

GLOSSARY OF TERMS

ACCUMULATED CONTRIBUTIONS or EMPLOYEE CONTRIBUTIONS means contributions made to the Fund by you through monthly salary deductions as provided in LA R.S. 11:3363(B). After you complete twenty (20) Years of Service with the Fund, or upon entering the DROP, you will no longer be subject to this salary deduction. Amounts contributed are maintained in your annuity account and cannot be forfeited. Interest shall accrue as determined by the Board.

ACTIVE FIREFIGHTER means a participant in the Pension Fund and a Member of the New Orleans Fire Department who is actively engaged in extinguishing fires, as defined in LA R.S. 11:3361. An Active Firefighter does not include those persons who are receiving disability benefits, who have terminated service, or who have retired.

Actuarial Accrued Liability (AAL) means the present value of benefits that have accrued during prior periods.

ALTERNATE PAYEE means the participant's spouse, former spouse, child, or other dependent who is entitled to receive some or all of the Fund's benefit payments as authorized in Part V of Title 58, Retirement, of the Louisiana Administrative Code.

Annually Required Contribution (ARC) means the Normal Cost plus an amortized payment of the Unfunded Actuarial Accrued Liability for a particular year.

ANNUITY STARTING DATE means the date you or your Beneficiary begin to receive a benefit of any kind from the Pension Fund.

ARMED FORCES OF THE UNITED STATES or ARMED FORCES means the military service, whether by selective service draft, enlistment, reserve call-up, or any other honorable means, training and examinations with any branch of the Armed Forces (both regular and reserve components), the National Guard, the Commissioned Corps of the Public Health Service, and any other category of persons designated by the President of the United States as being entitled to military service credit.

BOARD means the Board of Trustees of the Firefighters' Pension & Relief Fund for the City of New Orleans.

CHILD, CHILDREN or DEPENDENT means your natural born or legally adopted Child, who is dependent upon you or your surviving spouse for fifty percent (50%) or more of his/her support. Proof of support may be required by the Trustees.

DEFERRED SERVICE RETIREMENT BENEFIT means a Service Retirement Benefit payable to a terminated Firefighter whose separation from employment as an Active Firefighter occurred after having completed all applicable requirements to qualify for a Service Retirement Benefit, except that of filing an application to retire, provided the terminated Firefighter has not elected to receive a refund of his Accumulated Contributions.

DESIGNATED BENEFICIARY means the person(s) designated by you, in writing and filed with the Board, to receive the lump sum death benefit provided for in LA R.S. 11:3378(B) and/or any benefits that may be payable to a beneficiary in the event of the Member's death.

(See Article VIII Section G, entitled Designation of Beneficiary, for explanation as to when and how to designate a beneficiary.)

DISABILITY RETIREMENT DATE means the date the Board determines that you are Totally and Permanently Disabled as defined in Sections CC and DD of this Article, and have met the standards of proof and conditions set forth in Article VII by placing your name on the pension rolls that you are eligible to receive a Non-Service Connected Disability Retirement Benefit or a Service-Connected Disability Retirement Benefit.

DROP means Deferred Retirement Option Plan, an optional form of retirement payment. Your DROP benefit consists of a lump sum payment equal to no more than sixty (60) times your normal monthly retirement benefit that is made to your individual account during your participation in the DROP, with a subsequent lifetime annuity. See Article VI, Section C.

FIRE DEPARTMENT or DEPARTMENT means the New Orleans Fire Department.

FUND means the Firefighters' Pension & Relief Fund for the City of New Orleans.

INACTIVE FIREFIGHTER is a participant of the Pension Fund who has terminated service with the Fire Department.

NEW SYSTEM MEMBER or MEMBER means an Active Firefighter who was employed by the Fire Department after December 31, 1967, or an Old System Member who, upon written application to the Board, elects to be covered as a New System Member pursuant to LA R.S. 11:3384.

NON-DUTY DEATH means the death of a Firefighter caused by illness or injury not related to his employment with the Fire Department.

NON-VESTED means you have not achieved Vested status as defined in Section GG of this Article.

Normal Cost (NC) means the present value of future benefits that employees accrue over the course of a year for their service. In Chattanooga a portion of the Normal.

OLD SYSTEM MEMBER means an Active Firefighter who was employed by the Fire Department before January 1, 1968.

PENSION & RELIEF COMMITTEE means the committee appointed by the Board consisting of no less than three (3) Board members to hear and review claims and appeals from benefit denials, and to issue recommendations to the Board of Trustees concerning ultimate determination of any question brought to the Board's attention.

PLAN YEAR means, for accounting and financial purposes, a calendar year beginning January 1 and ending December 31.

PLOP means Partial Lump-sum Option Payment, an optional form of retirement payment. PLOP is a partial-lump sum benefit payable at retirement, equal to no more than sixty (60) times your normal monthly retirement benefit, with a reduced monthly benefit payable for life. This benefit will be actuarially equivalent to your normal retirement benefit. See Article VI, Section E.

Present Value of Benefits (PVB) means the value of all benefits from the past, the present, and the future that are expected to be owed to employees

REVERSE DROP means retroactive participation in the DROP. Reverse DROP is also available if you are participating in the DROP and suffer a career-ending service injury. You may receive a lump sum benefit of up to sixty (60) months, based on the value of your pension at the date selected. See LA R.S. 11:3385.1(L).

SALARY or COMPENSATION means your wages paid by the New Orleans Fire Department during the Plan Year or during a Year of Service (as defined in Article II, Section II), as applicable. Voluntary overtime, part time, uniform allowance and holiday pay are not included in your Salary or Compensation for benefit calculation purposes under this Plan.

SERVICE RETIREMENT BENEFIT means the Vested benefit that you are eligible to receive upon the attainment of age fifty (50) and after completion of at least twelve (12) Years of Service, as calculated in accordance with Article VI, Section A.

SERVICE RETIREMENT ELIGIBILITY DATE means, for New System Members, the date on which you complete a minimum of twelve (12) Years of Service and attain age fifty (50), rendering you eligible to receive a Service Retirement Benefit. If, as a New System Member, you terminate your employment with the Department after you have completed twelve (12) Years of Service, but prior to your attainment of age fifty (50), your Service Retirement Eligibility Date is the date you attain age fifty (50).

SPOUSE means a Spouse of either sex to whom you, as an Active Firefighter, are legally married, with no requirement as to length of marriage. Exclusions to recognized marriages are same sex marriages or common law marriages, unless the common law marriage was established in a state that recognizes common law marriage.

STATUTORY BENEFICIARY means the beneficiary to whom your benefit will be paid in the event you do not designate a beneficiary. The benefit shall be paid to the first applicable class of Statutory Beneficiaries listed below:

1. surviving spouse
2. surviving child(ren)
3. surviving parents
4. your estate (if succession has been probated)
5. your heirs

(See Article VIII Section G, entitled Designation of Beneficiary, for explanation as to when and how to designate a beneficiary.)

SURVIVING SPOUSE means a Spouse of either sex to whom you, as an Active Firefighter, are legally married at the time of death, with no requirement as to length of marriage.

TOTALLY AND PERMANENTLY DISABLED FROM FIREFIGHTING means the physical or mental condition of an Active Firefighter which renders him incapable of continuing and performing his usual and customary duties as an Active Firefighter. An Active Firefighter's Total and Permanent Disability from Firefighting shall be determined by the Board.

TOTALLY AND PERMANENTLY DISABLED FROM ANY GAINFUL EMPLOYMENT means the physical or mental condition of an Active Firefighter which prevents him from performing his usual and customary duties as an Active Firefighter, and from holding any other meaningful and gainful employment or self-employment outside of the Fire Department. An Active Firefighter's Total and Permanent Disability from Gainful Employment shall be determined by the Board.

TYPE 1 SERVICE CONNECTED DEATH means the death of an Active Firefighter while actively fighting a fire or while responding to or returning from a dispatched incident, including death from the immediate effects of any injury suffered while performing said duties, death from the immediate effect of a heart or lung disease as set forth in LA R.S. 33:2581, any presumptive cancer as defined in LA R.S. 33:2011, and any presumptive hepatitis as defined in LA R.S. 33:2012 suffered during the performance of his duties as an Active Firefighter.

TYPE 2 SERVICE CONNECTED DEATH means the death of an Active Firefighter while on-duty, but that is not classified as a Type 1 Service Connected Death.

Unfunded Actuarial Accrued Liability (UAAL) means the excess of the Actuarial Accrued Liability over the actuarial value of assets that is pledged to make benefit payments.

VESTED means you are unconditionally guaranteed your Service Retirement Benefit upon the completion of twelve (12) Years of Service as a New System Member. Once you are Vested, your benefits or interest under the Fund cannot be forfeited or reduced.

WIDOWED PARENT means a Member's mother or father who has survived the deaths of both the Member and the Member's other parent, provided he/she was dependent on the Member for support.

YEAR OF SERVICE means a period of twelve (12) consecutive months during which you accrue Creditable Service in accordance with Article III.