

PSERS New Membership Class Features effective July 1, 2019 OR Elected by Current Members effective January 1, 2020

| PLAN FEATURE | CLASS T-G HYBRID | | CLASS T-H HYBRID | | CLASS DC |
|--|---|---|--|---|--|
| | DEFINED BENEFIT | DEFINED CONTRIBUTION | DEFINED BENEFIT | DEFINED CONTRIBUTION | DEFINED CONTRIBUTION |
| Membership Eligibility | Same as current members | Same as current members | Same as current members | Same as current members | Same as current members |
| Basic Member/ Mandatory Participant contribution rate | 5.5% | Based on the rate on 7/1/19 (total rate minus basic rate) (.75, 1, 2, or 4.8%) | 4.5% | Based on the rate on 7/1/19 (total rate minus basic rate) (1.75, 2, 3 or 5.8%) | Based on the rate on 7/1/19 (6.25, 6.5, 7.5 or 10.3%) |
| Shared risk § 8321(b) | T-C and T-D members – no shared risk. ----- T-E and T-F members – rate may move up or down within 2% of the member’s basic contribution rate; changes in increments of .5%. | N/A | T-C and T-D members – no shared risk. ----- -E and T-F members – rate may move up or down within 2% of the member’s basic contribution rate; changes in increments of .5%. | N/A | N/A |
| Employer contribution rate § 8102, § 8328(a) | Actuarially determined | 2.25% | Actuarially determined | 2% | 2% |
| Eligibility Points § 8102 and § 8305.5(g) | No change to current rules on eligibility points. | 1 eligibility point for each FY in which participant contributes to the trust for purposes of vesting of employer contributions only. | No change to current rules on eligibility points. | 1 eligibility point for each FY in which participant contributes to the trust for purposes of vesting of employer contributions only. | 1 eligibility point for each FY in which participant contributes to the trust. |

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| Multiple Service | Can elect if a former DB member in SERS. If already MS, then may remain MS for the DB benefit. | N/A | Can elect if a former DB member in SERS. If already MS, then may remain MS for the DB benefit. | N/A | Cannot elect, but may remain MS for the DB benefit. |
| Purchases of service | Purchases credited to member's class at the time of purchase. Non-school purchases, except military, at the full actuarial cost. | N/A | Purchases credited to member's class at the time of purchase. Non-school purchases, except military, at the full actuarial cost. | N/A | N/A |
| Vesting | 10 years. Eligibility points from all classes count. | Participant \$ - immediately; Employer \$ - 3 eligibility points as a plan participant. | 10 years. Eligibility points from all classes count. | Participant \$ - immediately; Employer \$ - 3 eligibility points as a plan participant. | Participant \$ - immediately; Employer \$ - 3 eligibility points as a plan participant. |
| Retirement Multiplier | 1.25% for new service. | N/A | 1% for new service. | N/A | N/A |
| FAS Calculation | Use salary from prior class and current class to determine. Highest 3 for prior service. Highest 5 years for new service. | N/A | Use salary from prior class and current class to determine. Highest 3 for prior service. Highest 5 years for new service. | N/A | N/A Note: DC salary is not used to calculate the DB FAS. |

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| Disability | 5 years of PSERS service, including service from all current and previous classes. 2% accrual rate for new service. | By virtue of their DB membership | 5 years of PSERS service, including service from all current and previous classes. 2% accrual rate for new service. | By virtue of their DB membership | No, unless qualified on the DB side, injury occurred while a DB member, and timely DB application is submitted. The benefit is associated with the DB benefit only. |
| Early Retirement | For new service: #1 - Terminate or on after age 57 with 25 eligibility points - immediate benefits with 3% reduction for each year away from superannuation #2 – Under age 62 with less than 25 eligibility points – 2-step reduction: 1) Factor for benefit received between 62 and 67. 2) Factor for benefit received before 62. Eligibility points from all classes count. | N/A | For new service: #1 - Terminate or on or after age 55 with 25 eligibility points - immediate benefits with 3% reduction for each year away from superannuation #2 – Under age 62 with less than 25 eligibility points – 2-step reduction: 1) Factor for benefit received between 62 and 67 2) Factor for benefit received before 62. Eligibility points from all classes count. | N/A | N/A |
| Superannuation | For new service: Earlier of: -Age 67 with 3 eligibility points, OR -Rule of 97 with at least 35 eligibility points. Eligibility points from all classes count. | N/A | For new service: Age 67 with 3 eligibility points. Eligibility points from all classes count. | N/A | N/A |
| Option 4 withdrawal | T-C and T-D – cost neutral for new \$\$ only. All other classes - cost neutral lump sum withdrawal at RTM. | N/A | T-C and T-D – cost neutral for new \$\$ only. All other classes - cost neutral lump sum withdrawal at RTM. | N/A | N/A |

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| Premium Assistance | Yes. All eligibility points from all classes are counted. | By virtue of their DB membership | Yes. All eligibility points from all classes are counted. | By virtue of their DB membership | Yes, if they meet the definition of eligible annuitant. All eligibility points from all classes are counted. |
| HOP | No change | By virtue of their DB membership | No change | By virtue of their DB membership | Yes, if they meet the definition of an Eligible Person |
| Return to Service | No change | Distributions stop unless participant purchased an annuity from a provider contracted by the Board; emergency provisions apply | No change | Distributions stop unless participant purchased an annuity from a provider contracted by the Board; emergency provisions apply | Distributions stop unless participant purchased an annuity from a provider contracted by the Board; emergency provisions apply |
| Frozen Annuity | No change | N/A | No change | N/A | N/A |
| EEFPV | No change | N/A | No change | N/A | N/A |
| Return of Refund | No change | N/A. Participant retains previously earned eligibility points. | No change | N/A. Participant retains previously earned eligibility points. | N/A. Participant retains previously earned eligibility points. |
| Board Elections | No change | By virtue of their DB membership | No change | By virtue of their DB membership | Yes, in the active election as an active participant or in the annuitant election as a participant receiving distributions or a member receiving an annuity. |