As the named beneficiary you may elect to receive payment under any of the options listed below. Please read carefully the explanation of ALL available choices before making your selection. The type of payment cannot be changed once a selection has been made.

Make your selection by completing the enclosed application, including the affidavit. Return the completed selection form and any other required forms to this office as soon as possible. The selection must be completed before your payment can be processed.

A. LUMP SUM PAYMENT OF $xxx,xxx.xx
   If you prefer to receive a portion of Option "A" by lump sum payment and the balance, which may not be less than $10,000.00, in monthly payments, please advise us and we will furnish you with the amounts payable.

PORTION OF OPTION "A" BY LUMP SUM PAYMENT: $xxx,xxx.xx
REMAINING BALANCE OF LUMP SUM PAYMENT: $xxx,xxx payable through following options:

B. LIFE ANNUITY OF $xxx.xx per month
   A monthly annuity in this amount will be paid throughout your lifetime, all payments will cease at your death.

C. LIFE ANNUITY (TEN-YEAR GUARANTEE) OF $xxx.xx per month
   A monthly annuity in this amount will be paid throughout your lifetime. If your death should occur sooner than ten (10) years from the effective date, any remaining balance will be paid to your estate in a lump sum settlement.

D. CASH REFUND ANNUITY OF $xxx.xx per month
   A monthly annuity in this amount will be paid throughout your lifetime. If your death should occur before you receive the equivalent of the lump sum payable under Option "A", any remaining balance will be paid to your estate in a lump sum settlement.

E. TERM-CERTAIN ANNUITY
   A monthly amount will be paid to you for a period of 1 to 20 years, whichever you choose, after which all payments will cease. If your death should occur before the end of the term you choose, any remaining balance will be paid to your estate in a lump sum settlement. To estimate the amount of your term-certain annuity, please use the following instructions:

1. Find the factor from the table on the following page for the number of year(s) you wish to receive an annuity.
2. Multiply the REMAINING BALANCE OF LUMP SUM PAYMENT by this factor.
3. The result is your monthly payment amount.
Table of Factors for 1 to 20 years

1) 0.085117  2) 0.043393  3) 0.029492  4) 0.022547  5) 0.018384
6) 0.015612  7) 0.013635  8) 0.012156  9) 0.011007 10) 0.010090
11) 0.009342 12) 0.008720  13) 0.008196  14) 0.007748 15) 0.007361
16) 0.007023  17) 0.006727  18) 0.006465  19) 0.006231 20) 0.006022

If you choose this type of payment, SERS will calculate the authorized term-certain amount upon receipt of your selection. If your estimated amount differs from SERS by 5% or more, we will send you notification and another application to complete.

If you select a monthly benefit option, your payments will begin **03/01/2008**

Please contact the Benefits Determination Division at 1-800-633-5461 ext. 7316 with any questions.
DEATH BENEFIT PAYMENT OPTION SELECTION FORM

Member : JOHN Q. PUBLIC
Beneficiary : JANE Q. PUBLIC

Please place an ‘X’ beside the Death Benefit Payment Option you have chosen and complete the affidavit. The form must be notarized in order for payment to be processed. Please note that the type of payment cannot be changed after the selection has been made.

- A. LUMP SUM PAYMENT OF $xxx,xxx.xx

I have chosen a partial lump sum payment of $xxx,xxx.xx with a REMAINING BALANCE OF LUMP SUM PAYMENT: $x.xx payable through the following option:

- B. LIFE ANNUITY OF $xxx.xx per month

- C. LIFE-ANNUITY (TEN-YEAR GUARANTEE) OF $xxx.xx per month

- D. CASH REFUND ANNUITY OF $xxx.xx per month

- E. TERM CERTAIN ANNUITY

<table>
<thead>
<tr>
<th>Number of Years</th>
<th>Estimated Monthly Annuity</th>
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AFFIDAVIT

State of ___________________
County of __________________

Before me, a __________________________ in and for the State of __________________, personally appeared ______________________________________, who being duly sworn according to law, deposes and says that he/she is the beneficiary named here in and further deposes and says that his/her date of birth is ____________ to the best of his/her knowledge, information, and belief.

____________________________________
Signature of Applicant

Sworn to and subscribed before me

this ________________ day of

____________________________________
Signature of Notary Public

Date Commission Expires