

**INSTRUCTIONS**
*PLEASE READ CAREFULLY***Filing Information**

As a Tier I member of the Teachers' Retirement System of the City of New York (TRS), you may apply for service retirement under the Qualified Pension Plan (QPP) by filing a "Tier I Service Retirement Application" (code RE16). TRS must receive your retirement application at least one business day, but no more than 90 days, before your effective retirement date. Pending TRS' review and approval, filing your application will enable you to receive a retirement allowance. When you file the completed "Tier I Service Retirement Application," you must attach proof of your date of birth and, in some cases, your beneficiary's date of birth. The following items are considered acceptable proof of date of birth, and only **one** of the following is required: birth certificate; passport; or naturalization document. If none of these items is available, then **two** of the following are required: driver's license; certificate of military record; Form SSA-2458 (Report of Confidential Social Security Benefit Information); or other government-issued identification. (Photocopies are acceptable for all items.) We suggest that you bring all materials in person to TRS' Member Services Center at 55 Water Street in lower Manhattan. Please keep copies of your application and all forms filed in conjunction with retirement for your records.

Retirement Payments

Generally, TRS is able to process a retirement benefit within three to five months of your effective retirement date. TRS issues advance payments approximately one to two months after your effective retirement date to provide you with retirement income as soon as possible. You will continue to receive an advance payment every month until your regular retirement allowance is initiated on payroll. For more information, please see the *Advance Payments* brochure.

Tier/Membership Reinstatement

If you are currently a Tier II, Tier III, Tier IV, or Tier VI member and you want to file (or have already filed) for reinstatement under Tier I, **do not file this application. You must file a retirement application under your current tier.** TRS will process your retirement allowance based on your current tier. If you are deemed eligible for reinstatement, your retirement benefits will be recalculated under the appropriate tier and you will be sent a new application for retirement under that tier.

Chapter 126 Service Credit

When determining your eligibility for retirement plans in Part E of the retirement application, you should take into account your amount of Chapter 126 credit. You should be aware that Chapter 126 credit is listed on the Annual Benefits Statement. For more information about Chapter 126 credit, please see the *Chapter 126 Credit for Tier I/II Members* brochure.

Change of Information or Cancellation

You may change any information on your application after you have submitted it; TRS must receive your changes no later than one day before your effective retirement date. However, you may change your payment option election up to 30 days after your effective retirement date by filing the “QPP Retirement Payment Option Change Form” (code RW86). To make changes to your application, you may visit TRS’ Member Services Center on the 2nd floor of 55 Water Street in lower Manhattan and review your changes with a Member Services Representative. If you cannot visit TRS, but wish to make changes to your application, then you must cancel your “Tier I Service Retirement Application” and submit a new one. You may cancel your application by submitting a “Request for Withdrawal of Form/Application/Online Filing” (code MI5). **TRS must receive this form at least one day before your effective retirement date, regardless of the date on which you mailed the form or the postmark date on the envelope.** Please note that you may **NOT** cancel your Service Retirement Application on or after your effective retirement date.

General

- When designating beneficiaries on this form, please provide their Social Security numbers (or alternative taxpayer ID numbers). This information will help TRS process any benefits that later become payable without unnecessary delay.
- For your convenience, TRS forms and publications are available on our website. If you require additional assistance, please contact our Member Services Center at 1 (888) 8-NYC-TRS.

HOW TO COMPLETE THE TIER I SERVICE RETIREMENT APPLICATION

In Part A: PERSONAL INFORMATION

Provide all requested information.

In Part B: ADDITIONAL MEMBERSHIP INFORMATION

Use this section to indicate any additional membership information (e.g., Multiple Employment Membership or Chapter 683 Earnings).

Multiple Employment Membership status is assigned to members of TRS who render employment in both primary and secondary TRS-eligible positions during any school year. Once a member attains Multiple Employment Membership status, it will remain in effect until his/her retirement or termination of TRS membership. This applies if you are in active service and you held any secondary position on or after January 1, 1995. Active service includes being on an approved leave of absence or having transferred contributor status. For more information about Multiple Employment, please see the *Multiple Employment Membership Status* brochure.

Chapter 683 earnings apply if you were employed in a Special Education Program, in accordance with Chapter 683 of the Retirement and Social Security Law (RSSL). Please note that confirmation of your Chapter 683 earnings during the summer preceding your retirement may not be available at the time of retirement. TRS will calculate your retirement allowance to include these earnings when confirmation of your Chapter 683 earnings becomes available.

In Part C: TDA ELECTION

If you are a participant in TRS' Tax-Deferred Annuity (TDA) Program, you must make a decision at this time regarding the distribution of your TDA funds. As indicated below, you must file the appropriate form(s), based on your election, in conjunction with filing for retirement.

ACTION	FORM TO FILE
Receive your TDA funds as an annuity separate from your QPP retirement allowance.	"TDA Annuitization Election Form" (code TD6)
Withdraw all of your TDA funds.	"TDA Withdrawal Application" (code TD32)
Defer distribution of your TDA funds to a later date and leave them invested with TRS.	"TDA Deferral Status Election Form (For Retiring Members)" (code TD30)

For more information, please refer to the *TDA Options at Retirement* brochure.

In Part D: FINAL AVERAGE SALARY (FAS) ELECTION

Your Final Average Salary is a key component in the computation of your retirement allowance. In general, if you have served at least three years in the position from which you are retiring, your FAS would be the actual gross salary earnable during the 12 months prior to your retirement. If you have served less than three years in the position from which you are retiring, your FAS generally would be your annual earnable salary during the last year of the most recent position you held for at least three years. However, you may elect to have your FAS be the average annual salary earned during any five consecutive years of your membership, in which case you would enter a five-year period in this section.

In Part E: RETIREMENT DATE AND PLAN ELECTION

You must elect an effective retirement date and a retirement plan. The available plans and eligibility requirements are summarized below. Note that TRS will calculate your retirement benefit under any retirement plan that you qualify for under your tier and will base your final retirement allowance on the plan that provides the highest calculated benefit. Please refer to the *Service Retirement Plans and Benefits for Tiers I/II* brochure for further descriptions of the retirement plans, their eligibility criteria, and the benefits payable under each plan. In general, payments begin at your retirement date. Exceptions are explained below.

If you qualify for immediate payments of your retirement allowance, your effective retirement date would be considered your initial payability date. However, if you retire with deferred payments of your retirement allowance, your initial payability date would not be your effective retirement date, but rather the date that you meet all criteria to receive payment. Members generally choose a deferred payability plan when they want to retire but have not yet attained the required amount of qualifying service for full benefits. Advancement toward the payability date begins from the date of your service termination.

PAYMENT PLAN	YEARS OF SERVICE	AGE	PAYMENTS
Plan A – Immediate Payment	25+*	55+	Unreduced payments as of your retirement date
Plan A – Deferred Payment	20 – 25*	Any age	Unreduced payments deferred until the later of your 55 th birthday or the date on which you would have completed 25 years of qualifying service
————— OR —————			
	25+*	Under 55	Unreduced payments deferred until your 55 th birthday
30-Year Demand Payment	30+	Under 55	Reduced payments as of your retirement date
Plan B – Vested	5 – 30	Under 55	Unreduced payments as of your 55 th birthday
Plan B – Immediate Payment	Any amount	55+	Unreduced payments as of your retirement date

*Qualifying Service

In Part F: PAYMENT OPTION ELECTION AND BENEFICIARY DESIGNATIONS

You must elect **ONLY ONE** payment option in Part F for your retirement allowance and designate beneficiaries if your payment option includes that provision. In all cases, you would receive your retirement allowance for as long as you live. If you want to provide for beneficiaries, you have several choices, each of which would reduce the amount of your monthly retirement allowance. All payments to you and your beneficiaries are monthly and each payment option also enables you to choose a beneficiary for the fractional amount of your retirement allowance. You may add additional beneficiaries by filing the “Retired/Retiring Member’s Additional QPP Beneficiary Form” (code EN22). For additional information about payment option elections, beneficiaries, and acceptable documents to prove your beneficiaries’ dates of birth, please see the *Retirement Payment Options: Tiers I/II and TDA Annuitization Options* brochure.

Your payment options are categorized as follows:

Maximum Payment Option

Lump-Sum Payment Options

- Option I Unmodified
- Option I Modified
- Option IV-b

Guaranteed Number of Payments Options

- Option IV-d (5-Year Certain)
- Option IV-e (10-Year Certain)

Continuing Payment Options

- Option II
- Option III
- Option IV-a

Pop-up Options

- Option IV-2
- Option IV-3
- Option IV-4

If you elect a Continuing Payment or Pop-up Option:

- These options provide for only one beneficiary. You may change this beneficiary designation up to 30 days after your initial payability date.
- Your beneficiary's age is a factor in computing the amount of your monthly retirement allowance payments; **therefore, you must submit proof of your beneficiary's date of birth in conjunction with this application.**
- You may not designate a trustee as your beneficiary.

NOTE: If you elect a payment option for your retirement allowance (other than Option I Modified) that provides for beneficiaries, it would be considered a conditional election for 30 days after your initial payability date. If you die within this 30-day period, you would be considered to have elected Option I Modified, and your initial payability date would be considered to be the day before your death. In accordance with Option I Modified, payment of your remaining reserves would be made to your beneficiaries. However, if you die more than 30 days after your initial payability date, your beneficiaries would receive their death benefits in accordance with your payment option election on the "Tier I Service Retirement Application."

In Part G: DESIGNATION OF BENEFICIARY FOR FRACTIONAL PAYMENT OF RETIREMENT ALLOWANCE

In addition to any election you may have made in Part F, you must designate a beneficiary in Part G to receive any fractional payment that may be due for the month in which you die. The fractional payment would be payable provided that you do not die on the last day of the month; the payment would be based on the number of days that you are alive during that month. For example, if you die on the 21st day of a 30-day month, the beneficiary that you designate would receive a payment equaling 21/30 (or 70%) of your monthly retirement allowance.

- The beneficiary you designate to receive your fractional payment need not be the same beneficiary as you designate in Part F.
- You may change your fractional beneficiary designation at any time after you file the "Tier I Service Retirement Application" by filing a "Designation of QPP Fractional Beneficiary Form" (code EN24).
- If you have already established a trust, you may designate your trustee as your beneficiary.
- If your beneficiary predeceases you, the fractional payment would be made to your estate, unless you designate another beneficiary for this payment.

In Part H: INVESTMENT ELECTION AT RETIREMENT

At retirement, you have the opportunity to reallocate your accumulated QPP funds among TRS' Passport Funds. If you elect to do so, investment allocation changes need to be in multiples of 5% and must total 100%. The example below demonstrates how to complete Part H if you would like to invest 50% of your QPP funds in the Fixed Return Fund, 10% each in the Diversified Equity Fund, and the U.S. Equity Index Fund, and 15% each in the Balanced Fund and the Sustainable Equity Fund. (This is only an illustration, not a recommendation.) Your QPP funds will be reallocated on your initial payability date according to the percentages you indicate on this application.

TRS' Passport Funds	Percentage			
Fixed Return Fund		5	0	%
Diversified Equity Fund		1	0	%
Balanced Fund		1	5	%
International Equity Fund			0	%
Sustainable Equity Fund		1	5	%
U.S. Equity Index Fund		1	0	%
International Equity Index Fund			0	%
TOTAL	1	0	0	%

Note: Any ongoing conversion of your funds that is not completed by your initial payability date would stop as of that date. You may change the way your QPP funds are invested, on a quarterly basis, by filing a "Retiree's QPP Investment Election Change Form" (code RP8) with TRS at any time. Investment election changes take effect on the following conversion dates: April 1, July 1, October 1, and January 1. Your elections would take effect on the next conversion date that occurs at least 60 days after TRS receives your form. Please be advised that investment election changes cannot be effected until the quarter after your retirement allowance has been finalized.

In Part I: AFFIRMATION OF UNDERSTANDING

You must sign and date the statement in the presence of a notary public, who must then complete Part J.

In Part J: NOTARIZATION

You must have this form notarized. The date in this notary section must be the same date that you enter in Part I.



Please print in black or blue ink, and initial any changes that you make on this application. For each selection that you make throughout this application, you must write your initials in the space provided and check the corresponding box.

PART A: PERSONAL INFORMATION Please provide the information below.

First Name	MI	Last Name	Social Security Number (last 4 digits only)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="text"/> <input checked="" type="text"/> <input checked="" type="text"/> - <input checked="" type="text"/> <input checked="" type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Permanent Home Address	Apt. No.	TRS Membership Number	
<input type="text"/>	<input type="text"/>	<input type="text"/>	
City	State	Zip Code	Primary Phone Number (Check one: <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile)
<input type="text"/>	<input type="text"/>	<input type="text"/>	(<input type="text"/> <input type="text"/> <input type="text"/>) <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Email Address	Alternate Phone Number (Check one: <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile)		
<input type="text"/>	(<input type="text"/> <input type="text"/> <input type="text"/>) <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		
Date of Birth (MM/DD/YYYY):			
<input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			

Check here if you entered new contact information above. TRS will then update our records based on what you entered. Please keep your contact information up to date. You can visit our website to update your contact information anytime, or file a "Member's Change of Address Form" (code DM13) with TRS.

PART B: ADDITIONAL MEMBERSHIP INFORMATION

Please indicate if any of the following apply to you:

- Multiple Employment Membership
This applies if you are in active service and you held any secondary position on or after January 1, 1995. Active service includes being on an approved leave of absence or having transferred contributor status.
- Chapter 683 Earnings
This applies if, during the summer preceding your retirement, you were teaching in the Special Education program that employs teachers in year-round positions.

PART C: TDA ELECTION

If you are a participant in TRS' TDA program, please indicate your election for any TDA funds. If you are not a TDA participant, do not complete Part C.

- Receive my TDA funds as an annuity separate from my QPP retirement allowance.
- Withdraw all of my TDA funds.
- Defer distribution of my TDA funds to a later date and leave them invested with TRS.

PART D: FINAL AVERAGE SALARY (FAS) ELECTION

Please indicate if you would like to have your FAS calculated as the average annual salary earnable during any five consecutive years of your membership. If so, provide the five-year period in the space provided.

I want my FAS to be the average annual salary earnable during the following five-year period:

From (MM/DD/YYYY): / / To (MM/DD/YYYY): / /

PART E: RETIREMENT DATE AND PLAN ELECTION

Please indicate your retirement date. Your retirement date must be at least one day later than the date that TRS receives this application.

I would like my service retirement date to be (MM/DD/YYYY): / /

Please elect **ONLY ONE** of the retirement plans below. You must meet the eligibility criteria outlined in the attached *Instructions for Completing Your Tier I Service Retirement Application* for the plan you select. If TRS determines that a different retirement plan will provide a higher benefit, we will base your retirement allowance on that plan.

PLAN	YEARS OF SERVICE	AGE	PAYMENTS
<input type="checkbox"/> Plan A - Immediate Payment	25+*	55+	Unreduced payments as of your retirement date
<input type="checkbox"/> Plan A - Deferred Payment	20 – 25*	Any age	Unreduced payments deferred until the later of your 55 th birthday or the date on which you would have completed 25 years of qualifying service
<input type="checkbox"/> Plan A - Deferred Payment	25+*	Under 55	Unreduced payments deferred until your 55 th birthday
<input type="checkbox"/> 30-Year Demand Payment	30+	Under 55	Reduced payments as of your retirement date
<input type="checkbox"/> Plan B - Vested	5 – 30	Under 55	Unreduced payments as of your 55 th birthday
<input type="checkbox"/> Plan B - Immediate Payment	Any amount	55+	Unreduced payments as of your retirement date

* Qualifying Service

PART F: PAYMENT OPTION ELECTION AND BENEFICIARY DESIGNATIONS

Please elect **ONLY ONE** of the payment options listed in Part F. Choose and complete any additional elections under your payment option. If you elect an option that provides a death benefit, you **must** designate a beneficiary. **In addition, all options require a beneficiary for your fractional payment.** If you have already established a trust, you may designate your trustee as your beneficiary for lump-sum payments only.

If you need to designate additional beneficiaries (primary, contingent, or fractional), please file a "Retired/Retiring Member's Additional QPP Beneficiary Form" (code EN22).

For more information about the percentage of your retirement allowance that you can leave your beneficiaries, please see the *Retirement Payment Options: Tiers I/II and TDA Annuitization Options* brochure.

PART F (continued)

MAXIMUM PAYMENT OPTION

Maximum Payment Option

Highest monthly retirement allowance with no further benefits after your death.

THEN → Go to **Part G** to designate a beneficiary for your fractional payment.

LUMP-SUM PAYMENT OPTIONS

Option I Unmodified

Indicate method of payment for benefit if over \$10,000:

Monthly Annuity Lump Sum

Payment to Beneficiaries

If you die before your monthly retirement allowance payments deplete your initial reserves, the remaining balance would be made payable in a lump sum to your beneficiaries.

OR

Option I Modified

Indicate method of payment for benefit if over \$10,000:

Monthly Annuity Lump Sum

Similar to Option I Unmodified; however, this option allows you to elect to further reduce your monthly retirement allowance payments in order to provide a higher death benefit to your beneficiaries.

OR

Option IV-b

Indicate lump-sum payment to your beneficiaries:

\$,000.

Circle fund (only one) that lump sum will be paid from:

- | | |
|----------------------|----------------------------|
| Fixed Return | Sustainable Equity |
| Diversified Equity | U.S. Equity Index |
| Balanced | International Equity Index |
| International Equity | |

This option enables you to specify the lump-sum dollar amount to be paid to your beneficiaries upon your death. This amount is not reduced by the retirement allowance payments you receive. For your retirement allowance only, you must also elect a separate payment option (other than Option I or Option IV-b) for the Pension Reserve portion of your retirement allowance.

Indicate payment option for Pension Reserve portion: _____

(Choose an option other than Option I or Option IV-b.)

THEN → Designate your primary and contingent beneficiary on the next page; then go to **Part G** to designate a beneficiary for a fractional payment.

PART F (continued)

DESIGNATION OF PRIMARY BENEFICIARY

Beneficiary/ Trustee	Home Address		Relationship To You
First Name/MI			
Last Name			Date of Birth (M/D/Y)
SSN#			/ /

DESIGNATION OF CONTINGENT BENEFICIARY

Beneficiary/ Trustee	Home Address		Relationship To You
First Name/MI			
Last Name			Date of Birth (M/D/Y)
SSN#			/ /

GUARANTEED NUMBER OF PAYMENTS OPTIONS

Option IV-d (5-year certain)
_____ **OR** _____
Payment to Beneficiaries
Receives payments only if 60 payments have not been made before your death.

Option IV-e (10-year certain)

Receives payments only if 120 payments have not been made before your death.

THEN → Designate your primary and contingent beneficiary below; then go to **Part G** to designate a beneficiary for a fractional payment.

DESIGNATION OF PRIMARY BENEFICIARY

Beneficiary/ Trustee	Home Address		Relationship To You
First Name/MI			
Last Name			Date of Birth (M/D/Y)
SSN#			/ /

DESIGNATION OF CONTINGENT BENEFICIARY

Beneficiary/ Trustee	Home Address		Relationship To You
First Name/MI			
Last Name			Date of Birth (M/D/Y)
SSN#			/ /

PART F (continued)

CONTINUING PAYMENT OPTIONS

<input type="checkbox"/>	Option II	<u>Payment to Beneficiary</u> Lifetime payments equal to 100% of your reduced monthly retirement allowance.
_____ OR _____		
<input type="checkbox"/>	Option III	Lifetime payments equal to 50% of your reduced monthly retirement allowance.
_____ OR _____		
<input type="checkbox"/>	Option IV-a Choose a percentage of your monthly retirement allowance payable as death benefit: <input type="text"/> <input type="text"/> % (50% and 100% not permitted.)	Lifetime payments of your choice.
_____ OR _____		
<input type="checkbox"/>	Option IV-2 (“Pop-up” option)*	Lifetime payments equal to 100% of your reduced monthly retirement payments. Lifetime payments as in Option II.
_____ OR _____		
<input type="checkbox"/>	Option IV-3 (“Pop-up” option)*	Lifetime payments equal to 50% of your reduced monthly retirement payments. Lifetime payments as in Option III.
_____ OR _____		
<input type="checkbox"/>	Option IV-4 (“Pop-up” option)* Choose a percentage of your monthly retirement allowance payable as death benefit: <input type="text"/> <input type="text"/> % (50% and 100% not permitted.)	Lifetime payments of your choice. Lifetime payments as in Option IV-a.

**If beneficiary predeceases you, your payments increase to the maximum.*

THEN Designate a beneficiary below; then go to **Part G** to designate a beneficiary for a fractional payment.

DESIGNATION OF BENEFICIARY

Beneficiary	Home Address	Relationship To You
First Name/MI		
Last Name		Date of Birth (M/D/Y)
SSN#		/ /

**PART G: DESIGNATION OF BENEFICIARY FOR FRACTIONAL PAYMENT OF RETIREMENT ALLOWANCE
(All Payment Options)**

Regardless of your election in Part F, you must designate a beneficiary to receive the fractional portion of your retirement allowance for the month in which you die.

Beneficiary/ Trustee	Home Address		Relationship To You
First Name/MI			
Last Name			Date of Birth (M/D/Y)
SSN#			/ /

PART H: INVESTMENT ELECTION AT RETIREMENT

In the appropriate box(es) below, please designate how you would like your QPP funds allocated among TRS' investment programs. Your allocations must be in 5% multiples and add up to 100%. Your QPP funds will be reallocated on your initial payability date according to the percentages you indicate on this application.

I wish to reallocate my QPP funds as indicated below:

TRS' Passport Funds	Percentage			
Fixed Return Fund				%
Diversified Equity Fund				%
Balanced Fund				%
International Equity Fund				%
Sustainable Equity Fund				%
U.S. Equity Index Fund				%
International Equity Index Fund				%
TOTAL	1	0	0	%

I wish to leave my funds invested as they are as of my retirement or payability date.



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INSTRUCTIONS

PLEASE READ CAREFULLY

Members who are represented by the United Federation of Teachers (UFT) must sign the attached acknowledgement letter from the Department of Education (DOE) and file it with their retirement application. Members who are not represented by the UFT should disregard this information and should not file the attached letter.

The Department of Education (DOE) has directed TRS to provide UFT members the attached letter. The letter explains how TRS will calculate your retirement allowance to reflect provisions of the 2014 UFT collective bargaining agreement.

How to Complete Your Acknowledgement Letter

Please carefully read the acknowledgement letter (code T01-DOE) and sign and date it in the spaces provided. In the space labeled "Pension No. /Last Four Digits of Social," write your TRS Membership Number instead. Then, include the signed letter with the retirement application that you file with TRS.

How TRS Will Calculate Your Retirement Allowance

TRS will base your retirement calculation on the best Final Average Salary (FAS) period that results after factoring in the two 4% pay increases from 2009 and 2010 that are due you (but not fully paid to you by the DOE), as well as the two 1% pay increases that the DOE has already paid to you under your collective bargaining agreement.

During the summer of 2016, the DOE is expected to provide TRS with updated salary information related to the two 4% pay increases. If TRS has not yet received your updated salary information from the DOE when we begin calculating your retirement allowance, we will initially finalize your retirement allowance based on available information, and then revise your retirement allowance to reflect the full pay increases due under your collective bargaining agreement.

If you have additional pensionable earnings such as per session and class coverage, please note that the DOE is expected to send that salary information to TRS after sending the information related to the two 4% pay increases. TRS will then determine whether you are eligible for a retirement allowance revision based on the additional pensionable earnings.

Additional Information

TRS will send you a Benefits Letter about a week before you receive your first retirement allowance payment. The Benefits Letter will detail your retirement allowance calculation, including the Final Average Salary used. If you have questions *after* receiving your Benefits Letter, you may call TRS at 1 (888) 8-NYC-TRS, or the UFT Retiree Pension Department at (212) 598-9536.

Please note that TRS is administering your retirement allowance revision in accordance with the agreements between the UFT and the DOE, but keep in mind that TRS and our Member Services Representatives are not experts about the specific terms of the agreements.



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Carmen Farina
Chancellor

Dear Applicant for Retirement,

In the Spring of 2014, the United Federation of Teachers (“UFT”) and the Board of Education of the City School District of the City of New York (known as the “Department of Education” or “DOE”) negotiated a new collective bargaining agreement (the “Agreement”) covering November 1, 2009 through October 31, 2018.

As part of Section 3(B) of the Agreement, the UFT and DOE agreed that two 4% increases from 2009 and 2010 that were part of the pattern for the 2009-2011 round of bargaining would be phased in to employees’ paychecks as 2% on May 1, 2015, another 2% on May 1, 2016, another 2% on May 1, 2017 and, finally, another 2% on May 1, 2018.

At the same time, Section 3(E) of the Agreement provides for a series of lump sum payments which are paid on October 1, 2015, October 1, 2017, October 1, 2018, October 1, 2019 and October 1, 2020 (or for those on approved leave, upon return). Lump sum payments are also made on those dates to those individuals who retired after June 30, 2014.

The wage rate increases and lump sum payments occur at different points in time, but they both represent, in different forms, the same increases from the 2009-2011 round of bargaining. To make sure your pension does not include less or more than it would if you received a 4% increase on November 1, 2009 and a 4% increase on November 1, 2010, the UFT and DOE agreed that employee pensions would be calculated using the phased in wage rate increases.

In order to ensure that all UFT-represented employees are equally made whole and receive neither less nor more than the full value of the 2009-2011 pattern increases in their pensions, this letter has been added to your application for retirement to ensure that you understand that your pension will be calculated by applying a 4% increase in 2009 and a 4% increase in 2010 when calculating your final average salary.


Because your pension will be calculated in this way, you understand that the lump sum payments will not be separately pensionable.

You also agree that you will not challenge the exclusion of your lump sum payments from your final average salary calculation since you have been credited for this amount in your final average salary. Such challenge will result in your becoming legally obligated to return all the lump sum payments you received to the DOE. If you bring such a challenge and do not return the lump sum payments, the DOE will have a right to take legal action against you to secure the return of the payments and, if successful, will have a right to recover legal fees associated with that legal action.

Notwithstanding this acknowledgement, it is understood that you do reserve your right to otherwise challenge the correctness of your pension calculation without giving up the lump sum payments, including, but not limited to, challenging any potential incorrect application of the increases in Section 3(B) of the collective bargaining agreement to 2009 and 2010.

Date: _____

UFT-Represented Employee/Retiree



Lawrence E. Becker
Human Resources
New York City
Department of Education

Pension No. / Last four digits of Social

(T01-DOE)