

	PLAN 2		PLAN 3	
	DEFINED BENEFIT (DB) PLAN		DEFINED BENEFIT (DB) COMPONENT	DEFINED CONTRIBUTION (DC) COMPONENT
PLAN STRUCTURES AND FUNDING				
Formula for Pension Benefit	2% x SCY x AFC		1% x SCY x AFC	
Member Contributions	Contributions are automatic, mandatory and may change in the future to cover the costs of the Plan. Current member contribution rates as of September 2007: PERS 4.15% SERS 3.90% TRS 2.90%		Not applicable	
Employer Contributions	Current as of September 2007. These percentages may fluctuate: PERS 6.13% SERS 5.88% TRS 5.82%		Current as of September 2007. These percentages may fluctuate: PERS 6.13% SERS 5.88% TRS 5.82%	
Gain Sharing	Not applicable		Not applicable	
			The 2007 Legislature passed a law to remove the gain sharing distribution after January 1, 2008. See page 13 for more details.	

RECEIVING BENEFITS

Eligibility for Normal Retirement with Full Pension Retirement Benefits	Age 65 or older with at least 5 SCY	Age 65 or older with at least 10 SCY or 5 SCY including 12 Service Credit Months after reaching age 44 Age 65 with at least 5 SCY. See page 8 – rules differ for PERS, TRS and SERS.	You may request withdrawal of your contributions and earnings at any time after you separate from covered employment.
Eligibility for Reduced Early Retirement Benefits	Age 55 or older with at least 20 SCY (reduced benefit) Age 62 or older with at least 30 SCY (unreduced benefit)* *See page 9 for more details.	Age 55 or older with at least 10 SCY (reduced benefit) Age 62 or older with at least 30 SCY (unreduced benefit)* *See page 9 for more details.	The value of your Defined Contribution account is based on your contributions, plus the performance of the investments you choose.
Separation from Service (and Delaying Receiving Defined Benefits)	You may stop working and delay receiving benefits until age 65.	You may stop working and delay receiving benefits until a later date. For members with at least 20 SCY separating from covered employment, benefits increase by approximately 3% for each year benefit is delayed (up to age 65).	You may stop working and delay receiving benefits until a later date. The value of your account will be based on contributions and accumulated investment earnings.
Cost-of-Living Increases	On July 1 of every year following your first year of retirement, your monthly pension benefit will be adjusted by the percentage change in the Consumer Price Index (CPI-U, Seattle) - up to a maximum of 3% per year.	On July 1 of every year following your first year of retirement, your monthly benefit will be adjusted by the percentage change in the Consumer Price Index (CPI-U, Seattle) - up to a maximum of 3% per year.	Not applicable
Rollovers	Member contributions and earnings can be rolled into other retirement plans and IRAs. If contributions and earnings from Plan 2 are withdrawn and rolled into another retirement plan or IRA, rights to pension benefits are forfeited.	Not applicable	Defined Contribution account proceeds can be rolled into other retirement plans and IRAs.

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	DEFINED BENEFIT (DB) PLAN	DEFINED BENEFIT (DB) COMPONENT	DEFINED CONTRIBUTION (DC) COMPONENT
Separation from Service (and Taking Withdrawals)	<p>If covered employment ends, you may request withdrawal of member contributions and earnings. If you withdraw your member contributions and earnings, you forfeit all benefits available under the Plan.</p> <p>You can leave member contributions in the Plan if you leave an eligible position. Contributions left in the Plan earn interest. Employer contributions are not refundable.</p> <p>If you return to covered employment after withdrawing contributions, refer to the <i>Plan 2 Recovery of Withdrawn or Optional Service Credit</i>.</p>	<p>Withdrawing money from your Defined Contribution component of Plan 3 does not affect your eligibility to receive a monthly pension benefit under the Defined Benefit.</p> <p>Employer contributions are not refundable.</p>	<p>If covered employment ends, you may request a distribution of accumulated contributions. You can also leave your contributions invested until you retire.</p>
Payment Options	<p>Option 1: Standard Option 2: 100% survivorship Option 3: 50% survivorship Option 4: 66²/₃% survivorship</p> <p>For more information on survivor benefits, see your member handbook.</p>	<p>Option 1: Standard Option 2: 100% survivorship Option 3: 50% survivorship Option 4: 66²/₃% survivorship</p> <p>For more information on survivor benefits, see your member handbook.</p>	<p>Distributions may be deferred until minimum required distribution date. Two investment programs:</p> <p><i>WSIB Total Allocation Portfolio (TAP):</i> lump sum cash distribution, direct rollover, scheduled payments, annuity purchase and a personalized payment schedule.</p> <p><i>Self-Directed:</i> lump sum cash distribution, direct rollover, scheduled payments, annuity purchase and a personalized payment schedule.</p> <p>For more information see the <i>Request for Payment of Defined Contribution Funds</i>.</p>

PLAN INVESTMENT

Investment Options	<p>Investments are a diversified portfolio selected and managed by the Washington State Investment Board (WSIB). Investment risk is assumed by WSIB.</p> <p>There is no investment risk to members.</p>	<p>Investments are a diversified portfolio identical to Plan 2, selected and managed by the Washington State Investment Board.</p> <p>Investment risk is assumed by WSIB. There is no investment risk to members.</p>	<p>Investments are chosen by members from options available through two investment programs:</p> <p>The Washington State Investment Board (WSIB) Investment Program, which offers the Total Allocation Portfolio (TAP).</p> <p>The Self-Directed Investment Program, which offers a choice of fixed income, market index and pre-mixed portfolio funds. Investment risk is assumed by members.</p>
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OTHER FEATURES

PEBB Retiree Health Care Coverage Contact PEBB at 360-412-4200 in Olymipa, toll free at 1-800-200-1004, or www.pebb.hca.wa.gov .	<p>PEBB health care coverage is available to qualified members. If qualified, you must: Elect PEBB coverage upon separation from employment; and begin receiving your retirement benefit immediately after separation from employment. If you delay receiving your retirement benefit upon separation, you are not eligible for coverage. The Health Care Authority can assist you in determining if you are qualified.</p>	<p>PEBB health care coverage is available to qualified members. The Health Care Authority can assist you in determining if you are qualified. If qualified, you must: Elect PEBB coverage upon separation from employment; and be at least age 55 with at least 10 years of service credit.</p>	Not applicable
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