



LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

Benefit Options

Fact Sheet – 10

During the retirement process, you choose a benefit option. You must decide whether or not to leave a monthly benefit to a single beneficiary at your death. If you decide to do so, your monthly lifetime benefit will be reduced in exchange for the beneficiary's lifetime benefit. We encourage you to request a benefit estimation before you make the decision on any option.

If you choose	You can designate	Your monthly benefit	Beneficiary will receive
Maximum Allowance	One or more beneficiaries; may change beneficiary at any time	Largest payable to you during your lifetime	Lump sum payment of your remaining contribution balance – if any. Contribution balance depleted in approx. 1 – 2 years.
Option 1 (Not available under IBRP)	One or more beneficiaries; may change beneficiary at any time	Slightly less than maximum allowance in exchange for slower rate of depleting contribution balance	Lump sum payment of your remaining contribution balance – if any. Takes several years to deplete the contribution balance.
Option 2	One beneficiary that can <u>never</u> be changed	Reduced Will not change if beneficiary predeceases you	Your full monthly benefit for remainder of his/her life
Option 2A	One beneficiary that can <u>never</u> change	Reduced Increases to Maximum Allowance if beneficiary predeceases you	Your full monthly benefit for remainder of his/her life
Option 3	One beneficiary that can <u>never</u> change	Reduced but larger than Option 2 Will not change if beneficiary predeceases you	One-half of monthly benefit paid to you for remainder of his/her life
Option 3A	One beneficiary that can <u>never</u> change	Reduced but larger than 2A Increases to Maximum Allowance if beneficiary predeceases you	One-half of monthly benefit paid to you for remainder of his/her life
Option 4	One beneficiary that can <u>never</u> change	Reduced based on the amount you leave to your beneficiary (the amount must be less than Option 2) Will not change if beneficiary predeceases you	Specific monthly amount for rest of his/her life
Option 4A	One beneficiary that can <u>never</u> change	Reduced based on the amount you leave to your beneficiary (the amount must be less than Option 2A) Increases to Maximum Allowance if beneficiary predeceases you	Specific monthly amount for rest of his/her life

See page 2 for additional information

Maximum Plan and Option 1

You can name one or more beneficiaries to receive the balance of your contributions at your death. Changes can be made on [Form 3 – Named Beneficiary](#) at any time before your death. LSERS will split the beneficiary percentage equally among all beneficiaries if you do not specify it on the form.

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

The beneficiary designation for your retirement under any of these options can never be changed, even in case of divorce or your beneficiary predeceasing you. This is because the amount of your benefit is determined in part by your and the beneficiary's age at the time of your retirement.

Notes of Importance

- Once your very first payment is negotiated; i.e., cashed, you cannot make any changes to your choice of retirement plan and option. Neither can you change your beneficiary; unless you selected Maximum Allowance or Option 1.
- Your monthly benefit is paid for life, regardless of the retirement plan you choose and the amount of contributions you paid to LSERS during your employment. Likewise, after your death, your Option 2 – 4A selected beneficiary will begin receiving a monthly benefit for life.
- If you die within 30 days after your effective date of retirement, you will be considered as an active member at the time of death and different payments may be applicable.

Spousal Consent Form

If you are married and you wish to choose a benefit from Options 2, 2A or 3, you must designate your spouse as the single beneficiary or your spouse must sign a Spousal Consent form to agree on your designation other than him/her.