



LUZERNE COUNTY EMPLOYEE'S RETIREMENT SYSTEM

Form 9: RETIREMENT DEFINITIONS

(PLEASE REFER TO YOUR SUMMARY PLAN DESCRIPTION FOR MORE INFORMATION)

Normal (Superannuation) Retirement Pension

You are eligible for a Superannuation (normal) retirement pension if you are:

- (a) 60 years of age or older regardless of the length of your credited service, or;
- (b) 55 years of age with twenty (20) years of credited service.

Voluntary (early) Retirement Pension

You are eligible for a voluntary (early) retirement pension if you have twenty (20) years of credited service and have NOT reached age 55 and your termination from the County is voluntary.

Involuntary (early) Retirement Pension

You are eligible for an involuntary retirement pension if you have eight (8) years of credited service and your termination from County employment is not voluntary.

NOTE: Early retirement pensions are actuarially reduced from normal benefits to account for the expected longer period of payment and the shorter period of time during which interest is accumulated.

Vesting Pension

Another option available to you called 'vesting'. If you leave the County's employment for any reason after having completed (8) years of service, you are considered to be 100% vested. You have the right to receive a deferred normal pension, called a 'vested pension' upon reaching Superannuation retirement age. However, payment of a 'vested pension' is contingent upon surviving to Superannuation age and upon leaving your accumulated deductions on deposit in your individual member account. The accumulated deductions will continue to earn regular interest during the vesting period. If you choose to withdraw your accumulated deductions, you will forfeit your 'vested pension'.

Disability Retirement

You are eligible for a disability retirement pension if you become disabled while in service and are unable to continue as a county employee as shown by a medical examination, have five (5) years of credited service, and are not eligible for a superannuation retirement pension. A certificate or statement from a qualified physician must accompany the application for a disability retirement pension. A disability retirement pension will be twenty-five percent (25%) of your 'final salary'. Note: final salary is the average annual compensation received for the highest three (3) years of service. If the total disability pension paid up to the date of death is less than your member's accumulated deductions, the balance will be paid to your designated beneficiary.