

From: Van Wyk, Becky
Sent: Friday, March 16, 2012 3:36 PM
To: kschneider@ret.cccounty.us
Cc: Prinz, Kelly; Avalos, Elizabeth
Subject: PRA - Fwd: Optional elections with multiple beneficiaries

Our answers are in blue following each question.

Please contact me if you have any questions.

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From: Kurt Schneider <KSchneider@ret.cccounty.us>
Date: March 16, 2012 10:56:07 AM PDT
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Subject: Optional elections with multiple beneficiaries

At the request of our Board, I am conducting a survey of how the other CERL systems handle the election of optional settlements at retirement with more than one beneficiary. I would be very grateful for your answers to the following questions.

- 1) Does your system allow the member to name more than one beneficiary upon retirement? yes
- 2) Under which options? Option 4
- 3) If the member elects multiple beneficiaries, do you require the member to pay for the calculation to determine the actuarially reduced benefit amount? The first basic option 4 is free. Basic allows for multi beneficiaries with

the same percentage. If another basic option 4 is requested or any non-basic is requested, the member pays the average cost for the actuary to calculate. Non-basic allows the member to have multi beneficiaries with different percentages and/or reversion.

4) If the answer to Question 3 is yes, how much? Be specific. Is the member charged for each calculation? Does it depend on the number of beneficiaries? Is the member only charged if they elect that option? Is the member only charged if they ask for multiple scenarios? The member pays the average cost for the actuary to calculate. Current charge is \$500

5) Does your system allow the member to elect Option 4?
yes

6) What are all of the circumstances in which Option 4 is used?

a) QDROs DRO's yes

b) All instances of multiple beneficiaries yes

c) All instances where the continuance is limited by 1.401(a)(9)-6 Not sure what this means.

d) To elect any continuance percentage other than 50% or 100% that the member desires Yes

e) Other (please specify) when reversion is requested

7) Has your Board adopted a written policy on the election of multiple beneficiaries or the election of Option 4? If yes, please attach a copy with your response. Optional Settlement 4 Policy (4/19/06). Please access through our website www.fcera.org/ policies, procedures, and regulations.

Thank you

Kurt Schneider
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