

20 NCAC 02B .0303 CONTINGENT BENEFICIARY

(a) The following shall apply to designating a contingent beneficiary for the return of accumulated contributions under the provisions of G.S. 135-5(f):

- (1) A principal beneficiary may be designated for the return of accumulated contributions with the stipulation that should the principal beneficiary predecease the member, payment of the amount due, if any, shall be made to the designated contingent beneficiary or beneficiaries for the return of accumulated contributions.
- (2) If more than one principal beneficiary is designated for the return of accumulated contributions, payment of the amount due, if any, shall be paid to any surviving principal beneficiaries designated for the return of accumulated contributions, sharing equally in the total benefits payable, and shall not be paid to any contingent beneficiary.
- (3) It is permissible to designate more than one contingent beneficiary for the return of accumulated contributions. Payment of the amount due, if any, shall be paid to the surviving contingent beneficiaries designated for the return of accumulated contributions, sharing equally in the total benefits, only in the event that there is no surviving principal beneficiary designated for the return of accumulated contributions.

(b) The following shall apply to designating a contingent beneficiary for the death benefit under the provisions of G.S. 135-5(l):

- (1) A principal beneficiary may be designated for the death benefit of an active member or retired member with the stipulation that should the principal beneficiary predecease the member, payment of the amount due, if any, shall be made to the designated contingent beneficiary or beneficiaries for the death benefit.
- (2) If more than one principal beneficiary is designated for the death benefit, payment of the amount due, if any, shall be paid to any surviving principal beneficiaries designated for the death benefit, sharing equally in the total benefits payable, and shall not be paid to any contingent beneficiary.
- (3) It is permissible to designate more than one contingent beneficiary for the death benefit. Payment of the amount due, if any, shall be paid to the surviving contingent beneficiaries designated for the death benefit, sharing equally in the total benefits, only in the event that there is no surviving principal beneficiary designated for the death benefit.

(c) The following shall apply to designating a contingent beneficiary for the guaranteed refund under the provisions of G.S. 135-5(g1):

- (1) A principal beneficiary may be designated for the guaranteed refund with the stipulation that should the principal beneficiary predecease the member, payment of the amount due, if any, shall be made to the designated contingent beneficiary or beneficiaries for the guaranteed refund.
- (2) If more than one principal beneficiary is designated for the guaranteed refund, payment of the amount due, if any, shall be paid to any surviving principal beneficiaries designated for the guaranteed refund, sharing equally in the total benefits payable, and shall not be paid to any contingent beneficiary.
- (3) It is permissible to designate more than one contingent beneficiary for the guaranteed refund. Payment of the amount due, if any, shall be paid to the surviving contingent beneficiaries designated for the guaranteed refund, sharing equally in the total benefits, only in the event that there is no surviving principal beneficiary designated for the guaranteed refund.

History Note: Authority G.S. 135-5(f); 135-5(g); 135-5(g1); 135-5(l); 135-6(f);
Eff. February 1, 1976;
Readopted Eff. March 1, 2023; September 21, 1977.