

TRA SIX ANNUITY PLANS

Preparing for Retirement:
Choosing a Plan That Is
Right For You

Six Annuity Plans

At retirement, you, the member, will choose one of the following plans:

- ▶ **No Refund Plan**
- ▶ **Guaranteed Refund**
- ▶ **15 Years Guaranteed**
- ▶ **100% Survivorship**
- ▶ **75% Survivorship**
- ▶ **50% Survivorship**

No Refund Plan

- ▶ You will receive a lifetime benefit
- ▶ Payments end upon your death

Guaranteed Refund Plan

- ▶ You will receive a lifetime benefit
- ▶ Potential payments to beneficiary

Total in account at retirement		\$ 100,000
Payments you collected	-	\$ 80,000
Balance remaining after your death		<u>\$ 20,000</u>

$\$20,000 \div \$2,000^* = 10$ monthly payments to beneficiary

**Assumes you received a \$2,000 monthly payment*

15-Years Guaranteed

- ▶ You will receive a lifetime benefit
- ▶ If you die within the first 15 years after retirement, your beneficiary will be paid the same monthly amount you received for the remainder of that 15 year period.

Survivorship Plans

- ▶ You will receive a lifetime benefit
- ▶ When you die, your survivor(s) receive 100, 75 or 50 percent of your monthly payment, depending on the plan chosen
- ▶ Benefit amount determined by your age **AND** the age of your survivor

Survivorship Plans

- ▶ If you are married, you must choose a survivorship plan covering your spouse, *unless* your spouse waives rights to this type of annuity
- ▶ If survivor predeceases you, your benefit will “bounce back” to the greater No Refund Plan amount

Survivorship Plan Example

Example assumes you are 59 years old

Life Plan	Monthly Amount	Beneficiary's Age
No Refund Plan <i>(no beneficiary coverage)</i>	\$2,021	N/A
100% Survivorship with Bounceback	\$1,816	59
	\$1,731	49
	\$1,899	69

- ▶ Upon your death, your survivor will receive 100% of your monthly payment for their lifetime.

Contact Information

Teachers Retirement Association

60 Empire Drive, Suite 400

St. Paul, Minnesota 55103-4000

651-296-2409

800-657-3669

www.minnesotatra.org

www.facebook.com/MinnesotaTRA