§ 390. Options. a. A member; or if he is an incompetent, his spouse or the committee of his property; or if he is a conservatee, his spouse or the conservator of his property, may elect to receive a Single Life Allowance (a retirement allowance without optional modification) or to receive the actuarial equivalent of his retirement allowance at the time of his retirement, in the form of a smaller retirement allowance payable to him for life and one of the following optional settlements.

Cash Refund-Contributions (Option One-half). If he dies before he has received annuity payments equal to the present value of his annuity, as it was at the time of his retirement, the balance thereof shall be paid to his estate or to a beneficiary designated as provided in this section. In the event a designated beneficiary does not survive him, any balance shall be payable to the estate of the deceased retired member or as provided in section one thousand three hundred ten of the surrogate's court procedure act.

The beneficiary so designated may elect by written designation, duly executed and filed with the comptroller, to receive the balance payable in the form of an annuity, the amount of which shall be determined as the actuarial equivalent of such balance on the basis of regular interest and the age of such beneficiary at the time of the retiree's death, or in the alternative, to receive the actuarial equivalent of such balance in the form of a reduced annuity payable for life, with the further proviso that if he should die before the annuity payments received by him are equal to such actuarial equivalent, the balance thereof shall be paid in a lump sum to his estate or to such person as he shall have designated to receive same. In either case the election shall be within ninety days after the death of the retiree. The designation of the individual who is to receive such lump sum on the death of the beneficiary, may be changed by the beneficiary at any time. Such election, designation or change shall be made by a writing, duly executed and filed with the comptroller. In the event a designated beneficiary has elected to receive a balance payable in the form of a reduced annuity, and the person designated by him to receive a lump sum payment does not survive him, such lump sum, if any, shall be payable to the estate of the designated beneficiary or as provided in section one

thousand three hundred ten of the surrogate's court procedure act.

Cash Refund-Initial Value (Option One). If he dies before he has received retirement allowance payments equal to the present value of his retirement allowance, as it was at the time of his retirement, the balance thereof shall be paid to his estate or to the beneficiary so designated. In the event a designated beneficiary does not survive him, any balance shall be payable to the estate of the deceased retired member or as provided in section one thousand three hundred ten of the surrogate's court procedure act. The beneficiary so designated may elect by written designation, duly executed and filed with the comptroller, to receive the balance payable in the form of an annuity, the amount of which shall be determined as the actuarial equivalent of such balance on the basis of regular interest and the age of such beneficiary at the time of the retiree's death, or in the alternative, to receive the actuarial equivalent of such balance in the form of a reduced annuity payable for life, with the further proviso that if he should die before the annuity payments received by him are equal to such actuarial equivalent, the balance thereof shall be paid in a lump sum to his estate or to such person as he shall have designated to receive same. In either case the election shall be within ninety days after the death of the retiree. The designation of the individual who is to receive such lump sum on the death of the beneficiary, may be changed by the beneficiary at any time. Such election, designation or change shall be made by a writing, duly executed and filed with the comptroller. In the event a designated beneficiary has elected to receive a balance payable in the form of a reduced annuity, and the person designated by him to receive a lump sum payment does not survive him, such lump sum, if any, shall be payable to the estate of the designated beneficiary or as provided in section one thousand three hundred ten of the surrogate's court procedure act.

Joint Allowance-Full (Option Two). Upon his death, a retirement allowance in an amount equal to that paid to him, shall be paid for life to the beneficiary so designated.

Joint Allowance-Half (Option Three). Upon his death, a retirement

allowance of one-half the amount paid to him shall be paid for life to the beneficiary so designated.

Actuarial Equivalent Allowance (Option Four). Such other optional benefit or benefits as the comptroller shall approve and which shall be the actuarial equivalent of his retirement allowance at the time of his retirement.

aa. In the event that the monthly retirement allowance payable to a member or a beneficiary shall amount to less than twenty-five dollars, then and in such event, the member or beneficiary may elect, in lieu of such monthly retirement allowance, to receive the actuarial equivalent thereof in a lump sum.

b. All elections under this section shall be made on blanks prepared by the comptroller for that purpose. Any such election may be made at any time before the first payment on account of any benefit becomes normally due, except that in the case of retirement on account of disability, such an election may be made within thirty days after mailing by the comptroller of notification of approval of retirement on account of disability.

An optional election shall not become effective if the member dies before the effective date of his retirement. Provided, however, if a member who is otherwise eligible for disability retirement pursuant to this chapter dies after the filing in the office of the comptroller of the application for disability retirement and a valid option election form pursuant to this chapter and it is established that the physical or mental impairment or incapacitation of the applicant specified in such application was directly related to the cause of the applicant's death, such application shall be approved by the comptroller effective one day before the date of the applicant's death. An election of an option may be withdrawn or a new option may be chosen within the period provided in this subdivision b for the making of such an election. Except as provided in subdivision b of section three hundred seventy of this article, where an optional election does not become effective, retirement shall be without option.

bb. 1. Notwithstanding any other provision of this section or of section three hundred seventy of this article, the comptroller, for reasonable cause, shall have power, to extend the time for the election of an option, for a period or periods which shall expire not later than sixty days immediately after the effective date of a member's retirement.

2. Notwithstanding any other provision of this section, but except where payment of accumulated contributions, an ordinary death benefit, or both, is or are required pursuant to subdivision dd of section three hundred fifty-one of this article or subdivision aa of section three hundred sixty of this article, retirement shall be on the basis of "Option One-half" unless the member files an effective election pursuant to this section to retire on a different basis. The provisions of this paragraph two shall apply to cases where retirement shall become effective on or after April first, nineteen hundred sixty-seven.

c. A member, or person authorized by this section to make an election in his behalf, may designate his beneficiary under any of the options herein provided. Each such designation shall be:

1. Made in writing on a blank provided by the comptroller for such purposes, and

2. Ineffective until it is filed in the comptroller's office, and

3. Revocable to the extent that:

(a) A new beneficiary under a "Cash Refund-Contributions" option (Option One-half), or a "Cash Refund-Initial Value" option (Option One) may be designated at any time during the member's life.

(b) A new beneficiary under any other option may be designated at any time within the period provided for the making of an election pursuant to this section.

d. In the event of the death of a retired member, the installment of his retirement allowance, which would have become due and payable next

following his death, shall be pro-rated as of the date of his death. The amount of such installment, as so pro-rated, shall be paid as follows:

1. If the member shall have:

(a) Elected to receive an optional benefit pursuant to this section, and

(b) Designated a beneficiary pursuant to this section, such amount shall be paid to such beneficiary, if such beneficiary survives him. In any other case such amount shall be paid to the retired member's estate or pursuant to section one thousand three hundred ten of the surrogate's court procedure act.

2. If the member shall not have elected to receive an optional benefit, such amount shall be paid to the beneficiary designated by him pursuant to subdivision d of section three hundred fifty-one of this article. In the event the appropriately designated beneficiary does not survive such member, or if he shall not have so designated a beneficiary, such amount shall be payable to the retired member's estate or pursuant to section one thousand three hundred ten of the surrogate's court procedure act.

e. Notwithstanding any other provision of this article, an option selection previously filed by a member or retired member subject to the provisions of this section may be changed no later than thirty days following the date of payability of his or her retirement allowance. A retired member who has been retired for disability may change an option selection previously filed no later than (1) thirty days following the date on which such member's application for disability retirement was approved by the retirement board or (2) thirty days following the date on which such retiree was retired for disability, whichever is later.