

WHAT HAPPENS TO MY MONTHLY PENSION BENEFIT WHEN I DIE?

- In order for your monthly pension benefit to continue after your death, you must name an **Optionee** at the time of your retirement.
- By naming an Optionee, your monthly pension benefit will be reduced from the base amount so that it covers the lifetime of both you and your Optionee.
- If you do not name an Optionee, your monthly pension benefit will not be reduced from the base amount and it will **not** continue after you die.
- A named Beneficiary is not an Optionee and will not receive your monthly pension benefit after you die, unless you also designate that person as your Optionee.

How is *Beneficiary* Different from *Optionee*?

- Designation of the beneficiary shall be limited to a person, a trust, the member's estate, or other legal entity.
- A *Beneficiary* receives any undistributed contributions in your account at the time of your death. *Beneficiaries* **do not** receive your ongoing pension benefit.
- An *Optionee* is an individual designated by you to receive an ongoing pension benefit following your death. **Only one** *Optionee* may be selected. If you are legally married, you

must select your legally married spouse as your *Optionee* - unless your spouse signs a Benefit Waiver.

- Your *Optionee* and your *Beneficiary* may or may not be the same person.

WHAT DOES MY BENEFICIARY RECEIVE WHEN I DIE?

- If you have only named a Beneficiary, and not named an Optionee, your Beneficiary will receive the balance of your member contributions when you die.
 - Usually member contributions are exhausted in the first 20 months of retirement. If you die more than 20 months into retirement, your Beneficiary may receive nothing.
- If you have named an Optionee, your Beneficiary will receive nothing when you die. Your Optionee will receive the continuation of your monthly pension benefit.