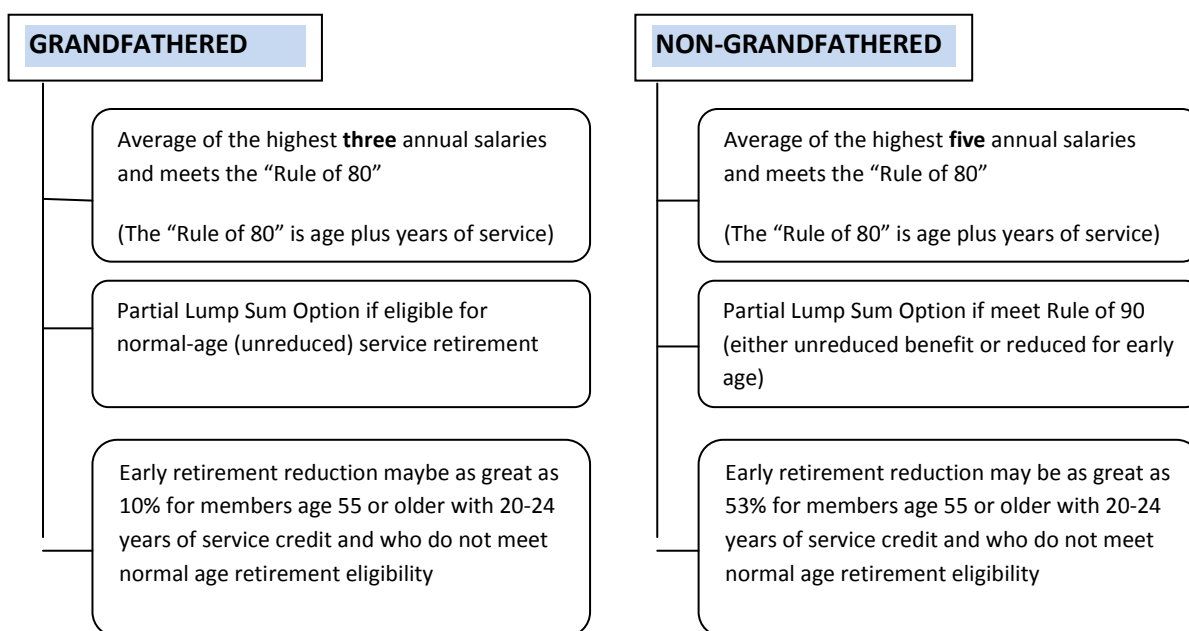


CALCULATION OF BENEFITS



2014 FIVE YEAR SERVICE CREDIT REQUIREMENT

Senate Bill 1458 increased the normal retirement age to **age 62** with the **Rule of 80** and at least **five years of service credit** for all members who are not vested as of August 31, 2014 and for new members on or after September 1, 2014.

A member is considered vested when he/she has five years of service credit by August 31, 2014.

All members vested as of August 31, 2014, are not subject to the new age requirements and will experience no change in normal-age retirement eligibility.

Withdrawn, unreported, and substitute service credit must have been purchased in full by 8/31/2014 to be used to determine a member's normal retirement eligibility status.

Senate Bill 1458 also modified the TRS-Care health plan eligibility requirements. For individuals who take a service retirement on or after September 1, 2014, the bill sets the minimum age of 62 to be eligible for TRS-Care 2 and 3*. All service retirees affected by this limitation will be able to choose TRS-Care 2 or 3 when they turn 62 years of age. Eligibility requirements for participating in TRS-Care 1 were not changed.

* A service retiree is not subject to the new age requirements for TRS-Care 2 and 3, if the sum of the person's age and years of service credit is 70 or greater on or before August 31, 2014; or if the person has at least 25 years of service credit on or before August 31, 2014.