

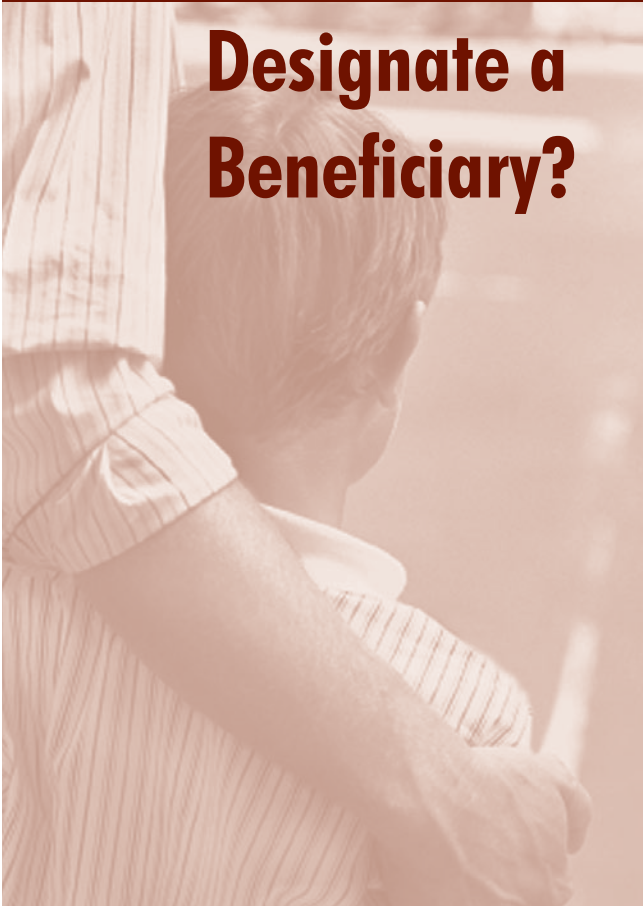


LIFE

Changes

Why Should I

**Designate a
Beneficiary?**



New York State Office of the State Comptroller
Thomas P. DiNapoli



**New York State and Local
Retirement System**

Employees' Retirement System
Police and Fire Retirement System

A Message From Comptroller Thomas P. DiNapoli



As a Retirement System member, your beneficiaries may be entitled to a benefit upon your death. Since payment is made to the last beneficiaries you designate, it is vitally important that you periodically review your retirement information to make sure your beneficiary designations reflect your desires.

That's where this brochure can help. It explains beneficiary designations and how you can change them as your circumstances dictate.

For more detailed information about the benefits available to you and your beneficiaries, please read your plan booklet. If you still have questions or concerns, please contact us. As always, we are here to help.

Sincerely,

A handwritten signature in black ink that reads "Tom DiNapoli". The signature is written in a cursive, flowing style.

Thomas P. DiNapoli
State Comptroller

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The Importance of Designating Your Beneficiary

You may designate any person or organization to receive your ordinary death benefit — it does not have to be a family member.

It is important to designate a beneficiary because he or she may be eligible to receive:

- ◆ An ordinary death benefit, or
- ◆ A New York State survivor's benefit (for beneficiaries of New York State employees).

You can designate two types of beneficiaries — primary and contingent.

A **primary beneficiary** is the person who receives your death benefit. If you name more than one primary beneficiary, each will share the benefit equally, unless you indicate specific percentages totaling 100 percent are to be paid (e.g., John Doe, 50 percent; Jane Doe, 25 percent; and Mary Doe, 25 percent).

A **contingent beneficiary** will receive your death benefit only if all the primary beneficiaries die before you. Multiple contingent beneficiaries will share the benefit equally, unless you indicate specific percentages are to be paid.

Please note that your beneficiary designations do not affect your accidental death benefit, since the distribution of this benefit is mandated by law. Please read your plan booklet for eligibility information on the accidental death benefit.

Changing Your Beneficiary

You can change the beneficiary designation for your death benefit at any time. Every year, you will receive a Member Annual Statement listing your current beneficiaries — review this information carefully. Marriage, divorce, the birth or adoption of a child, or the death of a loved one are reasons why you may need to revise your beneficiary designation.

It is especially important to review your beneficiaries if you become divorced. Designations for certain benefits are revoked when a divorce, annulment or judicial separation becomes final. Visit our website at www.osc.state.ny.us/retire/members for more information on how divorce can affect your benefits.

Members who wish to change, add or delete beneficiaries must complete a Designation of Beneficiary form (RS5127). This form is available from your employer, our Call Center, or our website at www.osc.state.ny.us/retire. Please note that we must reject any Designation of Beneficiary form we receive after a member dies — even if the member properly completed it prior to his or her death.

Please read the instructions on the form before entering the data. Include the names, addresses and birth dates of all the beneficiaries you wish to designate. After entering all required data, be sure to sign and date the form and have your signature notarized. The notary must include his or her date of notary expiration and should not be an interested party (e.g., a person designated as your beneficiary). Any alterations, including erasures or the use of correction fluid, will void the form. Also, note that changes become effective when we receive and approve your form.

You can name up to four primary and four contingent beneficiaries on a Designation of Beneficiary form. To designate more beneficiaries than the form can accommodate, please contact us for instructions. We cannot accept attachments to the form.

At retirement, you will be given the opportunity to designate a beneficiary for your pension benefit. Depending on your plan and tier, you may also be eligible for a post-retirement death benefit. You may name the same or different individuals for each benefit, if applicable. For information about designating or changing beneficiaries after retirement, retirees should consult our publication, *A Guide for Retirees*, available from our Call Center or website at www.osc.state.ny.us/retire.

Special Designations

Minor Children: If your designated beneficiary is a minor (under age 18) at the time of your death, your benefit will be paid to the child's court-appointed guardian. Alternatively, you may designate a custodian to receive the benefit on behalf of the minor under the Uniform Transfers to Minors Act (UTMA). Please contact us for more information and the appropriate form before making this type of designation.

Trust: You may name your trust as the primary beneficiary or as the contingent beneficiary of your death benefit if you have executed a trust agreement or provided for a trust in your will. Contact your attorney for more information on trust agreements. To name a trust, use the special Trust with Contingent Beneficiaries form (RS5127-T), available on our website at www.osc.state.ny.us/retire. Be sure to include the trustee's address.

With this type of beneficiary designation, the trust is the beneficiary, not the individuals for whom the trust was established. If you revoke the trust or it expires, its designation as beneficiary is no longer valid. In that case, complete and send us a new form to keep your beneficiary designation current.

Estate: You may name your estate as the primary beneficiary or as the contingent beneficiary of your death benefit. If you name your estate as your primary beneficiary, do not name a contingent beneficiary. Should a benefit become payable, it will be given to the executor of your estate to be distributed according to the terms of your will.

Entity: You may name any charitable, civic, religious, educational or health-related organization as your beneficiary, primary or contingent. Include the organization's full name and address on the form.

Keep in Mind

Because the Designation of Beneficiary form is a legal document, it is essential that the form be completed legibly and accurately. Here are some guidelines to keep in mind when entering your data:

- ◆ **Do** submit the original form to us.
- ◆ **Do** sign the form and have your signature notarized. (The notary's expiration date must be included.)
- ◆ **Do** keep us informed of any address changes for yourself and your beneficiaries.
- ◆ **Do** contact us if you need to designate more beneficiaries than the form can accommodate.
- ◆ **Do** name only living persons as beneficiaries, unless naming a trust or estate.
- ◆ **Do not** name the same person as both primary and contingent beneficiary.
- ◆ **Do not** use the word "or" when designating multiple beneficiaries.

- ◆ **Do not** impose a condition on payment that cannot be administered by us. (If you have any questions about this, please contact us.)
- ◆ **Do not** write in the margins of the form.
- ◆ **Do not** make any alterations to the form.
- ◆ **Do not** name yourself as your beneficiary.

Power of Attorney

If you are unable to complete a form changing your beneficiary, we will accept the form if it is completed by someone who has your power of attorney*. It is important to note that the individual who has your power of attorney can only name themselves as beneficiary if you have specifically granted that authority to them in the power of attorney, or if they are one of the following relations: spouse, child, grandchild, parent, brother or sister. The Designation of Beneficiary form changing your beneficiary must be accompanied by your power of attorney, containing a raised seal (or a certified copy).

You may revoke your power of attorney at any time by sending us a signed, notarized statement.

* See our new Retirement System Special Durable Power of Attorney form (this form is limited to retirement benefit transactions and does not apply to any other matters).

For More Information

If you have any questions, visit our website at **www.osc.state.ny.us/retire**, contact our Call Center toll-free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area, fax us at 518-402-4433, or write us at:

New York State and Local
Retirement System
110 State Street
Albany, NY 12244-0001.

You can also make an appointment to meet with an Information Representative at any of our 16 locations throughout the State. A list of these consultation sites is available from your employer, our website or our Call Center.

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