



TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

55 Water Street, New York, NY 10041 • 1 (888) 8-NYC-TRS • www.trs.nyc.ny.us

HOW TO READ YOUR QUARTERLY ACCOUNT STATEMENT

Your Quarterly Account Statement (QAS) provides an overview of your Qualified Pension Plan (QPP) and Tax-Deferred Annuity (TDA) Program account(s). TRS is providing this guide to help you understand your statement. If you have any questions about your statement, please call our Member Services Center at 1 (888) 8-NYC-TRS. Please retain this document for future reference.

A The **Account News and Updates** section provides important news from TRS and updates regarding your account in the QPP and the TDA Program (if applicable).

B The **Account Summary** shows the total of all activity that has occurred in your account(s) during the quarter. If you have both QPP and TDA Program accounts, your statement will include a separate summary for each.

C The **Contribution Rates** indicate your contribution rates for your QPP and/or TDA Program account(s). If you are a Tiers I/II member, the **Certified QPP Contribution Rate** is the rate at which you would need to contribute through your 20-year date to fund full retirement allowance benefits. If you are a Tiers III/IV member, you must contribute 3% of your regular compensation to your QPP account until you have 10 years of membership or credited service, at which point your contributions would stop. If you have a TDA Program account, you may elect a TDA rate of contribution within your **Maximum Rate** for the year.

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QPP and TDA QUARTERLY ACCOUNT STATEMENT

For Tier I Members • 1st Quarter 2005 • Period From 01/01/2005 to 3/31/2005

Membership #: 00T000000
 TDA Membership #: 00T000000
 Date of Birth: 06/06/1950
 Gender: Female

Joan Doe
 100 Main Street
 Apt. A
 Anywhere, NY 10000

A ACCOUNT NEWS AND UPDATES

SAMPLE

B QPP ACCOUNT BALANCE SUMMARY FROM 1/01/05 TO 3/31/05

	Opening Balance	Contributions	Interest/Increase in Units	Earnings Gain/Loss	Conversions	Withdrawals	Adjustments	Closing Balance
Fixed:	\$8,559.11	\$99.99	\$238.63	N/A	\$4,504.46	\$0.00	\$0.00	\$13,412.19
Variable A:	\$8,845.21	\$0.00	\$58.62	\$147.56	\$-4,504.46	\$0.00	\$0.00	\$4,547.13
Units:	157.97	0.00	1.04	-79.24	0.00	0.00	0.00	79.77
Total ASF:	\$17,414.32	\$99.99	\$297.45	\$147.56	\$0.00	\$0.00	\$0.00	\$17,959.32
Fixed:	\$27,229.35	\$510.77	\$753.13	N/A	\$13,921.53	\$0.00	\$00,000.00	\$00,000.00
Variable A:	\$27,335.22	\$0.00	\$181.76	\$455.22	\$-13,921.53	\$0.00	\$00,000.00	\$00,000.00
Units:	488.19	0.00	3.20	-244.90	0.00	0.00	0.00	0.00
Total ITHP:	\$54,564.57	\$510.77	\$934.89	\$455.22	\$0.00	\$0.00	\$0.00	\$56,465.45
Total QPP:	\$71,978.89	\$610.76	\$1,232.34	\$602.78	\$0.00	\$0.00	\$0.00	\$74,424.77

Pre-1987 Contributions: \$103.88 Post-1986 Contributions: \$0.00 Section 414(h) Contributions: \$0.00

C QPP CONTRIBUTION RATE **TDA CONTRIBUTION RATE**

Current: 0.00% Certified: 6.65% Current: 2% Maximum Rate for 2004: 32%

B TDA ACCOUNT BALANCE SUMMARY FROM 1/01/05 TO 3/31/05

	Opening Balance	Contributions	Interest/Increase in Units	Earnings Gain/Loss	Conversions	Withdrawals	Adjustments	Closing Balance
Variable A:	\$17,327.11	\$349.16	\$179.01	\$1,766.35	\$0.00	\$0.00	\$0.00	\$19,621.63
Units:	344.40	6.71	3.42	0.00	0.00	0.00	0.00	350.43
Total TDA:	\$17,327.11	\$349.16	\$179.01	\$1,766.35	\$0.00	\$0.00	\$0.00	\$19,621.63

Please note: This sample statement shows fields for a Tier I member who has both QPP and TDA Program accounts, and one QPP loan. Depending on your tier status and account, your actual statement may not include all of the fields shown. Amounts indicated are for sample purposes only.

EXPLANATIONS & NOTES

Adjustments to your account balance may include increases in the number of your variable units. Adjustments to a loan balance may include payments submitted after the close of the previous reporting period.

ASAF (Annuity Savings Accumulation Fund) includes any supplemental contributions, which the Department of Education (DOE) makes for certain Tiers III/IV members who have reached their maximum salary schedule. For teachers, the ASAF amount is \$400 per year; for supervisors, it is \$550.

ASF (Annuity Savings Fund) includes a Tiers I/II member's QPP contributions and any supplemental contributions, which the Department of Education (DOE) makes for certain members who have reached their maximum salary schedule. For teachers, the supplemental amount is \$400 per year; for supervisors, it is \$550. The retirement allowance calculation includes a pension portion based in part on your service and Final Average Salary (FAS), and an annuity portion based on your ASF and Increased-Take-Home-Pay (ITHP) funds. Members who separate from service may withdraw their ASF funds by filing an "Application for Withdrawal of QPP Accumulations" (code RW41). However, withdrawing their ASF funds would end their TRS membership.

Loans are subject to recent Internal Revenue Service (IRS) regulations, which require TRS to treat each loan independently (e.g., separate loan balances and repayment periods). Tiers I/II members may take up to two QPP loans within a 12-month

(Continued on back.)

D The **Allocation of Funds** shows how your funds are invested among TRS' investment programs. Your allocation may change over time based on investment returns and your elections.

E **Investment Elections for Contributions** indicate how you have elected to invest your future contributions. If you are a Tiers I/II member, you may invest your QPP contributions in any combination of TRS' investment programs. Any member with a TDA account may also invest his/her TDA funds in any combination of TRS' investment programs.

F If you are a Tiers I/II member, the **Conversion of Past Accumulations** shows your recent QPP investment election changes. If you are a TDA participant, you will also see your recent TDA investment election changes here. These conversions generally take place over a 12-month period. However, if you retire, any conversion in progress would stop as of your retirement date; you may elect a new conversion on your retirement application.

G The **Annualized Investment Performance** indicates the performance for TRS' investment programs. The values reflect returns after fees and expenses.

H **Unit Values** for a month are determined by multiplying the preceding month's unit value by the monthly net change in the value of the Program's portfolio. For actuarial purposes, this value is then discounted by .3274% to offset the 4% annual increase in the number of units that participants in the Variable Annuity Programs receive. The investment return on your Variable Annuity funds during the statement period includes the 4% annual Increase in Units and the Earnings Gain/Loss presented in the Account Balance Summary.

I The **Loans Summary** shows the loan activity that has occurred during the quarter for any QPP and/or TDA loan. If you have both QPP and TDA loans, your statement will include a separate summary for each.

2																																	
D	ALLOCATION OF FUNDS AS OF 3/31/05 <table border="1"> <tr> <td></td> <td>QPP</td> <td>TDA</td> </tr> <tr> <td>Fixed:</td> <td>75%</td> <td>0%</td> </tr> <tr> <td>Variable A:</td> <td>25%</td> <td>100%</td> </tr> <tr> <td>Variable B:</td> <td>0%</td> <td>0%</td> </tr> </table>		QPP	TDA	Fixed:	75%	0%	Variable A:	25%	100%	Variable B:	0%	0%																				
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F	CONVERSION OF PAST ACCUMULATIONS AS OF 3/31/05 <table border="1"> <tr> <td></td> <td>QPP</td> <td>TDA</td> </tr> <tr> <td>To Be Converted:</td> <td>100.00%</td> <td>N/A</td> </tr> <tr> <td>From:</td> <td>Variable A</td> <td>N/A</td> </tr> <tr> <td>To:</td> <td>Fixed</td> <td>N/A</td> </tr> <tr> <td>Completion:</td> <td>3/15/04</td> <td>N/A</td> </tr> </table>		QPP	TDA	To Be Converted:	100.00%	N/A	From:	Variable A	N/A	To:	Fixed	N/A	Completion:	3/15/04	N/A																	
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G	ANNUALIZED INVESTMENT PERFORMANCE THROUGH 3/31/05 <table border="1"> <tr> <td></td> <td>1st Quarter</td> <td>1 Year</td> <td>3 Years</td> <td>5 Years</td> </tr> <tr> <td>Fixed:</td> <td>8.250%</td> <td>8.250%</td> <td>8.250%</td> <td>8.250%</td> </tr> <tr> <td>Variable A[*]:</td> <td>110%</td> <td>2.7</td> <td>2.7</td> <td>2.7</td> </tr> <tr> <td>Variable B[*]:</td> <td>110%</td> <td>4.2</td> <td>4.2</td> <td>4.2</td> </tr> </table> <p><small>*Reports for the Quarter (3 month period) annual</small></p>		1 st Quarter	1 Year	3 Years	5 Years	Fixed:	8.250%	8.250%	8.250%	8.250%	Variable A [*] :	110%	2.7	2.7	2.7	Variable B [*] :	110%	4.2	4.2	4.2												
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J	DETAILED LOAN INFORMATION <table border="1"> <tr> <td>Loan Number: 00000</td> <td>1st Quarter</td> <td>Year-To-Date</td> <td>Loan Issue Date: 12/31/03</td> </tr> <tr> <td>New Loan/Opening Balance</td> <td>\$3,725.00</td> <td></td> <td>Loan Status: Open</td> </tr> <tr> <td>Adjustments</td> <td>\$0.00</td> <td>\$0.00</td> <td>Loan Type: QPP</td> </tr> <tr> <td>Payments</td> <td>\$232.80</td> <td>\$232.80</td> <td>Total Number of Payments: 96</td> </tr> <tr> <td>Interest</td> <td>\$50.00</td> <td>\$50.00</td> <td>Payments Remaining as of mm/dd/yy: 90</td> </tr> <tr> <td>Insurance</td> <td>\$0.00</td> <td>\$0.00</td> <td>Current Payment Amount: \$38.80</td> </tr> <tr> <td>Net Activity</td> <td>\$50.00</td> <td>\$50.00</td> <td>Current Interest Rate: 6.00%</td> </tr> <tr> <td>Closing Balance</td> <td>\$3,542.20</td> <td></td> <td></td> </tr> </table>	Loan Number: 00000	1 st Quarter	Year-To-Date	Loan Issue Date: 12/31/03	New Loan/Opening Balance	\$3,725.00		Loan Status: Open	Adjustments	\$0.00	\$0.00	Loan Type: QPP	Payments	\$232.80	\$232.80	Total Number of Payments: 96	Interest	\$50.00	\$50.00	Payments Remaining as of mm/dd/yy: 90	Insurance	\$0.00	\$0.00	Current Payment Amount: \$38.80	Net Activity	\$50.00	\$50.00	Current Interest Rate: 6.00%	Closing Balance	\$3,542.20		
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J If you have a QPP and/or TDA loan, the **Detailed Loan Information** section will include detailed information for each loan that is open, in default, or closed during the quarter.

EXPLANATIONS & NOTES

(Continued from front.)

period; Tiers III/IV members may take only one QPP loan within a 12-month period. Members with a TDA Program account may take one TDA loan within a 12-month period. Upon issuance, the amount of a TDA loan is charged against the member's TDA funds. Other than the amount representing the insurance charge, each loan payment is credited back to the member's TDA funds, in accordance with his/her elections for future contributions. Eligible members may apply for a loan through the "My TRS Account" section of our website or by filing a "QPP Loan Application" (code LO6) or a "TDA Loan Application" (code LO15). Taking a TDA loan may impact a member's available QPP loan amount, and vice versa. Restrictions on loan availability apply; see the *QPP Loans* (code 4.1) and the *TDA Loans* (code 4.2) brochures for additional information.

MCAF (Member Contributions Accumulation Fund) includes a Tiers III/IV member's QPP contributions, including any payments made for optional service and membership service. For Tiers III/IV members, MCAF and ASAF balances earn 5% interest compounded annually. The retirement allowance calculation includes two parts: a pension, which is partially funded by the member's MCAF balance and is based in part on a member's service and Final Average Salary (FAS); and a benefit based on the member's ASAF balance. Members who separate from service with less than 10 years of membership service may withdraw their MCAF and ASAF funds by filing an "Application for Withdrawal of QPP Accumulations" (code RW41). However, withdrawing MCAF and ASAF funds would end their TRS membership.

TDA Withdrawal Restrictions do not apply to members over age 59½; they may file a "TDA Withdrawal Application" (code TD32) at any time. In-service members under age 59½ are generally restricted to withdrawing Pre-1989 TDA funds (*i.e.*, TDA contributions and earnings as of December 31, 1988), although they may apply for a hardship withdrawal of their Post-1988 TDA contributions by filing a "TDA Hardship Withdrawal Application" (code TD44).