

The Pension Trust

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Retirement Plan – Death Benefits

Your Retirement Plan has benefits you would rather not use – but are glad they are there – Disability (subject of a future article) and Death benefits.

Death while actively employed - The **Basic Death Benefit** is the return of all your contributions plus interest. In addition, a lump sum of 1.5 months of pay for each whole Pension Trust Service Credit (PTSC) up to 18 months of pay. The sum of these two parts of the Basic Death Benefit can sometimes be well above \$100,000 for a longer service employee.

Death while actively employed, but eligible to retire and with an eligible Survivor (age 50 or 52, more than 5 PTSCs, married or in RDP more than 1 year) – The Surviving Spouse or RDP of the deceased Member has a choice of the lump sum **Basic Death Benefit** described above – or – a **pension benefit paid for life**.

Death after retirement – a \$1,000 lump sum death benefit paid to the current beneficiary on file.

Death after retirement – with named Surviving Spouse / Registered Domestic Partner / Beneficiary – the \$1,000 lump sum death benefit listed above plus the Surviving Spouse/RDP/Beneficiary will receive a continuance for their life of a portion of the Retiree’s pension benefit depending on the payment option chosen at retirement. This continuance ranges from 50% to 100% of the Retiree’s pension.

The Retirement Plan’s Death Benefits are the reason you should keep your Beneficiary Designation up to date with SLOCPT! If you pass away unexpectedly with no named beneficiary– SLOCPT must pay the Basic Death Benefit to “your estate” which may or may not be what you intended and could cause significant effort for your heirs to collect. Members who are single may name anyone they chose as a beneficiary for these lump sum payments.