



1134 Municipal Way
Lansing, MI 48917
800.767.MERS (6377)
www.mersofmich.com



Congratulations!

We realize applying for your retirement is a major life event, and we want to make this transition as easy as possible for you.

Important information about your retirement

It's important we receive your *Application for Defined Benefit Retirement (Form F-29)* 45 – 90 days from your expected retirement date. It may take up to 6 weeks for MERS to review your record. This application period is necessary for us to complete an audit of your employment history and ensure your retirement process begins smoothly. Applying outside this window may delay your first pension payment.

Before you complete the application, log into your personal myMERS account, select your “MERS Defined Benefit” account, then click on “DB Calculator” to calculate your estimated pension benefit. This is a secure online account where you can change your personal information, calculate your estimated benefit amount, and view other resources. If you haven't registered for myMERS, visit www.mersofmich.com and sign up for free today.

Review the benefit calculation to understand your estimated benefit payment amount, various payment options, and choose the option that works best for you. The *Application for Defined Benefit Retirement* requires you to choose your payment option.

Section 4 (page 4) of the *Application for Defined Benefit Retirement* guide provides an explanation of your retirement benefit payment options and beneficiary benefits. The option you elect cannot be changed once you receive your first pension payment.

If you have questions, call our Service Center at 800.767.MERS (6377).

Calculate Your Benefit Estimate

- Log into your myMERS account.
- Select “MERS Defined Benefit” from the dropdown and click Go.
- Select “DB Calculator” on the left hand menu of the Defined Benefit Home page.
- The calculator will default to your first eligible retirement date.
- Select your beneficiary.
- Click Calculate to view your estimated benefit.

What You Should Know Before You Retire

1. It's important to apply 45 to 90 days from your desired retirement date.
2. It may take up to 6 weeks to complete an audit of your record.
3. Your retirement date is determined by your age and service eligibility, termination of employment and the submission of your application.
4. Review your beneficiary information and submit changes if necessary.
5. If your name has changed during your employment, provide us with proof of the name change.
6. Payments are issued electronically on the 18th of each month.



Municipal Employees' Retirement System of Michigan
 1134 Municipal Way • Lansing, MI 48917
 800.767.MERS (6377) • Fax: 517.703.9706
 www.mersofmich.com

Application for Defined Benefit Retirement

* Required field • Please print • Retain a copy for your records

MERS Retirement Process Overview

1 Apply for retirement

Complete and submit this form to MERS 45-90 days prior to your anticipated retirement date. (Your first payment may be delayed if less than 45 days of notice is given when submitting your application.)

Note: Proof of name change is required for individuals who have changed their name during their employment history.

2 MERS begins processing your information

It may take up to 6 weeks to review and process your file.

3 Preliminary benefit calculation

MERS will send a personalized preliminary calculation of your expected benefits with a letter confirming your retirement elections.

4 Enjoy your retirement!

Your retirement date will be the first day of the month following your termination date, or the first day of the month following MERS receipt of your retirement application, whichever is later.

Payments are issued electronically on the 18th of each month, unless it falls on a weekend or holiday, in which case the payment will be issued the business day prior.

1. Information about you

Last Name*		First Name*		Last four digits of SSN*		Date of birth (mm/dd/yyyy)	
Mailing address*			City*		State*		Zip code*
Home email address				Phone number (with area code)*			
Name of employer*							

2. Your retirement

My last day of employment with this employer is/was*: _____ (See Section 2 of the Guide for details.)

I certify that this is a *bona fide termination* from this employer, meaning there is no formal or informal arrangement to rehire at any future date. This includes election or appointment to office with this employer.

I understand that certain restrictions exist if I return to work with this employer, including: (1) A minimum separation period of 60 days between my last day of employment and the first day I return to work; (2) A minimum separation period of 2 years for an official returning to the SAME elected/appointed position; (3) If rehired to a non-elected/appointed, I will be restricted to 1,000 hours in a calendar year, and once my hours exceed this amount, my pension payments will be suspended until subsequently separated; and (4) I will notify MERS when rehired by completing the *Working In Retirement Certification (F-29c)*.

Participant signature*		Date (mm/dd/yyyy)
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3. Employer certification *(must be completed prior to submission)*

Only required if employee is currently employed with the employer above and is applying for retirement.

I certify on behalf of the employer that this employee will meet the requirements of a bona fide termination of employment and the employer/employee relationship will be completely severed on the **date listed in Section 2**, in accordance with the MERS Plan Document, Article II, Section 9, and the Internal Revenue Code.

Authorized employer representative (first and last name)		Title	
Date (mm/dd/yyyy)		Employer's signature	

Application for Defined Benefit Retirement

Last name* (please print clearly)

Last four digits of SSN*

4. Retirement benefit payment option

Your retirement benefit is for your lifetime regardless of the option you elect. You may leave a benefit for a beneficiary or one person who is the beneficiary of an irrevocable trust by taking a reduction to your pension benefit. Once you have chosen your payment option and receive your first payment, you may not change your election. (Refer to Section 4 of the Guide for details.)

Select one form of payment*:

- | | | |
|---|---|---|
| <input type="checkbox"/> Regular – Straight Life | <input type="checkbox"/> Option IIA – 75% to Survivor | <input type="checkbox"/> Option IV – Period Certain Guarantee
(Select one below) |
| <input type="checkbox"/> Option II – 100% to Survivor | <input type="checkbox"/> Option III – 50% to Survivor | <input type="checkbox"/> 5 years <input type="checkbox"/> 10 years |
| | | <input type="checkbox"/> 15 years <input type="checkbox"/> 20 years |

5. Beneficiary information

If you have contributed to your retirement and elect the Regular – Straight Life option, it is suggested you name a beneficiary(ies). If no beneficiary is named under the Straight Life option, a refund will go to your estate. If you have elected a payment option (Option II, IIA, III) that provides a monthly benefit to a beneficiary, you may name one person or one person who is the beneficiary of an irrevocable trust. Your named beneficiary under options II, IIA, and III. cannot be changed once you have received your first payment. If you are married, your spouse's signature is required in Section 9 prior to MERS issuing your first payment. Your spouse's signature is required and indicates agreement with your election made. (See Section 5 in the Guide for an explanation of options.)

Beneficiary last name*	Beneficiary first name	MI	Beneficiary Social Security Number
Relationship	Date of birth (mm/dd/yyyy)	Daytime contact phone (area code and number)	
Mailing address	City	State	Zip code

If you have elected Option IV and want to add more beneficiaries, please attach a separate list that you have signed and dated.

6. Banking information

Primary account

Amount of deposit* <input type="checkbox"/> All <input type="checkbox"/> Partial \$ _____	Type of account* <input type="checkbox"/> Savings account <input type="checkbox"/> Checking account
Financial Institution name*	Phone number (with area code)*
ABA routing number (9 digit)*	Account number* (do not include check number)

Secondary account: If you chose a partial payment above, the remainder of your pension payment will be directly deposited into a secondary account. Please provide that account information below.

Type of account <input type="checkbox"/> Savings account <input type="checkbox"/> Checking account	
Financial Institution name	Phone number (with area code)
ABA routing number (9 digit)	Account number (do not include check number)

MERS will deposit your monthly pension by direct deposit into the designated financial institution(s) as specified above. MERS reserves the right to recover money electronically deposited in your account in error, either by adjusting the account or withholding from future payments. We will notify you in writing if adjustments are being made. Please notify any joint account holder(s) of the obligations to repay any overpayment to this account if the overpayment is not repaid by the financial institution.

Application for Defined Benefit Retirement

Last name* (please print clearly)

Last four digits of SSN*

7. Federal income tax withholding

Marital tax status* Single Married Married, but withhold at higher "Single" rate

Note: If no election is made, MERS will default to a standard withholding rate of Married with 3 exemptions.

I DO NOT want any federal income tax withheld from my pension. (Proceed to Section 8.)

I DO want federal income tax withheld from my pension. (Complete lines below.)

The total number of exemptions I am claiming to be withheld from each pension payment is listed below.

Total number of exemptions: _____ (If blank, zero will be used)

Optional additional amount, if any, I want withheld from each pension payment

(If requesting an additional amount, you must enter a number of exemptions above – even if it is zero.): \$ _____

Withholding will begin with your first payment following receipt and processing of this form.

If you wish to specify a different month, indicate month: _____

For additional instructions, see IRS Form *W-4P, Withholding Certificate for Pension or Annuity Payments*. (See Section 7 of the Guide for details.)

8. Michigan income tax withholding

Marital tax status* Single Married Married, but withhold at higher "Single" rate

	Select ONE option below that applies to you (or your spouse)	Tax withholding will occur on:
1. <input type="checkbox"/>	Your pension payments are not taxable and/or you wish to opt out of Michigan state tax withholding <i>(Opting out may result in a balance due on your MI-1040 as well as penalty and/or interest.)</i>	None of your pension benefits
2. <input type="checkbox"/>	You (or spouse) were born before 1946	None of your pension benefits
3. <input type="checkbox"/>	You (or spouse) were born during the period 1946–1952	Benefits over \$20,000 if single; over \$40,000 if filing jointly
4. <input type="checkbox"/>	You were born 1946–1952 and your retirement benefits were from employment with a governmental agency not covered by Social Security - OR - You were born after 1952, your benefits were from employment not covered by Social Security and you were retired as of January 1, 2013.	Benefits over \$35,000 if single; over \$55,000 if filing jointly
5. <input type="checkbox"/>	You (and spouse) were born after 1952, either of you are now age 62, and your retirement benefits were from a governmental agency not covered by Social Security	Benefits over \$15,000
6. <input type="checkbox"/>	You (and spouse) were born after 1952	All pension benefits
7. <input type="checkbox"/>	You want taxes withheld at the current tax rate	All pension benefits

If you reside in Michigan and you do not complete this section, MERS will withhold based on Michigan tax regulations. For additional information, visit www.michigan.gov/taxes. (See Section 8 of the Guide for details.)

Optional – Select exemptions and additional withholding

If you checked 3, 4, 5, 6 or 7 above, enter number of exemptions, if desired (this will reduce the amount withheld for taxes): _____

If you checked 3, 4, 5, 6 or 7 above, enter *additional* percentage, if any, you want withheld from your pension or annuity payment. This amount will be in addition to the withholding calculated by your selections above: _____%

9. Required signatures

I acknowledge that I have completed, understand, and agree to this *Application for Defined Benefit Retirement*, as well as the provisions of the option I have elected. I fully understand that my choice is final and irrevocable after receipt of my first benefit payment.

Participant signature*

Date (mm/dd/yyyy)

Spouse's signature – Required only if participant is currently married. If not married, write NONE in the field below.

I have read this form and fully understand and agree with my spouse's elections. If another individual is named beneficiary in Section 5, I understand that I am giving up my automatic right as the participant's spouse, to survivor benefits.

Spouse's name

Spouse's signature

Date (mm/dd/yyyy)

Data collected on this form will be used by MERS staff for identification and documentation only.

Guide to Completing the Application for Defined Benefit Retirement

1. Information about you

Enter your basic information – legal name, last four digits of your Social Security Number, contact information, and the name of the employer from which you are applying for a MERS retirement.

Get your Benefit Calculation online

Log in to your *myMERS* account at mersofmich.com and view an estimated Benefit Calculation any time. This may assist you in choosing which payment option is best for you.

2. Your retirement

This section refers to the last day you're paid by your employer. This day could include the use of vacation, leave days that you may not actually be present at work but still on your employer's payroll.

Your effective date of retirement is the first day of the month following your last day of employment, or the first date of the month following MERS' receipt of your retirement application, whichever is later.

Termination date =

- Your last day of employment with your employer
- Your last date you were paid by your employer (e.g., kept on payroll due to receiving vacation pay) this date does not reflect your final paycheck date; it reflects the last day you were on payroll with your employer)

EXAMPLE:

Your last day worked is January 20, 2015, + 2 days of vacation pay to keep you on payroll.

Termination date = January 22, 2015

Retirement date = February 1, 2015 (see below)

Note: If you previously terminated your employment, your termination date has already been reported to MERS; you may leave this field blank.

Retirement date =

- First day of the month following your termination of employment with your employer, OR
- First day of the month following MERS receipt of your application for retirement

Note: If you previously terminated your employment, your benefit will be effective the first of the month following your attainment of retirement age and service requirements and MERS receipt of your application.

Payments are not prorated for the month of termination. Retroactive payments are not issued for late applications.

3. Employer certification (this section must be completed by employer prior to submitting application to MERS)

This section must be completed and signed by your employer if you are currently working with the MERS employer you are retiring from.

If you have previously left this employer, this section can be skipped.

4. Retirement benefit payment option

Regular – Straight Life: The highest benefit amount you are eligible to receive. Benefits end the month following your death.

If you have contributed to your retirement and elect this option, it is suggested you name a beneficiary(ies). In the event you pass away prior to exhausting your contributions, a refund will be paid to your named beneficiary(ies). You may also name a trust, estate or charity. If you do not name a beneficiary, a refund will go to your estate.

If your employer provides an **RS benefit** and you elect this option, select Regular – Straight Life as your payment option in Section 4. Your spouse at the time of retirement is your beneficiary. An RS is an employer-adopted benefit that allows your spouse to receive a percent (defined by your employer) of your Straight Life benefit upon your death without your benefit having a reduction. To be eligible, you must be married to your spouse for at least one year before you retire, and still be married at the time of your death.

Option II – 100% ; IIA – 75%; and III – 50% to Survivor: Upon your death your beneficiary will receive 100%, 75%, or 50% of the amount you were receiving for your lifetime.

Once you have received your first payment, you may not name a new beneficiary. If your beneficiary predeceases you, your retirement benefit will revert to the Regular – Straight Life amount for the remainder of your life.

Option IV – Period Certain Guarantee (5, 10, 15, or 20 years):

This option allows you to provide a beneficiary(ies) with survivor benefits for a temporary period of time. The number of years elected cannot exceed your life expectancy.

This option allows you to name one or more beneficiaries. You may change your beneficiary(ies) at any time by completing the *Option IV Beneficiary Change* (Form 41). If you are married, your spouse must consent to any changes that are made.

The certain period begins with the date of your retirement. If there is time remaining to the option you have elected, upon your death, payments will continue to be made in the same amount to your beneficiary(ies). For example if you elect the 10-year period, and die after 8 years, your beneficiaries will receive your monthly benefit for the remaining 2 years. Once the period certain has expired there is no continuing benefit for your beneficiaries. If you have named more than one beneficiary, the benefit will be paid equally to each named survivor.

Guide to Completing the Application for Defined Benefit Retirement

5. Beneficiary information

Your retirement benefit is for your lifetime regardless of the option you elect. You may leave a benefit for a beneficiary by taking a reduction to your pension benefit. You must name an individual, not an estate or other entity, when electing a payment option (Option II, IIA, III) that provides a monthly benefit to a beneficiary. The one exception to this requirement is that you may name an individual to be paid as the beneficiary of a valid, irrevocable trust. If you name the beneficiary of such a trust, you must submit a copy of the trust document to MERS for approval. MERS will notify you within 15 business days if your irrevocable trust designation is approved.

Once you have chosen your option and receive your first payment, you may not change your election. In certain instances, you may change your beneficiary. Please refer to Section 4 in this guide for details.

If you are married, your spouse must understand and agree with the retirement option you have elected, and the named beneficiary if other than your spouse. Their signature is required in Section 9 prior to MERS issuing your first payment.

6. Banking information

Please provide routing and account information only for the financial institution you would like your pension payments electronically deposited to.

If you choose to have only one direct deposit account, only fill out the **Primary account** information. If you choose to have two direct deposit accounts, please fill out both the **Primary** and **Secondary account** information.

See below for a sample check and where to find routing and account numbers.



Routing number

Account number

If you select a partial payment, the remainder will be directly deposited into a secondary account. Please fill in the **Secondary account** section with the financial institution's information.

7. Federal income tax withholding

The Tax Reform Act of 1996 established a requirement that withholding and/or estimated tax payments must approximate 90% of your tax liability to escape penalty.

If there is not enough federal income tax withheld from your retirement allowance, you may be required to file quarterly estimated income tax payments or pay a penalty imposed by the Internal Revenue Service. If your circumstances change, you may file a new withholding authorization.

If you do not submit this form, MERS must withhold on the basis of Married with 3 exemptions.

Note: Tax withholding elections can be changed at any time by logging into myMERS or submitting a form.

8. Michigan income tax withholding

In 2012, Michigan's tax treatment of pension and retirement benefits changed and these benefits are subject to income tax for many recipients. For additional information, visit www.michigan.gov/taxes.

9. Required signature(s)

Your signature acknowledges that you have read and agree to the terms of all elections. This voids all prior designations.

Spousal consent

If you are married, an election of Option II (Section 4) is effective unless another form of payment is signed by the spouse. Your spouse must understand and agree with the retirement option you have elected, and the named beneficiary (if other than your spouse). Their signature is required in Section 9 prior to MERS issuing your first payment.

Requests for changes to direct deposit, federal tax withholding, or state tax withholding must be received by MERS by the 1st of the month you are requesting change to be effective.

Please return a copy of this completed form to:

Municipal Employees' Retirement System of Michigan
1134 Municipal Way
Lansing, MI 48917
Fax: 517.703.9706

For questions, contact the MERS Service Center at 800.767.MERS (6377).

If you have speech or hearing difficulties and need assistance completing this form, contact the Michigan Relay Center at 800.649.3777. If you have other disabilities, contact MERS at 800.767.6377 to request special accommodations.