



Comparison of Tier I and Tier II Benefits

	<i>Tier I</i>	<i>Tier II</i>
<i>Participants</i>	Individuals who became members prior to 01/01/2011	Individuals who FIRST become members ON OR AFTER 01/01/2011
<i>Average Salary Computation</i>	Based on the highest 48 consecutive months over the last 10 years of service	Based on the highest 96 consecutive months over the last 10 years of service
<i>Retirement Eligibility</i>	Age 50 with 10 years of service (Discount applies to any individual under the age of 60 with less than 30 years of service)	Age 62 with 10 years of service (Discount applies to any individual under the age of 67)
<i>Service Credit</i>	2.4% per year	2.4% per year
<i>Full Pension Entitlement</i>	At age 60 with at least 5 years of service or any age over 50 with 30 or more years of service	At age 67 with at least 10 years of service
<i>Discount</i>	$\frac{1}{4}$ of 1% for every month participant is under age 60	$\frac{1}{2}$ of 1% for each full month participant is under age 67
<i>Salary Limitation</i>	NONE. 9% deducted from full salary received regardless of amount (excluding overtime or benefit time payouts)	Salary limitation of \$108,882.60 in 2012, to increase automatically by the lesser of 3% or $\frac{1}{2}$ of the annual increase in the Consumer Price Index-U as of the preceding September
<i>Annual Pension Increases</i>	3% of granted annuity. Payable either the January or July following 12 months of benefits received	The lower of 3% of the granted annuity, or $\frac{1}{2}$ of the annual increase in the Consumer Price Index-U as of the preceding September, which may result in no increase. Payable on the January following 12 months of benefits received



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<i>Spousal Annuity (Subsequent to Annuitant's Death)</i>	<p>Limitations are dependent on number of years of service determined at time of retirement:</p> <p>Under 20 years The lesser of : * a money purchase calculation * 50% of highest salary * 75% of granted pension</p> <p>Over 20 years The greater of : * the above eligible pension benefit: lesser of { * a money purchase calculation * 50% of highest salary * 75% of granted pension } * 50% of pension benefit at time of death</p>	66 $\frac{2}{3}$ % of the pension benefit at Annuitant's date of death
<i>Spousal Annuity (Subsequent to Employee's Death)</i>	Same limitations as described above (Subsequent to Annuitant's Death) with the addition of possible reductions due to the age of the surviving spouse	66 $\frac{2}{3}$ % of the pension earned by the member at date of death, without a reduction due to the age of the surviving spouse
<i>Disability (Ordinary)</i>	Eligible to receive 45% of full salary at time of disability	Eligible to receive 45% of salary at time of disability, but salary is limited to \$108,882.60 in 2012, to increase automatically by the lesser of 3% or $\frac{1}{2}$ of the annual increase in the Consumer Price Index-U as of the preceding September
<i>Disability (Duty)</i>	Eligible to receive 75% (8 $\frac{1}{3}$ % from PEABF and 66 $\frac{2}{3}$ % from workers' compensation) of full salary at time of disability	Eligible to receive 75% (8 $\frac{1}{3}$ % from PEABF and 66 $\frac{2}{3}$ % from workers' compensation) of salary at time of disability, but salary is limited to \$108,882.60 in 2012, to increase automatically by the lesser of 3% or $\frac{1}{2}$ of the annual increase in the Consumer Price Index-U as of the preceding September