

BENEFICIARY PREDECEASES THE RETIREE, THEN FROM THE DATE OF DEATH OF THE DESIGNATED BENEFICIARY, THE RETIREE SHALL RECEIVE THE ALLOWANCE AS IF NO OPTIONAL FORM OF PAYMENT WAS ELECTED AT THE TIME OF RETIREMENT; OR

(VI) OPTION 6. UPON THE DEATH OF A RETIREE WHO HAS ELECTED THIS OPTION, ONE-HALF OF THE REDUCED ALLOWANCE SHALL BE CONTINUED THROUGHOUT THE LIFE OF AND PAID TO THE RETIREE'S DESIGNATED BENEFICIARY. HOWEVER, IF THE DESIGNATED BENEFICIARY PREDECEASES THE RETIREE, THEN FROM THE DATE OF DEATH OF THE DESIGNATED BENEFICIARY, THE RETIREE SHALL RECEIVE THE ALLOWANCE AS IF NO OPTIONAL FORM OF PAYMENT WAS ELECTED AT THE TIME OF RETIREMENT.

(3) (I) ON THE DEATH OF A RETIREE WHOSE DESIGNATED BENEFICIARY HAS PREDECEASED THE RETIREE OR WHO HAS NOT SELECTED AN OPTION, THE PORTION OF THE ALLOWANCE THAT IS DUE FOR THE MONTH IN WHICH THE RETIREE DIES SHALL BE PAID TO THE RETIREE'S ESTATE.

(II) ON THE DEATH OF A DESIGNATED BENEFICIARY WHO IS RECEIVING PAYMENTS FOR LIFE, THE PORTION OF THE ALLOWANCE THAT IS DUE FOR THE MONTH IN WHICH THE BENEFICIARY DIES SHALL BE PAID TO THE BENEFICIARY'S ESTATE.

(4) IF A RETIREE ELECTS TO CHANGE A DESIGNATED BENEFICIARY, THE ALLOWANCE SHALL BE RECOMPUTED ON THE VALUE OF THE BALANCE IN THE RETIREE'S RESERVES AT THE TIME THE CHANGE IN BENEFICIARY IS MADE.

COMMITTEE NOTE: This section formerly appeared as Art. 73B, § 11(11).

In subsection (a)(1) of this section, the phrase "this subtitle" is substituted for "the aforesaid provisions" for clarification. The term "reduced" is added to clarify that an optional form of an allowance will result in a reduction.

In subsection (b)(1) of this section, the definition of "designated beneficiary" is added to avoid the lengthy description of a beneficiary whom a retiree has properly designated to receive retirement benefits.

Throughout subsection (b) of this section, the term "designated beneficiary" is substituted for the descriptive language in former § 11(11)(a). Also, throughout subsection (b) of this section, the clause "who has elected this option" has been added to clarify who may be eligible for the various options.

In subsection (b)(2)(iv) of this section, the term "Option 4 - General" is substituted for "Option 4" in subparagraph 1, and the term "Option 4 - Special" is added in subparagraph 2 to distinguish between the two forms of that option.