



Claiming Your Monthly Retirement Benefit

North Carolina Retirement Systems

Please print or type in black ink.

Section A. Tell us about yourself.

| | | | | |
|-----------------|-------|-----------|---------------|---------------|
| FIRST NAME | MI | LAST NAME | SUFFIX | SSN |
| MAILING ADDRESS | | | | MEMBER ID |
| CITY | STATE | ZIP CODE | TELEPHONE NO. | DATE OF BIRTH |

Section B. Please tell us the retirement system from which you wish to retire.

If more than one, a separate form is required for each retirement system account.

- Teachers' and State Employees' Retirement System (TSERS)
- Local Governmental Employees' Retirement System (LGERS)
- Legislative Retirement System (LRS)
- Consolidated Judicial Retirement System (CJRS)

| |
|------------------------------|
| LAST EMPLOYER IN THIS SYSTEM |
| LAST POSITION HELD |
| LAST DAY OF WORK |

Section C. Please choose an effective retirement date.

All effective retirement dates must be on the first day of a month. You must terminate employment before your effective retirement date. Your eligibility for retirement and the amount of your retirement benefit are based on how much retirement service credit you have earned prior to this date. Under state law, you may not sign this application earlier than 120 days before your effective date of retirement. You may not sign this application on or after your effective date of retirement. See Guide C.

Your effective retirement date: MONTH DAY 1, YEAR

Section D. Please provide your proposed beneficiary's information below:

The retirement payment option you choose will affect the amount you will receive each month and whether or not a beneficiary will receive a benefit after your death. A range of retirement payment options are available to you. See Guide E. Please provide the following information about a potential beneficiary of your monthly retirement benefit for the sole purpose of an estimate. Giving us this information allows us to provide you with the fullest estimate of payment options. You will have an opportunity to legally designate such a beneficiary later on the Form 6E, 6EJ, or 6EL (Choosing Your Retirement Payment Option).

| | | | | | | |
|----------------------------|-------|----|------|----------------|--|---------------|
| <input type="checkbox"/> M | FIRST | MI | LAST | SSN (REQUIRED) | SPOUSE? | DATE OF BIRTH |
| <input type="checkbox"/> F | | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |

Section E. Please authorize this application and attach the following forms.

I hereby certify I have read the Guides and that the above information is correct and true to the best of my knowledge.

Signature _____ Date _____

Section F. Please attach the following documents to complete this claim.

- Proof of birth for you AND your beneficiary

Submit a copy of a birth certificate or a copy of one of the following that gives your date of birth: driver's license, passport, or state or federal or military identification.

- Estimate of retirement benefits from the Social Security Administration

If you are under age 62, the Social Security leveling payment option (see Guide E, Option Four) is offered to you unless you are a member of the Legislative Retirement System. If you are interested in this payment option, you must attach an official estimate of your retirement benefits from the Social Security Administration dated within the last year.

Section G. Determine if submitting this form to your employer is applicable.

If you are a member of the TSERS or the LGERS: You must submit this form to your last system employer under the following conditions: (1) You have not yet reached your effective date of termination. (2) You intend to convert unused sick leave into retirement service credit (See Guide C). After you submit this form to your employer, it will be forwarded to the Retirement Systems Division. If you do not need to submit this form to your employer, please submit this form according to the instructions in Section I. If you are a member of the CJRS or the LRS: Please submit the form according to the instructions in Section I.

Please continue to the next page.

Section H. Employer, please acknowledge this application and certify final work record information.

- 1 What was the last date *for* which the employee was (or will be) paid?
(Do not include vacation days paid out).
- 2 What was (or will be) the effective date of termination, if different from the last date paid?
(See #1 above)
- 3 How many days of unused sick leave will (or did) the employee have on his or her effective date of termination? If TSERS, include personal leave for conversion to sick leave.
- 4 Please project the compensation for each month that the employee will receive from the last employer report until the pay period ending on or after the employee's effective date of termination.

| Month | Monthly Compensation |
|-------|----------------------|
| | |
| | |
| | |
| | |
- 5 Please project the final payouts below.

| | |
|---------------------|--|
| Annual Leave Payout | <input style="width: 150px;" type="text"/> |
| Bonus Leave Payout | <input style="width: 150px;" type="text"/> |
| Installment Payout | <input style="width: 150px;" type="text"/> |
| Longevity Payout | <input style="width: 150px;" type="text"/> |
| Supplement Payout | <input style="width: 150px;" type="text"/> |
- 6 What was the employee's total annual salary for the year in which they retired? (January - December) Include the total remaining salary to be paid from #4 and the total payouts from # 5.
- 7 What was the employees total annual salary for the year preceding their retirement year? (January - December)
- 8 Retirement Service Type
(9, 10, 11 or 12 month - count the total number of months in the regular term of annual employment)
If less than 12 months, beginning month ending month
- 9 Pay Period (monthly, bi-weekly, weekly)
If the employee is paid on a delayed basis, please explain (1 week/ 2 week delay)

Employer Certification:

I hereby certify that the information provided about the employee named in Section A is true and correct to the best of my knowledge. I certify that this employee has chosen an effective date of termination that is prior to his/her effective retirement date.

I certify that the unused sick leave shown reflects the amount of unused sick leave at or projected to the date of termination and is sick leave for which this member would have been paid had he/she actually been sick. If this amount changes, I will notify the Retirement Systems Division with a Form 6C. All other information will be confirmed through usual employer reporting methods.

Employer Contact's Signature _____ **Date** _____

| | | | |
|--------------------|-------------------|----------------|----------|
| CONTACT FIRST NAME | CONTACT LAST NAME | POSITION TITLE | |
| EMPLOYER/AGENCY | | | UNIT NO. |
| E-MAIL ADDRESS | | TELEPHONE NO. | FAX NO. |

Section I. Please submit this form by mail or fax.

You may mail this form to the address below, or you may fax this form to (919) 508-5350. For timely processing, please submit this form to the Retirement Systems Division at least 60 days before the effective retirement date.

N.C. Department of State Treasurer, Retirement Systems Division
325 North Salisbury Street, Raleigh, North Carolina 27603-1385
(919) 733-4191 in the Raleigh area or (877) 733-4191 toll free
www.myncretirement.com

| | |
|-------------------|-------------|
| MEMBERS LAST NAME | MEMBERS SSN |
| | |



Guide A. Who is eligible for retirement?

The age and service requirements for eligibility for retirement are different with each Retirement System, so it is important to consult your benefits handbook (available at www.myncretirement.com) and your last system employer as you plan for your retirement.

If you have at least five years of eligible retirement credit in the following retirement systems, you are vested, which means you are eligible for a monthly retirement benefit as soon as your age qualifies you:

- The Teachers' and State Employees Retirement System
- The Local Governmental Employees' Retirement System
- The Consolidated Judicial Retirement System
- The Legislative Retirement System

In general, North Carolina retirement law allows members with more years of service to retire without penalty at a younger age.

Retirees are subject to earnings restrictions. State return-to-work laws require suspension of benefits when earnings from applicable employers exceed the allowable limit. Before returning to work, be sure that you understand the return-to-work laws that apply to the System from which you retired. For example, new retirees in the Teachers' and State Employees' Retirement System may not work with a System employer, or make arrangements for future work, until the first six months of retirement have passed. A summary of return-to-work laws for the Local Governmental Employees' Retirement System and the Teachers' and State Employees' Retirement System is located in Guides H, J, and K.

Additional information about reemployment provisions can be found in each System's *Your Retirement Benefits Handbook*, located on our website at www.myncretirement.com.

Guide B. What are the steps in the retirement process?

Basic Steps in the Retirement Process

1. Read, complete, and sign your retirement application packet: Form 6, proof of birth, and Social Security statement. Submit your application packet (see Section G).
2. Receive, complete, and return Forms 170, 333, and HM, if applicable. See Guide D.
3. Receive a Form 6E from the Division. Complete and submit this form to choose a retirement payment option. Submit with it the Form 290 (see Guide D) and Form 319 (if applicable) that you are also sent with the Form 6E.
4. Receive a Form 336 from the Division. Complete and submit this form to designate beneficiary(ies) for your Guaranteed Refund (see Guide F).
5. Receive your first benefit check, and cash it if you are sure of your retirement choices.
6. Receive all subsequent payments through direct deposit. Maintain your benefit account (see Guide D).

More about Step 1: Signing Your Form 6

Before you begin the retirement process, we encourage you to discuss your retirement plans with your family and your employer's benefits coordinator.

When you are confident your retirement planning is complete, you are ready to complete Form 6 (Choosing a Retirement Date). The principal purpose of a Form 6 is to claim your effective retirement date.

If you sign your retirement application earlier than 120 days before your effective retirement date, your retirement application will not be processed, and you will be required to complete a new application that is signed within 120 days of your effective retirement date. If you sign your application on or after your effective retirement date, your effective retirement date will be changed to the following month.

You may submit the form yourself if you have been separated from your last system employer for more than three months or you do not intend to convert sick leave into retirement service credit. But if you do intend to convert any sick leave (or if TSERS, any personal leave) into retirement service credit, your employer must complete Section H of the form. In any case, it is recommended that your Form 6 be submitted to the Retirement Systems Division at least 60 days but not more than 120 days before your effective retirement date in order to allow adequate time for the Division to process your application.

More about Step 3: Submitting Your Form 6E

Once the Retirement Systems Division has received your Form 6, the Division will send you additional forms (see Guide D). After we have reviewed your record of service, we will mail you an estimate that shows the amount of your maximum monthly benefit and alternative payment options. You may cancel the retirement process at this time. To continue, you will need to carefully review these options and make your choices on a Form 6E (Choosing Your Retirement Payment Option) that we provide to you with the estimate. Your choice of payment option is an important decision as the law allows a change to your option only under specific and limited circumstances. We will send you a letter acknowledging that we have received your Forms 6E and 336 (see Guide F). Your retirement application may be cancelled if we do not receive your Form 6E within 90 days.

More about Step 4: Receiving Your First Benefit Check

Your first benefit check will be mailed to you no earlier than the 25th of your retirement month. The amount of this initial benefit, like all subsequent benefits, will be based on the most up-to-date information available to the Division. Cashing your first benefit check will legally bind you to the

Please continue to the next page.



North Carolina Retirement Systems

Guide B. (Continued)

payment option you chose, but the amount of your benefit will always be subject to retirement law. If your contributions and service record is ever updated, your benefit amount may be adjusted to assure that the amount is in compliance with retirement law. At any such time, we will send you a notice of the change.

Guide C. What should I consider as I near my retirement date?

All effective retirement dates are on the first day of the month. In order to be legally retired, you must resign from employment and live until your effective date of retirement, assuming you are eligible (See Guide A).

You may cancel the retirement process any time prior to the cashing of your first check (Your second and subsequent checks are automatically deposited).

Near your effective retirement date, consider the following:

Sick leave. If you have unused sick leave that can be converted to retirement service credit, one month of credit is allowed for each 20 days of unused sick leave as long as (a) the sick leave was earned monthly under a duly adopted policy, (b) you would have been paid full salary had you been absent from work on account of sickness, and (c) you have not and will not have received any compensation for this sick leave. If you choose to convert your sick leave to retirement service credit, your age must qualify you for retirement regardless.

More about Step 6: Receiving Subsequent Payments

Your subsequent retirement payments will be deposited into your bank account generally on the 25th of the month. You will receive a detailed statement in the mail only if the amount of the payment is different from the previous month's amount.

Personal leave. TSERS members may convert personal leave to sick leave.

Service credit changes. The more months of work, the higher one's benefit is likely to be.

Salary changes. For TSERS and LGERS members, a change in salary may or may not affect the amount of your final retirement benefit. But if your salary is the highest it has ever been, and you received a raise within the last four years, you can estimate that the longer you work at your current rate, the higher your retirement benefit will be.

Processing times. We encourage applicants to be sure that Form 6 is submitted to the Retirement Systems Division no later than 60 days before the effective retirement date, and to be sure to submit the Form 6E as soon as possible after it is mailed to you. If your first monthly benefit payment is delayed, the first payment will include a retroactive amount. In any event, your effective date of retirement will remain legally binding.

Guide D. What other decisions will I make during the retirement process?

Your employer and the Division will supply you with other forms and information for your use in making other choices about your retirement.

Choosing a bank account to receive your direct deposit. You will choose a bank account for the automatic deposit of your benefit using the Form 170 (Authorizing Direct Deposit). Your first check will be mailed, but all following payments will be deposited automatically into a bank account, unless you are granted exemption after submitting a written statement that explains and documents why direct deposit is a hardship for you.

Choosing health coverage for your dependents. You will decide whether or not to provide health care coverage for your eligible dependents, and what type of coverage, using the Form HM (Selecting Health Coverage). Please review Guide A on the Form HM to determine if you are eligible for individual, state-paid health coverage. (If you are a member of the Local Governmental Employees' Retirement System, please ask your employer whether health coverage for retired members is available).

Choosing tax withholdings. You will indicate your tax withholding preferences with a Form 290 (Choosing Your Tax Withholdings). Your retirement benefit is generally subject to income tax withholdings.

Maintaining your account. You will be able to modify many of these decisions at any time by submitting an additional form or by accessing your account on-line at www.myncretirement.com and logging into ORBIT after you have received your first payment. This secure, web-based system provides you with full access to your personal account. Through ORBIT, you can view benefit payment history, tax withholdings, earnable allowance, and more. You can also conduct secure online transactions like changing your address and ordering a new 1099R.

Choosing the Contributory Death Benefit. If you are retiring for the first time in your system, you will have an opportunity to participate in the optional \$10,000 Contributory Death Benefit for Retired Members. Shortly after we receive your Form 6, we will mail you information about the contributions required for this optional benefit if you are eligible.

Please continue to the next page.



North Carolina Retirement Systems

Guide E. What are my retirement payment options?

You have a choice of retirement options. You will be asked to choose one of these options in the next step of the retirement process. (All of these options include the Guaranteed Refund. See Guide F.) Please review the following retirement options. (Under the Legislative Retirement System, only the Maximum Allowance and Options 2 and 3 are available).

OPTIONS WITHOUT A MONTHLY BENEFIT FOR A SURVIVOR AFTER YOUR DEATH

Maximum Allowance: Basic, Straight Life Benefit

You will receive a monthly retirement benefit that is paid throughout your lifetime with all monthly benefit payments ceasing at your death.

Option Four: Adjustment of Retirement Allowance and Social Security Benefits

If you choose this option, the combined amount you receive from the Retirement System and the Social Security Administration (SSA) should remain about the same level throughout your entire retirement from the System. With this option, you will receive a monthly retirement benefit that is larger than the Maximum Allowance until you reach age 62. As soon as you reach age 62, your monthly Retirement System payments will be reduced to an amount that is less than the Maximum Allowance, but afterwards (as determined by the SSA), your allowance from Social Security begins. The result is that your reduced retirement payment plus your Social Security allowance will be approximately the same amount as the inflated payment you received from the System before age 62. You must be younger than 62 to qualify for this option. If you choose this option, you must attach a current letter (less than 12 months old) from the SSA that estimates the benefits you should receive at age 62.

OPTIONS WITH A MONTHLY BENEFIT FOR A SURVIVOR AFTER YOUR DEATH. For all of the following, your benefit amount is affected by both your age and the age of the beneficiary you choose.

Option Two: 100% Joint and Survivorship

You will receive a reduced monthly retirement benefit that provides that upon your death, the same reduced retirement allowance will continue monthly to the survivorship beneficiary you designate, for the remainder of his/her life.

Option Three: 50% Joint and Survivorship

You will receive a reduced monthly retirement benefit that provides that upon your death, one-half of the reduced retirement allowance will continue monthly to the survivorship beneficiary you designate, for the remainder of his/her life.

Option Six-Two: Modified 100% Joint and Survivorship

You will receive a reduced monthly retirement benefit that provides that upon your death, the same reduced retirement allowance will continue monthly to the survivorship beneficiary you designate, for the remainder of his/her life. However, should this beneficiary pre-decease you, your monthly benefit will increase to the maximum allowance.

Option Six-Three: Modified 50% Joint and Survivorship

You will receive a reduced monthly retirement benefit that provides that upon your death, one-half of the reduced retirement allowance will continue monthly to the survivorship beneficiary you designate, for the remainder of his/her life. However, should this beneficiary pre-decease you, your monthly benefit will increase to the maximum allowance.

Guide F. What is the Guaranteed Refund?

The Guaranteed Refund feature provides that under all retirement options, if you, and your monthly survivorship beneficiary if applicable (and your spouse if you are a member of the Consolidated Judicial Retirement System) die before exhausting the total of your remaining accumulated contributions, any remaining portion will be paid in a lump sum payment to the beneficiary(ies) you designate. The purchase of additional creditable service after retirement (less the administrative fee) is also covered by the Guaranteed Refund

feature, as well as NC 401(k) Plan employee contributions that you transferred to the Retirement System if you are a law enforcement officer. You will be asked to designate a beneficiary(ies) for the Guaranteed Refund feature as one of the steps in the retirement process. Please note that you cannot name the same beneficiary for your Guaranteed Refund and a monthly survivorship beneficiary. If all of your accumulated contributions have been exhausted, your monthly retirement benefit will continue, but the Guaranteed Refund will not be payable.

Guide G. What would happen if the retirement process were interrupted by my death?

If the retirement process is interrupted by your death, what happens depends on when your death occurs.

- Before your effective retirement date: your contributions and any beneficiaries would be treated as though you never applied for retirement.

- After your effective retirement date when the Retirement Systems Division has not received your Form 6E, or before you cash your first check: an administrator for your estate will choose your option for you.
- If you have cashed your check, your choice of option stands.

Please continue to the next page.

N.C. Department of State Treasurer, Retirement Systems Division
325 North Salisbury Street, Raleigh, North Carolina 27603-1385
(919) 733-4191 in the Raleigh area or (877) 733-4191 toll free
www.myncretirement.com



North Carolina Retirement Systems

Guide H. What are the return-to-work laws?

After you have officially retired and are receiving monthly benefits, if you perform work in any capacity for an employer under this Retirement System, you will be subject to the reemployment provisions described below. These provisions may require you to work under an earnings limitation or to reenroll as a contributing member of the Retirement System. You will be subject to reemployment provisions based on the nature of the particular work you perform for a covered employer, regardless of your job classification or your technical employment status (which may include being assigned to work for a covered employer by a private company such as a temporary agency). If you retire with monthly early or service

retirement benefits from this System and are reemployed by an employer that participates in this System, the following laws summarized in Guide J apply if you retire from the Local Governmental Employees' Retirement System, and the laws summarized in Guide K apply if you retire from the Teachers' and State Employees' Retirement System.

If you retire from the Consolidated Judicial Retirement System, the Legislative Retirement System, or you receive disability benefits from any System, please contact the Retirement Systems Division for information on reemployment provisions that apply to you.

Guide J. Return-to-work laws for Local Governmental Employees' Retirement System retirees

Reemployment After Receiving Early Or Service Retirement Benefits. If you retire with monthly early or service retirement benefits from the System and are reemployed by an employer that participates in this System, the following applies:

If you are reemployed in a position that requires membership in the Local Governmental Employees' Retirement System, your retirement payment will be stopped on the first day of the month following the month of reemployment and you will again become a contributing member in the month in which you are restored to service.

At any time you are reemployed and become a member of the Retirement System again, your retirement benefits will be greater at the time of your second early/service retirement. If you return to service and contribute for at least three additional years, your service from your first and second periods of employment will be combined and you can change the retirement payment plan and/or beneficiary you selected at the time of your original retirement. If you return to service for less than three years, your first retirement benefit will be reinstated and you will have a choice of either receiving a lump sum refund of contributions or another (generally smaller) monthly benefit from your second period of employment.

If you are reemployed on a part-time, interim, temporary, or contractual basis, or are otherwise engaged to perform services on any basis that does not require membership in

the Retirement System, your retirement payment will be stopped if your earnings during the 12-month period immediately following the effective date of retirement or during any calendar year exceed your earnings limitation, which is calculated as the greater of the following:

- \$28,060, or
- 50% of your compensation, excluding termination payments, reported to the Retirement System during the 12 months of service preceding the effective date of your retirement.

The above amounts will be increased on January 1 each year by the percentage increase in the Consumer Price Index, which is a national measure of the increase in the cost of living from one year to the next.

Your retirement payment will be stopped for the remainder of the calendar year on the first day of the month following the month in which your earnings exceed the greater of the two limits stated above. Your retirement payment will start again on January 1 of the year after your benefit is stopped. If your earnings exceed the allowable amount in the month of December, your benefit will not be suspended.

Please note that retirement law requires your retirement date to be on the first day of the month, and for your retirement to become effective on the first day of the month, you must do no work for a covered employer at any time during the month.

Guide K. Return-to-work laws for Teachers' and State Employees' Retirement System retirees

Reemployment After Receiving Early Or Service Retirement Benefits. If you retired **before November 1, 2005**, with monthly early or service retirement benefits from the System and are reemployed by an employer that participates in the Teachers' and State Employees' Retirement System, the following applies:

If you are reemployed in a position that requires membership in the Teachers' and State Employees' Retirement System,

your retirement payment will be stopped on the first day of the month following the month of reemployment and you will again become a contributing member in the month in which you are restored to service.

At any time you are reemployed and become a member of the Retirement System again, your retirement benefits will be greater at the time of your second early/service retirement. If you return to service and contribute for at least three additional

Please continue to the next page.



Guide K. (Continued)

years, your service from your first and second periods of employment will be combined and you can change the retirement payment plan and/or beneficiary you selected at the time of your original retirement. If you return to service for less than three years, your first retirement benefit will be reinstated and you will have a choice of either receiving a lump sum refund of contributions or another (generally smaller) monthly benefit from your second period of employment.

If you are reemployed on a part-time, interim, temporary, or contractual basis, or are otherwise engaged to perform services on any basis that does not require membership in the Retirement System, your retirement payment will be stopped if your earnings during the 12-month period immediately following the effective date of retirement or during any calendar year exceed your earnings limitation, which is calculated as the greater of the following:

- \$28,060, or
- 50% of your compensation, excluding termination payments, reported to the Retirement System during the 12 months of service preceding the effective date of your retirement.

The above amounts will be increased on January 1 each year by the percentage increase in the Consumer Price Index, which is a national measure of the increase in the cost of living from one year to the next.

Your retirement payment will be stopped for the remainder of the calendar year on the first day of the month following the month in which your earnings exceed the greater of the two limits stated above. Your retirement payment will start again on January 1 of the year after your benefit is stopped. If your earnings exceed the allowable amount in the month of December, your benefit will not be suspended.

Reemployment which causes suspension of your retirement allowance will also cause suspension of your health coverage under the retiree group of the State Health Plan. Before accepting such reemployment, you should ask the new employer if you will qualify for continued coverage under the active group of the State Health Plan, and if you will qualify for the State's contribution toward your coverage. Upon restoration of your retirement allowance, your health coverage under the retiree group will be reinstated the first of the month following the month your retirement allowance is restored.

If you retire on or after November 1, 2005, in addition to the above provisions, the following applies:

A six-month period during which no work is performed for an employer in the Teachers' and State Employees' Retirement System must immediately precede a return to work employment. A return to work earlier than six months will revoke your retirement benefit retroactively to your retirement date and all benefits paid to you must be repaid to the Retirement System. Establishing a pre-existing agreement for post-retirement employment with an employer in this System is prohibited and will cause retroactive revocation of retirement benefits, as well.

Reemployment Exception for Classroom Teachers. If you retired **on or after November 1, 2005, but on or before October 1, 2007 with a reduced or unreduced benefit, or if you retire after October 1, 2007 with an unreduced benefit**, and you wish to return to work as a classroom teacher exempt from the earnings limitation, you may do so provided you meet all the following conditions:

- you have a six-month separation from service immediately preceding your return to employment, during which time no work is performed for an employer in this System in any capacity.
- you return to teach in a public school, in a permanent position, at more than fifty-percent time, and
- you are certified by the Department of Public Instruction to teach exempt from the earnings limitation.

A return to work earlier than six months will revoke your retirement benefit retroactively to your retirement date and all benefits paid to you must be repaid to the Retirement System. Activities such as substitute teaching and part-time tutoring are not permitted during the six-month period. Establishing a pre-existing agreement for post-retirement employment with an employer in the Teachers' and State Employees' Retirement System is prohibited and will cause retroactive revocation of retirement benefits, as well. Unless legislation extends this reemployment exception for classroom teachers, the above provisions are in effect through October 1, 2009.

If you retired before November 1, 2005, different provisions apply. Please see "Guidance on 2005 Return to Work Law Changes" on our Web site at www.myncretirement.com for additional information.

These guides are subject to and governed by the General Statutes of the State of North Carolina.