

PAYABLE UNDER PARAGRAPH (C) OF THIS SUBSECTION, THE MEMBER'S PERSONAL REPRESENTATIVE OR THE PERSON THE MEMBER HAS NOMINATED BY WRITTEN DESIGNATION EXECUTED AND FILED WITH THE BOARD OF TRUSTEES SHALL BE PAID:

(I) THE MEMBER'S ACCUMULATED CONTRIBUTIONS; AND

(II) IF THE MEMBER HAS 1 OR MORE YEARS OF ELIGIBILITY SERVICE, OR DIES IN THE PERFORMANCE OF DUTY, AN AMOUNT EQUAL TO THE MEMBER'S ANNUAL EARNABLE COMPENSATION AT THE TIME OF DEATH.

(B) THE BOARD OF TRUSTEES MAY TAKE THE STEPS NECESSARY TO PROVIDE THE DEATH BENEFIT UNDER THIS SUBSECTION IN THE FORM OF GROUP LIFE INSURANCE, IF, IN THE OPINION OF THE BOARD OF TRUSTEES, THAT PROVISION WOULD ALLOW A MORE FAVORABLE TAX TREATMENT OF THE BENEFIT TO THE BENEFICIARIES.

(C) IF THE MEMBER AT THE TIME OF HIS DEATH WAS AT LEAST 55 YEARS OLD AND HAD COMPLETED 15 YEARS OF ELIGIBILITY SERVICE OR WAS 62 YEARS OLD OR OLDER AND, IN EITHER EVENT, HAD NOMINATED HIS SURVIVING SPOUSE AS THE SOLE PRIMARY BENEFICIARY TO WHOM THE DEATH BENEFIT UNDER PARAGRAPH (A) OF THIS SECTION WOULD BE PAID, THE SURVIVING SPOUSE MAY ELECT TO RECEIVE, INSTEAD OF A LUMP SUM DEATH BENEFIT, AN ALLOWANCE EQUAL TO THE ALLOWANCE WHICH SHE WOULD HAVE RECEIVED HAD THE MEMBER:

(I) BEEN ELIGIBLE TO RETIRE;

(II) RETIRED 30 DAYS BEFORE HIS DEATH; AND

(III) ELECTED OPTION 2, WITH HIS SPOUSE AS THE PERSON NOMINATED.

(11) IF A MEMBER CEASES TO BE AN EMPLOYEE EXCEPT BY DEATH OR BY RETIREMENT UNDER THIS SUBTITLE, HE SHALL BE PAID THE AMOUNT OF HIS ACCUMULATED CONTRIBUTIONS.

(12) (A) INSTEAD OF THE DISABILITY OR SERVICE ALLOWANCES PAYABLE UNDER THE AFORESAID PROVISIONS, ANY MEMBER, BEFORE THE FIRST RETIREMENT ALLOWANCE PAYMENT NORMALLY BECOMES DUE, MAY ELECT A RETIREMENT ALLOWANCE OF EQUIVALENT ACTUARIAL VALUE IN ONE OF THE OPTIONAL FORMS SET OUT IN THIS SUBSECTION. THE ELECTION OF THE OPTION SHALL BE MADE ON THE FORM PROVIDED FOR THAT PURPOSE AND SHALL BE FILED WITH THE BOARD OF TRUSTEES. IF A MEMBER DIES PRIOR TO THE EFFECTIVE DATE OF HIS RETIREMENT, THE ELECTION SHALL BE VOID AND THE BENEFITS PAYABLE ON HIS ACCOUNT SHALL BE THE SAME AS THOUGH HIS ELECTION HAD NOT BEEN FILED AND HE HAD DIED IN ACTIVE SERVICE. A MEMBER WHO HAS ELECTED AN OPTIONAL BENEFIT MAY CHANGE HIS ELECTION BY NOTIFYING THE BOARD OF TRUSTEES, BUT A CHANGE MAY NOT BE MADE AFTER THE FIRST PAYMENT OF HIS ALLOWANCE NORMALLY BECOMES DUE.