of effective date of payability.
Tier 1 & Tier 2 Uniformed Correction Plans	Five or more years of Allowable Correction Service.* Benefit payable on the earliest date the member could have retired with 20 years of Allowable Correction Service. Application must be filed at least 30 but not more than 90 days before resignation. *If you separated from City service prior to July 17, 1993, you would need 15 years of Allowable Correction Service.	Tier 1 and Tier 2 members with more than five but less than 20 years of Allowable Correction Service are eligible for a benefit equal to: 2.5% x Final Salary for Tier 1 members (Final Average Salary for Tier 2 members) x Years of Allowable Correction Service up to 20 years; plus 75% x 1.67% x Final Compensation for Tier 1 members (Final Average Salary for Tier 2 members) x Years of Credited Service other than service in the uniformed force of the Department of Corrections on or after October 1, 1951; plus 55% x 1.67% x Final Compensation for Tier 1 members (Final Average Salary for Tier 2 members) x Years of Credited Service other than service in the uniformed force of the Department of Corrections prior to October 1, 1951
Tier 1 & Tier 2 Uniformed Sanitation Force Plans	Five or more years of Allowable Sanitation Service.* Benefit payable on the earliest date the member could have retired with 20 years of Allowable Sanitation Service. Application must be filed at least 30 but not more than 90 days before resignation *If your membership was terminated before February 4, 2000, you would need 15 years of Allowable Sanitation Service.	Tier 1 members with more than five but less than 20 years of Allowable Sanitation Service are eligible for a benefit equal to: 2.5% x Final Salary x Years of Allowable Sanitation Service up to 20 years; plus 1% x Final Compensation x Years of Credited Service other than service in the uniformed force of the Department of Sanitation. Tier 2 members with less than 20 years of Allowable Sanitation Service are eligible for a benefit equal to: 2% x Final Average Salary x Years of Allowable Sanitation Service; plus 1% x Final Compensation x Years of all other service
Tier 2 Sanitation 20-Year Improved Benefit Retirement Plan	Five years of Allowable Sanitation Service.* When the Participant would have completed 20 years of Allowable Sanitation Service. Application must be filed at least 30 but not more than 90 days before resignation. *If your membership was terminated before February 4, 2000, you would need 15 years of Allowable Sanitation Service.	2½% x Final Average Salary for each year of Allowable Sanitation Service; plus 1% of Final Compensation for each year of Credited Service other than Allowable Sanitation Service

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Plan	Eligibility & Payability	Vested Retirement Benefits
Tier 1 and 2 - Transit 20-Year Retirement Plans	No provision for vesting	
Tier 1 - Age 55 One-Percent Retirement Plan (1/100) Tier 2 - Modified One Percent Retirement Plan (1/100) Transit Only	No provision for vesting	
Tier 1 - Dispatchers 25-Year Retirement Plan Tier 2 – 25-Year Retirement Plan for Dispatchers	Five years of Allowable Service When the Participant would have completed 25 years of Allowable Service as a Dispatcher Member No provision for vesting.	2.20% x Final Salary for each year of Allowable Service as a Dispatcher Member
Tier 1 - EMT 25-Year Retirement Plan Tier 2 – 25-Year Retirement Plan for EMT Members	Five years of Allowable Service When the Participant would have completed 25 years of Allowable Service as an EMT Member No provision for vesting.	2.20% x Final Salary for each year of Allowable Service as an EMT Member
Tier 1 - Special Officers' 25-Year Retirement Plan Tier 2 – 25-Year Retirement Plan for Special Officers	Five years of Allowable Service When the Participant would have completed 25 years of Allowable Service as a Special Officer Member No provision for vesting.	2.20% x Final Salary for each year of Allowable Service as a Special Officer Member
Tier 2 – 25 Year Retirement Plan for NYC Deputy Sheriffs	No provision for vesting.	
Tier 2 – 25-Year/Age -50 Retirement Plan for Automotive Workers	No provision for vesting.	
Tier 2 – Retirement Plan for Police Communication Operators (911)	No provision for vesting.	
Tier 2 IDA 20-Year Retirement Plan	Five years of Allowable IDA Service When the Participant would have completed 20 years of Allowable IDA Service.	2.50% x Final Average Salary for each year of Allowable IDA Service
Tier 2 IDA 25-Year Retirement Plan	15 years of Credited Service When the Participant would have completed 25 years of Credited Service	2.20% x Final Average Salary for each year of Credited Service
Tier 2 - 20-Year Age 50 Retirement Plan for MTA Bridges and Tunnels Officers, Sergeants and Lieutenants	No provision for vesting.	

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