



## DID YOU KNOW YOU MAY BE ELIGIBLE FOR A PENSION BUYOUT?

During the 2018 budget process, the Illinois General Assembly passed a law that created two voluntary buyout options – the Vested Inactive Buyout and the Tier I Automatic Annual Increase (AAI) Buyout – for SURS members who meet certain criteria. Our records indicate that you may be eligible for the Tier I AAI Buyout during the eligibility window, which was recently extended through June 30, 2026.

### TIER I AAI BUYOUT

Tier I members who retire with a lifetime monthly benefit receive a 3% compounded AAI each year beginning the Jan. 1st after retirement. If you elect to retire before the buyout expires, you will have the option to receive a Tier I AAI Buyout. The Tier I AAI Buyout is a partial lump-sum payment at retirement in exchange for a permanently reduced and delayed AAI.

The lump-sum buyout payment is equal to 70% of the difference between the present value of a 3% compounded AAI beginning the Jan. 1 after retirement and the present value of a non-compounded 1.5% increase beginning the later of the Jan. 1 following age 67 or the Jan. 1 following the first anniversary of retirement.

### PLEASE NOTE

The election to take a Tier I AAI Buyout is irrevocable. It cannot be changed or repaid at any time. Please carefully consider all aspects of the buyout before deciding to participate.

The buyout process may take several months. In addition, the buyout payment must be rolled over to an eligible retirement plan. For these reasons, the buyout option should not be considered a short-term solution in times of financial hardship.

### LEARN MORE

For more detailed information about the buyout, including a list of eligibility requirements, go to [surs.org/facts-tiaai](https://surs.org/facts-tiaai). Log in to the member website at [surs.org](https://surs.org) to access our online benefit estimator and calculate a retirement estimate which will provide a comparison of your benefits with and without the buyout. You can also request a counseling appointment, request a written estimate be mailed to you, or speak with a SURS member service representative at (800) 275-7877.

Log in to the Member Website to access our online benefit estimator. Calculate a retirement estimate in order to compare your total benefit with and without a buyout.