



info

EMPLOYEES' RETIREMENT SYSTEM



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July 16, 2019

Understanding the Partial Lump Sum Option Plan (PLOP)

Effective for those retiring on or after October 1, 2019

- ◆ At retirement, in addition to selecting Options 1, 2, 3, or 4, you may also elect to receive a one-time lump-sum distribution (cash payment) in addition to your monthly retirement benefit.
 - ◇ In exchange for a reduced lifetime monthly benefit, you can elect to receive a Partial Lump Sum Option Plan (PLOP). Your age and option at retirement are used to determine the reduction in your benefit.
 - ◇ A PLOP distribution will be made as a single payment at the time your first monthly benefit is paid. Based on the amount of the PLOP, your monthly retirement benefit is then reduced to be the actuarial equivalent of the retirement benefit without a lump-sum distribution.
 - ◇ If you are interested in electing a PLOP, the RSA encourages you to seek assistance from a financial advisor and/or a tax professional. However, election of PLOP will reduce your long-term retirement income. [View our website](#) for more detailed information regarding the PLOP.

- ◆ Did you miss the [July Advisor](#)? If so, read "Gov. Ivey Restores the ERS Board to the Members," on the front page.
- ◆ Would you like to enjoy a round of golf at RTJ? View the summer specials [here](#).
- ◆ Labor Day is fast approaching! Plan your getaway at one of RSA's outstanding hotels. View all the latest discounts on the [Member Discounts page](#).
- ◆ RSA-1 is a powerful tool to help you reach your retirement dreams! [Enroll](#) in three easy steps! To learn more, view the [RSA-1 Member Handbook](#).