

The following information is provided to assist you in making the best choices possible before you apply for service retirement benefits.

When selecting a retirement benefit payment option, keep in mind that the option you choose is a one-time, irrevocable selection that cannot be changed after we issue your first benefit payment.

- **Effective Date of Retirement:**

- You must terminate all MainePERS-covered employment to be eligible to retire.
- For an active employee/member, your retirement becomes effective on the first day of the month after your termination date. For example, if your termination date is June 15, your effective date of retirement is July 1.
- If you are a vested member who terminated employment before being eligible to retire, your effective date of retirement is the first day of the month following the month in which you reached normal retirement age (Age 60 or 62 depending on the plan provisions by which you were covered).

- **First Benefit Payment:** MainePERS issues benefit payments at the end of each month for that month. If you are eligible for our Preliminary Benefit (PB) program, you will receive your first payment at the end of your first month of retirement. The gross amount of each PB payment will be an estimated monthly retirement benefit based on the retirement option you select.

- **Direct Deposit:** MainePERS requires that your retirement payments be sent directly to your financial institution and deposited to either your savings or checking account. We enclose an Authorization Agreement for Electronic Direct Deposit with your Application for Service Retirement Application Package. Your retirement application cannot be processed until MainePERS receives a direct deposit form that you have completed, signed and dated. If you select benefit payment Option 5, your beneficiary must complete, sign and date a separate direct deposit form, even if you and your beneficiary have a joint account.

We must receive your completed authorization form before the 15<sup>th</sup> of the month in order to issue a payment in that month.

- **Beneficiary Information:** You may already have beneficiary designations on file with MainePERS that apply to Group Life Insurance and pre-retirement death benefits (those which would be effective should your death occur before your effective date of retirement). After you complete your Application for Retirement, the beneficiary(ies) you name on your retirement application will not be effective until after your retirement date.
- **Income Tax, Federal and State:** You will receive information regarding taxes with your Application for Service Retirement Benefits. Included with this information will be W-4Ps to instruct MainePERS on your withholding. You may also wish to consult a tax advisor or financial consultant as they may be able to assist in making the best choices for your situation. Should you elect Option 5, we