



## Death Benefits After Retirement

The death benefits available for your loved ones after retirement differ from those that are available while you are employed. When you complete your application for Service Retirement, you will be required to select a beneficiary and a benefit option that you feel best meets the needs of you and your beneficiary.

Choosing your beneficiary and benefit option is an important decision. SBCERA encourages its members to start learning about these options prior to retirement. Some of the benefit options may reduce your monthly lifetime retirement benefit in order to provide your beneficiary with a lifetime continuance. You will not make your selection until you retire. At retirement, you will have a choice between one of the following options:

### Unmodified Option:

- Pays you the highest possible monthly retirement allowance. There is no reduction in your amount.
- Provides a **60% continuance** to an eligible spouse, child or domestic partner **OR** a lump sum cash-out of any remaining undistributed **refundable** contributions to your named beneficiary should you not have an eligible spouse, child or domestic partner.

### Option 1:

- Reduces your monthly retirement allowance based on your life expectancy.
- Your beneficiary would receive a lump sum cash-out of any remaining undistributed **refundable** contributions in your account.
- This is the only option that allows you to change your beneficiary at any time after retirement whether your beneficiary is still living or has passed away.

### Option 2:

- Reduces your monthly retirement allowance based on your age and the age of your beneficiary.
- Your beneficiary will receive a **100% continuance** of your monthly retirement allowance.
- You cannot change your beneficiary after you retire. If your beneficiary predeceases you, a new beneficiary cannot be designated for the continuance.

### Option 3:

- Reduces your monthly retirement allowance based on your age and the age of your beneficiary.
- Your beneficiary will receive a **50% continuance** of your monthly retirement allowance.
- You cannot change your beneficiary after you retire. If your beneficiary predeceases you, a new beneficiary cannot be designated for the continuance.

### Option 4:

- Reduces the monthly retirement allowance for you and/or your beneficiary.
- An actuarial study must be conducted at the member's and/or nonmember's expense.
- Generally, this option is court ordered as the result of a divorce settlement.
- Your beneficiaries cannot be changed.

**Please Note:** Once you make your selection at retirement, you will only be able to change your option up until the day your first retirement benefit payment is issued. After that time, your option selection will become irrevocable.