



Benefit Options

Fact Sheet - 10

You can choose to receive your retirement benefits under the Maximum Allowance available or under an optional plan that reduces your benefit, but provides benefits for a beneficiary after your death. Here is a comparison of available options:

If you choose:	You can designate:	Your monthly benefit will be:	Your beneficiary will receive:
Maximum Allowance	One or more beneficiaries and may change designation at any time	Largest monthly benefit payable to you during your lifetime	Lump sum payment of member contributions that have not been paid out in monthly benefits or DROP/IBRP deposits and interest
Option 1 (Not available under IBRP)	One or more beneficiaries and may change designation at any time	Less than maximum allowance	Lump sum payment of remaining balance of your accumulated contributions
Option 2	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit Will not change if beneficiary predeceases you	Same monthly benefit paid to you for remainder of his/her life
Option 2a	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit Reverts to maximum benefit if beneficiary predeceases you Change in benefit effective first of month following beneficiary's date of death, pending receipt of certified death certificate	Same monthly benefit paid to you for remainder of his/her life
Option 3	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit greater than Option 2 or 2a benefit Will not change if beneficiary predeceases you	One-half of your benefit amount for remainder of his/her life
Option 3a	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit greater than Option 2 or 2a benefit Reverts to maximum benefit if beneficiary predeceases you Change in benefit effective first of month following beneficiary's date of death, pending receipt of certified death certificate	One-half of your benefit amount for remainder of his/her life
Option 4	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit determined by amount you designate for your beneficiary	Specific monthly amount for rest of his/her life
Option 4a	One beneficiary designation that can <u>never</u> be changed	Reduced monthly benefit determined by amount you designate for your beneficiary Reverts to maximum benefit if beneficiary predeceases you Change in benefit effective first of month following beneficiary's date of death, pending receipt of certified death certificate	Specific monthly amount for rest of his/her life

Beneficiary Designations

The following information may be helpful when providing for a beneficiary upon your death:

Maximum Plan and Option 1

- LSERS will divide the funds due equally among all beneficiaries if you name more than one (1) beneficiary and do not specify the percentages.

Options 2, 2A, 3, 3A, 4 and 4A

- Your beneficiary designation is irrevocable.
- The beneficiary designation for your retirement account cannot ever be changed, even in cases of divorce or your beneficiary predeceases you, as the amount of your benefit is determined in part by your age and the age of your beneficiary at the time of retirement.

Notes of Importance

- The selection of a retirement plan is **irrevocable** once LSERS receives your properly completed affidavit.
- Your benefit is paid for life, regardless of the retirement plan you choose, and any payments to your beneficiary will begin after your death.
- No optional selection shall be valid if you die within 30 days after your effective date of retirement.

Spousal Consent Form

Your spouse must sign a *Spousal Consent* form, acknowledging that he/she is aware of your selection, if you do not leave at least 50% of your retirement benefit to your spouse upon your death. A *Spousal Consent* form is not required if you choose Options 2, 2a, or 3 with your spouse as a beneficiary.