

**IMPORTANT:** This form is to be used to grant approval to the Pennsylvania Municipal Retirement System (PMRS) to transfer all assets and liabilities associated with an employee's previous employer's PMRS administered pension plan to the employee's new PMRS administered pension plan. The authorization to allow the PMRS enrolled member to exercise this option is found in Act 15 of 1974 (as amended) and the designated sections of the pension plan agreements covering the affected plans and employee. This form must be completed by the PMRS member seeking to institute portability and an appropriate official from the new or gaining plan's municipality. Before completing this form the PMRS' Policy Statement on portability, designated as Rule Number 97-2, should be read. A copy of the rule is attached.

Please contact the Membership Services Division of the Pennsylvania Municipal Retirement System at 1-800-622-7968 (if calling from a location within Pennsylvania) or 717-787-2065 for determination of eligibility for benefits or if there are any questions concerning the completion of this form. All information must be typed or printed in ink.

**PART A:** To be completed by the plan member. Completion of Part B is also required for PMRS to process this request.

<p>1. Member's Name</p> <p>_____</p> <p>First M.I. Last</p>	<p>2. Name of Previous Pension Plan (Municipality)</p> <p>_____</p>
<p>3. Social Security Number</p> <p>____-____-____</p>	<p>4. Municipal Code of Previous Pension Plan</p> <p>____-____-____</p>
<p>5. Effective Date of Separation from Previous Plan</p> <p>____/____/____</p> <p>MM D D Y Y Y Y</p>	<p>6. Name of New Pension Plan (Municipality)</p> <p>_____</p>
<p>7. Effective Date of Hire by New Municipality</p> <p>____/____/____</p> <p>MM D D Y Y Y Y</p>	<p>8. Municipal Code New Pension Plan</p> <p>____-____-____</p>

Approval is hereby given for the Pennsylvania Municipal Retirement System to institute portability on my behalf. I understand that any assets and or liabilities associated with my membership in the Pennsylvania Municipal Retirement System through my previous employer's PMRS administered pension plan will now be transferred to my new employer's PMRS administered pension plan.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

**PART B:** To be completed by the administrative officer of the new plan to which the member seeks to have his pension benefits transferred.

It is acknowledged that the above named individual is an employee of our municipality and is eligible for membership in the designated Pennsylvania Municipal Retirement System administered pension plan.

\_\_\_\_\_  
Signature of Plan's Administrative Officer

\_\_\_\_\_  
Date

<p align="center"><b>Pennsylvania Municipal Retirement Board Policy Statement Rule Number 97-2</b></p>	<p>Portability: Individual Member</p>
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Purpose: The law provides that the Board transfers service credits when an employee leaves one Pennsylvania Municipal Retirement System (PMRS) member municipality and joins another. This benefit is called portability. The Board, in order to give policy guidance to staff, adopts the following statements on portability.

Authority: Act 15 of 1974, “Pennsylvania Municipal Retirement Law”: Section 405.

Policy: **STATEMENT 1:** Portability is optional.

An employee who leaves the employ of one PMRS member municipality (Municipality A) and joins the employ of another PMRS member municipality (Municipality B) shall have one year from the date of separation from Municipality A’s plan to exercise the portability benefit authorized in the law. Employment (but not necessarily enrollment in Municipality B’s plan) must occur within one year of separation from eligibility in Municipality A’s plan. Municipality B’s plan enrollment effective date as a member municipality in PMRS must be on or before the date the employee is hired. An employee shall have the rights to exercise his rights to portability but said rights have to be affirmatively selected by the eligible employee by completing the appropriate PMRS form relating to the instituting of portability within one year of separation from Municipality A.

**STATEMENT 2:** The member’s benefit will be determined under the contract provisions in effect in Municipality B.

In determining the benefit to be received by the employee who exercises portability, the contract and plan benefit structure of Municipality B shall be the controlling document in determining the benefit under which the member will be allowed to retire or receive a benefit. However, in no event will the member receive an accrued benefit from Municipality B which has a present value less than that earned in Municipality A as of the time of separation from Municipality A.

**STATEMENT 3:** Service credits re combined.

For an employee electing to institute portability, the years of credited service shall be based on all years of credited service earned by the employee (credited service in both Municipality A and Municipality B).

<p align="center"><b>Pennsylvania Municipal Retirement Board</b>  <b>Policy Statement</b>  Rule Number 97-2 (Continued)</p>	Portability: Individual Member
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**STATEMENT 4:** The transfer amount is the present value of the accrued benefit in Municipality A’s plan as of date of separation from Municipality A.

When an individual elects to implement the portability benefit, his accumulated contributions (member contributions and regular interest thereon) and any credited excess interest shall be transferred and credited to his new account in Municipality B. The difference between the accumulated contributions and the present value of the accrued benefit of the member at the time of separation from Municipality A shall be determined (or if the plan is a defined contribution plan – the employer contributions made to the member’s account and credited interest thereon). This determined amount shall be transferred from Municipality A’s municipal account (or if Municipality A’s plan is a defined contribution plan – from the member’s account) to Municipality B’s municipal account (or if Municipality B’s plan is a defined contribution plan – to the member’s account).

It is recognized that the potential exists for the transfer to either overfund the accrued benefit under Municipality B’s plan (if the member is leaving from a higher benefit plan to go to a lower benefit plan) or, conversely, the transfer may be insufficient to meet the accrued liability of the member under Municipality B’s plan (if Plan B’s benefit structure is better than Plan A’s benefit structure). The actual consequences will depend upon the benefit structures in effect in the two municipalities. At time of benefit receipt, the employee shall have a present value of benefits at least equal to the amount that has been transferred from Municipality A’s plan to Municipality B’s plan.

Effective

Date: This rule is to be implemented effective immediately and is intended as a continuation and restatement of the Board’s policy adopted on November 20, 1986.

Adoption

Date: Adopted at the November 20, 1997 meeting of the Pennsylvania Municipal Retirement Board.