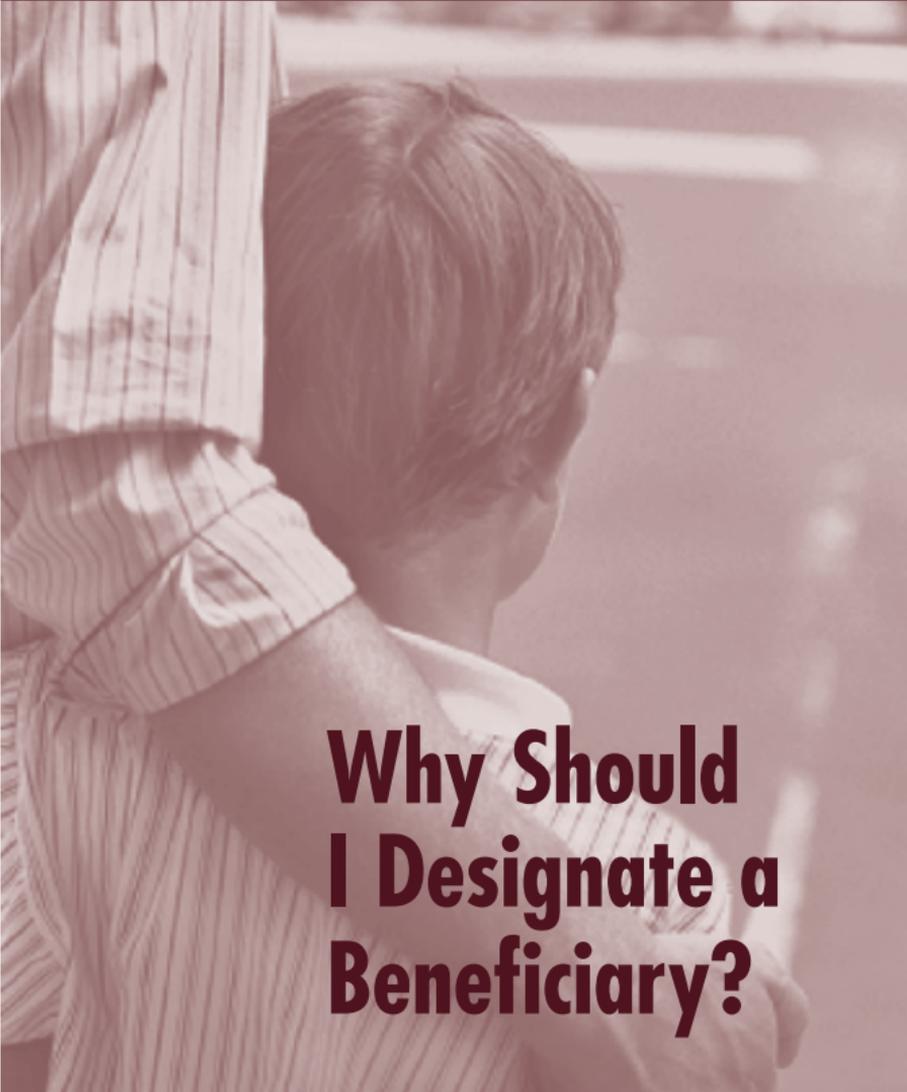




L I F E

Changes



## Why Should I Designate a Beneficiary?

Office of the New York State Comptroller  
Thomas P. DiNapoli



NYSLRS

New York State and Local Retirement System

## A Message from Comptroller Thomas P. DiNapoli

When you become a member of the Retirement System, you designate one or more beneficiaries on your Membership Application. These 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, be sure to 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, a trust 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, and/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.

**Note:** Your beneficiary designations do not affect any accidental death benefit that may become payable on your behalf, 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 your 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 common 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. For more information on how divorce can affect your benefits, visit our Divorce and Your Benefits page at [www.osc.state.ny.us/retire/members/divorce/index.php](http://www.osc.state.ny.us/retire/members/divorce/index.php).

Members who wish to change, add or delete beneficiaries must complete a new Designation of Beneficiary form (RS5127), available from our website ([www.osc.state.ny.us/retire/forms/rs5127.pdf](http://www.osc.state.ny.us/retire/forms/rs5127.pdf)), your employer and our Call Center. 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 Designation of Beneficiary form (RS5127) before entering the data. Include the names, addresses and birth dates of all the beneficiaries you wish to designate. After entering all required information, 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, may void the form. Your updated beneficiary information becomes effective when we receive your properly completed, signed and notarized 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 the time of your 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 a different beneficiary for each benefit, if applicable. For information about designating or changing beneficiaries after retirement, retirees should consult our publication, *A Guide for Retirees* (VO1705), available from our Call Center or website at [www.osc.state.ny.us/retire/publications/vo1705.php](http://www.osc.state.ny.us/retire/publications/vo1705.php).

## 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/forms/rs5127-t.pdf](http://www.osc.state.ny.us/retire/forms/rs5127-t.pdf). 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 Designation of Beneficiary form (RS5127) 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 it be completed legibly and accurately. Here are some guidelines to keep in mind when entering your information:

- **Do** submit the original form to us. Once the form is approved by us, we will send you a confirmation letter listing your designations.
- **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, estate or organization.
- **Do not** name the same person or organization 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. The Designation of Beneficiary form changing your beneficiary must be accompanied by a copy of your power of attorney.

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.

## How to Stay Informed

Your retirement benefits are an important part of a solid financial plan. They can help you and your beneficiaries achieve financial security in retirement or in the event of disability or death. Use these tips to help you understand your benefits and stay informed.

- Connect with us on social media.
  - Follow our blog, *New York Retirement News* ([www.nyretirementnews.com](http://www.nyretirementnews.com)), where you'll find tools to help you understand your benefits, as well as important Retirement System news.
  - You can also like us on Facebook ([www.facebook.com/nyslrs](http://www.facebook.com/nyslrs)) and follow us on Twitter ([www.twitter.com/nyslrs](http://www.twitter.com/nyslrs)) for quick tips and updates on a variety of retirement topics.
- Sign up for *E-News*, our free email newsletter, for the latest retirement news and information dedicated to pre-retirement planning.
- Read your member newsletter for current retirement information and updates on your benefits.
- Review your Member Annual Statement carefully and correct any errors quickly.
- Visit our website frequently to learn about your benefits, download forms, read informative booklets and brochures, and get tips on preparing for retirement.

- Attend a pre-retirement presentation to learn about the retirement process, know what you can expect and discuss post-retirement issues. At your employer's request, we offer these presentations designed for members within five years of retirement eligibility.
- Make an appointment to visit any of our consultation sites where you can meet with an Information Representative to discuss special concerns or request specific information.

## How to Contact Us

If you have any questions or you need more information, you can:

- Email us from our Contact Us page at [www.osc.state.ny.us/retire/contact\\_us/index.php](http://www.osc.state.ny.us/retire/contact_us/index.php);
- Phone our Call Center toll-free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area; or
- Write to us at:  
New York State and Local Retirement System  
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Albany, NY 12244-0001.

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