

***Stanislaus County Employees'
Retirement Association***



**UNDERSTANDING BENEFICIARIES
FOR THE ACTIVE MEMBER**

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Choosing Your Beneficiaries

The designation of a beneficiary is an important decision and is not provided to StanCERA by your employer. Taking the time to designate a beneficiary now will simplify the payment process for your survivor(s) at the time of your death.

Should a beneficiary not be designated, the choice of benefits available to your survivor(s) may be limited, or a delay in payments may be experienced due to probate proceedings. If you are married or in a registered domestic partnership and designate someone other than your spouse/domestic partner, that person may be forfeiting lifetime benefit. To designate someone other than a spouse/registered domestic partner, your spouse/registered domestic partner must give their consent by signing in the appropriate section of the beneficiary designation form.

What is a Beneficiary?

A beneficiary is a person, number of people, or a trust that receives the benefits of your retirement benefit plan when the member passes away.

The *primary beneficiary* is the first-named beneficiary(ies), frequently the spouse of the member.

The *contingent beneficiary* is the person or entity that would receive the benefit if the primary beneficiary is unavailable or unwilling to accept it. For instance, if the primary beneficiary were to predecease before the member, the benefit would go to the contingent beneficiary(ies).

You may name more than one primary and/or contingent beneficiary. You can choose to allocate whatever percentage of the death benefit to any number of primary and contingent beneficiary(ies). The total percentage allocated to the primary beneficiary must equal 100%, and the total percentage allocated to the contingent beneficiary(ies) must equal 100%.

Life Changing Events

If a life changing event take place (birth, death, marriage, address change for your beneficiary(ies), divorce, termination, etc.) StanCERA should be notified. Your beneficiary(ies), may need to updated as a result of your life changing event. Keeping records up to date ensures payments are disbursed in a timely manner.

Benefits

Less than five years of service (non-vested):

Beneficiary(ies) will receive a refund of contributions and interest plus one month's salary for each full year of service completed up to a maximum of six-months' salary.

More than five years of service (vested):

If surviving beneficiary is spouse/registered domestic partner or minor children, they will have a choice of:

1. Lump sum benefit comprised of your contributions, plus interest and one month's salary for each year of service completed in a contributory tier, up to a maximum of six-months' salary; or
2. A monthly continuance equal to 60% of the monthly retirement allowance, which you would have received if you had been granted a non-service connected disability retirement; or
3. A combination of a lump sum benefit equal to one month's salary for each year of service completed, up to a maximum of six month' salary and a continuance which is the actuarial

equivalent of a 60% of the monthly retirement allowance of your non-service connected disability retirement allowance, less the lump sum benefit paid.

Funds may not be dispersed for minor children until legal guardianship is established.

If someone other than a spouse/registered domestic partner or minor children are named as beneficiary, the beneficiary will receive refund of contributions and interest plus one month's salary for each full year of service completed up to a maximum of six-months' salary.

If multiple beneficiaries are named, only a lump sum will be distributed as allocated on the beneficiary designation from to designees. Multiple beneficiaries only entitled to lump sum payment options.

Divorce or Termination of Domestic Partnership

In the event of a divorce or termination of a domestic partnership, a court order for dissolution may supersede the designation of beneficiary listed on the form. Contact StanCERA for further information.

Changing and Updating Beneficiary

Prior to retirement, you may update and/or change your beneficiary at any time. Appropriate documentation may be required to validate your new designation.

Forms and Contact Information

Forms may be found on our website (www.stancera.org) or contacting StanCERA at (209) 525-6393.

Instructions for Completing Form

When completing the form, all prior beneficiary designations previously on file will be canceled and replaced. All information must be completed for each beneficiary.

Primary Beneficiary(ies) (Section 2)

One or more primary beneficiary(ies) may be named. The percentage allocated to each beneficiary must be indicated on the form in the "Benefit Percent" box and must total 100%. If percentages are not specified, the benefits will be divided equally amongst the named primary beneficiaries. If a primary beneficiary predeceases you, benefits will be divided equally among your remaining primary beneficiaries; or if none remain, to your contingent beneficiary(ies), or if necessary, to your estate.

If you are married or in a registered domestic partnership and choose to name someone other than your spouse/partner and/or additional primary beneficiaries, your spouse/partner must provide consent. There is a section on page two of the beneficiary form that must be completed and signed by your spouse/partner acknowledging the possible forfeiture of a lifetime benefit.

Contingent Beneficiary(ies) (Section 2)

One or more contingent beneficiary(ies) may be named. The percentage to each contingent beneficiary must be indicated on the form in the "Benefit Percent" box and must total 100%. If percentages are not specified, the benefits will be divided equally amongst the named contingent beneficiaries.

Designating a Trust as a Beneficiary (Section 3)

A trust may be named as a primary or contingent beneficiary. The percentage of the benefit designated to the trust must be indicated on the form in the “Benefit Percent” box and must total 100%. When completing this section, you must use the language your attorney provided you when naming the trust. Please provide page one of the trust so StanCERA can verify the exact name of your trust. In addition, provide the tax identification number, if applicable.

If your primary beneficiary (spouse/partner) is eligible for a monthly continuance upon your death, the continuance cannot be paid to a trust. Therefore, naming a trust as a primary beneficiary your spouse/partner is forfeiting the right to a lifetime monthly continuance.

Not Naming Spouse/Registered Domestic Partner as 100% Primary Beneficiary (Section 4)

If your spouse or registered domestic partner is not being named 100% primary beneficiary must acknowledge and consent to this action. Your spouse/partner must sign Section 4 of the form, doing so provides their consent. If you are unable to receive consent, proceed to Section 5.

Non-Spousal/Registered Domestic Partner Consent (Section 5)

If spouse or registered domestic partner is not being named 100% primary beneficiary, and they do not consent to the decision in Section 4, Section 5 of the form must be completed.

This section is to be completed if spouse or registered domestic partner’s signature cannot be obtained. One of the following choices will need to be checked on the form:

- Member is not married/registered;
- Current spouse/registered domestic partner has no identifiable community property interest in the benefit (provide copies of supporting documentation);
- Member does not know, and has taken all reasonable steps to determine, whereabouts of current spouse/registered domestic partner;
- Current spouse/registered domestic partner has been advised of the application and has refused to sign the written acknowledgement;
- Current spouse/registered domestic partner is incapable of executing the acknowledgement due to incapacitating mental or physical conditions; or
- Member and current spouse/registered domestic partner have executed a marriage settlement agreement pursuant to Part 5 (commencing with Section 1500) of Division 4 of the Family Code, which makes the community property law inapplicable to the marriage/partnership. (copy of Dissolution of Marriage/Partnership accompanied by settlement must be provided).

Member’s Signature (Section 6)

Form must be signed prior to submission. Without signature form will not be processed.

Questions and Information

If there are any additional questions or if further information is needed, contact StanCERA at retirement@stancera.org or (209) 525.6393.