



RETIREMENT 101: CHOOSING AND UPDATING BENEFICIARIES

Do you remember who you designated as your SBCERA beneficiary? Does this choice still reflect your wishes?

The dictionary defines beneficiary or beneficiaries as “one that receives a benefit” or “the recipient of funds, property, or other benefits.”

Even though we all have busy lives, keeping beneficiary designations up-to-date is vital. A beneficiary designation helps SBCERA determine how to pay out the burial allowance and any applicable death benefits when a member dies. Please be aware that notifying other benefit providers such as your employer, health insurance, or investment accounts of a change does not change your beneficiary(ies) with SBCERA.

Who is a Beneficiary?

A beneficiary is the person that you (the member) name in writing to receive SBCERA-provided benefits upon your death. If no beneficiary is named or if the beneficiary is no longer living, the beneficiary will be your surviving:

- Eligible legal spouse or registered domestic partner
- Eligible minor children, or if none,
- Your estate

For your spouse or domestic partner to be considered eligible, he/she must have been married to you or lawfully registered with you in a domestic partnership for at least one year prior to your retirement. An eligible child must be an unmarried, dependent child under age 18.

What if my Beneficiary is none of these?

The rights and claims of your eligible surviving spouse or domestic partner to receive benefits upon your death, if eligible, may be superior to and supersede the rights and claims of any other beneficiary.

However, alternate nominated beneficiaries such as siblings or adult children may be entitled to certain benefits dependent upon the option you choose at retirement or in the event your primary eligible beneficiary is no longer living.

When Should I Update My Beneficiary?

Anytime you experience a life-changing event such as a birth, death, marriage, divorce, domestic partnership registration and/or termination, you should update your beneficiary designation(s).

Every year, Active Members receive a Member Statement in the month following their birthday that lists their current beneficiaries; Deferred Members receive this statement annually around August. It is important to review this information carefully and ensure it reflects your wishes.

Active and Deferred Members may change their beneficiary designation at any time. However, upon retirement, dependent upon the option you choose, you will most likely no longer have the option to change your beneficiary.

How Do I Change My Beneficiary?

Active or Deferred Members who wish to change, add or delete beneficiary(ies) must complete a Beneficiary Designation/Change form. Anytime you change your beneficiary, your current spouse or domestic partner must be notified of the change as evidenced by their signature on the Beneficiary Designation/Change form. If there is no spousal or domestic partner signature on the form, you must also complete a Justification for Non-Signature of Spouse or Domestic Partner form.

What If I Die Before Retirement?

It is important to choose a beneficiary to receive the burial allowance and/or any survivor benefits for an active duty death. Having a beneficiary on file with SBCERA will simplify the payment process for your survivor(s). If you do not designate a beneficiary, your survivors might have to wait a prolonged amount of time to receive payments as SBCERA determines the eligible beneficiaries. If no beneficiary is named or if the beneficiary is no longer living, the benefit will be paid to your estate. Please be aware that you cannot designate a trust as beneficiary of your SBCERA death and/or survivor benefits.

Forms are available through your MemberDirect account, on our website at www.SBCERA.org or by calling (909) 885-7980 or toll free at (877) 722-3721 to request these forms be mailed or faxed to you. As always, if you have any questions please call and speak with your SBCERA retirement representative for more information.