

Qualified Plan Designation of Beneficiary

I.B.E.W. Local No. 704 401(k) Plan

Participant Information

Employee Name _____

Social Security Number _____

Address _____

Date of Birth _____

City, State, Zip _____

Home Phone _____

☐ **Am Not Married.** I hereby certify that I am not married at this time. (For this purpose, depending on the terms of the Plan, whether I am considered married may depend on whether I have been married for at least a 12-month period ending on the day of my death.) I understand that if I become married in the future, my spouse will be my Primary Beneficiary unless I complete a new Designation of Beneficiary form and my spouse consents to my designation.

☐ **I Am Married.** I understand that as a married participant, I may designate someone other than my spouse to receive benefits payable because of my death. However, if I designate a Primary Beneficiary other than my spouse, my spouse's consent must be in writing and must be witnessed by a Notary Public or Plan Representative. If my spouse does not consent in this manner, I understand that, unless the Plan is subject to the joint and survivor annuity requirements of the Internal Revenue Code §401(a)(11), my designation of someone other than my spouse as primary beneficiary will be invalid.

If the Plan is subject to the joint and survivor annuity requirements, depending on the terms of the Plan, I understand that if my spouse fails to consent below to a waiver of the pre-retirement survivor annuity and I die before I commence distribution, depending on the terms of the Plan, the Plan will pay up to 100% (but no less than 50%) of my vested account balance in the form of a preretirement survivor annuity to my spouse. The remainder, if any, of my vested account balance will be paid to my beneficiaries as designated even if my spouse does not consent below. If my spouse is also a designated beneficiary, the amount payable to my spouse as a pre-retirement survivor annuity is first applied toward satisfying the Plan's pre-retirement survivor annuity requirements.

Designation of Primary Beneficiary(ies)*

Pursuant to the provisions of the Plan permitting the designation of a beneficiary or beneficiaries by a participant, I designate the following person(s) as the primary beneficiary(ies) of my account balance under the Plan payable due to my death.

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

☐ **Check here if you wish to designate additional Primary Beneficiaries. Attach a list in the format used above and insert total number of primary beneficiaries: _____.**

Designation of Contingent Beneficiary(ies)*

In the event all the primary beneficiaries designated above predecease me, I designate the following person(s) as the contingent beneficiary(ies) of my account balance under the Plan payable due to my death.

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

Name _____ Social Security No. _____ Birthdate _____ Benefit % _____% Relationship _____

☐ **Check here if you wish to designate additional Contingent Beneficiaries. Attach a list in the format used above and insert total number of contingent beneficiaries: _____.**

*Multiple Beneficiary Election

If I have designated more than one person as primary or contingent (secondary) beneficiary, and if one or more, but not all, fail to survive me, then the shares of those designated person(s) who do not survive me shall be paid or payable as follows.

☐ To their respective children then living, ☐ To those designated persons who do ☐ Not applicable.
by right of representation. survive me, share and share alike.

Please return this form to RJLee & Associates LLP, 1700 52 Avenue Suite B, Moline, IL 61265

Qualified Plan Designation of Beneficiary

I.B.E.W. Local No. 704 401(k) Plan

Participant Signature

I reserve the right to revoke or change my beneficiary designation and hereby revoke all prior beneficiary designations. Except to the extent I am permitted to name a beneficiary other than my spouse with respect to a portion of my benefit under the Plan (as described above), (1) I understand that if I am now married and I later divorce and remarry, this designation automatically will be void; (2) if I designate a beneficiary other than my new spouse, I must have my new spouse's consent; and (3) if I am now single and I later marry, this designation will become invalid and my surviving spouse will be my beneficiary unless he or she consents to a different beneficiary designation. For this purpose, depending on the terms of the Plan, whether I am considered married may depend on whether I have been married for the entire 12-month period ending on the day of my death. The trustee will pay all sums payable under the Plan by reason of my death to the primary beneficiary, if he or she survives me, and if no primary beneficiary survives me, then to the contingent beneficiary, and if no beneficiary survives me, then the Trustee will pay all amounts in accordance with the terms of the Plan. I understand that if my beneficiary(ies) survive me, but die prior to receiving a complete distribution of my benefits under the Plan, any remaining benefits that would have been paid to that beneficiary (or beneficiaries) will be paid to such beneficiary(ies) estate.

For Plans Subject to Pre-retirement Survivor Annuity Only: In accordance with the terms of the Plan, I elect to waive payment of a pre-retirement survivor annuity, in the event of my death prior to the commencement of distribution of my Plan benefits. The Plan Administrator has furnished me an explanation of the terms of the Pre-retirement Survivor Annuity described in the Plan, my right to make this waiver election, the time period during which I may make this waiver election, and the financial effect of my election not to have my benefits paid in the Pre-retirement Survivor Annuity form. I understand I may revoke this election at any time during the election period described in the Plan and explained to me by the Plan Administrator.

X _____
Participant's Signature Date of this Designation

NOTE: If you have not named your spouse as your sole primary beneficiary, except to the extent you are permitted to name a beneficiary other than your spouse with respect to a portion of your benefit, you must complete either the CONSENT OF SPOUSE below, or the statement of non-marriage at the top of this form. Failure to complete one of these statements will result in an invalid Designation of Beneficiary form.

Consent of Spouse

I am the spouse of the Participant named above. I understand that, depending on the terms of the Plan, I have the right to a portion or all of my spouse's vested account balance under the Plan if my spouse dies prior to commencement of distribution of plan benefits. I agree to give up all my rights to my spouse's account balance and agree to the designation in the beneficiary designation above. I understand that my spouse cannot change the name of any beneficiary in the future unless I agree to that change. I understand that by signing this consent, I may receive less money than I would have received if I had not signed this consent and I may receive nothing from the Plan after my spouse dies. I understand that I do not have to sign this consent and I am signing voluntarily. I understand that if I do not sign this consent, then I will receive my spouse's entire vested account balance (or such other amount as provided in the Plan) when my spouse dies. In order for this consent to be valid, an authorized plan representative or a notary public must witness it.

For Plans Subject to Pre-retirement Survivor Annuity Only: I hereby consent to the waiver of the Pre-retirement Survivor Annuity form of payment. I certify I understand the terms of the Pre-retirement Survivor Annuity described in the Plan and explained in a memorandum furnished by the Plan Administrator, my right not to consent to this waiver election, the time period during which my spouse and I may make this waiver election, and the financial effect of the election not to receive benefits in the Pre-retirement Survivor Annuity form. I understand my consent is irrevocable unless my spouse revokes the waiver election. I further understand my consent is valid only if I consent, in writing, to my spouse's beneficiary designation or any change in my spouse's beneficiary designation, unless my spouse has designated me as sole primary beneficiary.

X _____
Signature of Participant's Spouse Date of Execution of this Consent

Affirmation of Notary Public or Plan Representative

I affirm that _____ personally appeared, known to me to be the person who executed the above Consent of Spouse, this _____ day of _____, _____

Signature of Notary Public or Signature of Plan Representative

County and State of: _____

My Commission Expires: _____

Please return this form to: RJLee & Associates LLP, 1700 52 Avenue Suite B, Moline, IL 61265

Instructions for Designating or Changing Beneficiary

General Instructions

These instructions will assist you in properly completing the Designation of Beneficiary form.

- (1) To designate one person, insert the name and relationship in the spaces provided. If your beneficiary is not related to you, show relationship as "Friend."
- (2) If you wish to name your estate, insert "Estate" in the space.
- (3) Show a member of a religious order in this manner:
Mary L. Jones, niece, known in religious life as Sister Mary Agnes.
- (4) Due to potential tax issues and difficulties in locating individuals in foreign countries, it is not advisable to name a beneficiary who is a permanent resident of a foreign country. If you name a person who is a permanent resident of a foreign country, furnish full address.
- (5) If you wish to designate a trust, insert the name of the trustee and trust in the blank space using language substantially as follows:
To X Bank as Trustee, or its successor Trustee, of the "Bruce E. Roberts Trust dated the 26th day of May, 1975," including any amendments to the Trust.
- (6) More than one beneficiary - here are the most common examples:
Three or more beneficiaries James O. Smith, brother; Peter I. Smith, brother, and Martha N. Smith, sister
Unnamed children My children living at my death
If one of the above examples fits your wishes, insert your designation in the space provided using the language of the selected example. Contingent beneficiaries only receive benefits if all named primary beneficiaries predecease you. If a primary beneficiary survives you, but dies prior to receive his share of the death benefit, that primary beneficiary's estate will receive the death benefit unless your beneficiary designation provides otherwise.
- (7) If none of the above is suitable, explain in the space what is desired, or attach a note.

Pre-Retirement Survivor Annuity Memorandum

This Memorandum explains the pre-retirement survivor annuity benefit under the Plan. The pre-retirement survivor annuity provides a minimum benefit for the surviving spouse if a Plan participant dies prior to commencing distribution from the Plan. The pre-retirement survivor annuity will not affect the total death benefit the Plan will pay your spouse if your spouse is the sole primary beneficiary of your death benefit under the Plan. You need to read the balance of this memorandum only if you have designated, or wish to designate, someone other than your spouse to receive any portion of your death benefit under the Plan.

Pre-retirement Survivor Annuity. Article 9 of the Basic Plan Document and the corresponding portion of the Plan's adoption agreement (together, the "Plan") require the Trustee to distribute a pre-retirement survivor annuity to your spouse if your death occurs prior to commencement of benefits under the Plan, your spouse survives you, and, if the Plan provides, you and your spouse are married during the one year period ending on the date of your death. If the Plan commences benefit payments to you prior to your death, the method of distribution in effect on the date of your death will dictate the manner in which the Plan will distribute your remaining vested account balance, if any.

Under the pre-retirement survivor annuity, your spouse will receive a lifetime level monthly payment. The Trustee will distribute the pre-retirement survivor annuity using 75% of your non-forfeitable account balance (including the proceeds, if any, of life insurance contracts purchased on your behalf under the Plan) to purchase an annuity contract from an insurance company. The Trustee then will distribute the contract to your surviving spouse as evidence of a right to receive the annuity payments from the insurance company. Generally, the Trustee may not commence payment of the pre-retirement survivor annuity prior to the date a participant would have attained the later of normal retirement age under the Plan or age 62 unless the surviving spouse consents. However, the surviving spouse may elect to have distribution of the pre-retirement survivor annuity at any time following the participant's death. If, at the time of your death, 75% of your non-forfeitable account balance is not greater than \$5,000, the Plan Administrator will direct the Trustee to make a lump sum distribution to your surviving spouse, in lieu of providing the pre-retirement survivor annuity.

The actual level monthly payments made under the pre-retirement survivor annuity will depend on the annuity purchase rate used by the insurance company, your surviving spouse's age at the time the distribution begins, and the amount of your vested account balance at the time the Trustee purchases the annuity contract. The Trustee will charge your account for the commission incurred incident to the purchase of the annuity contract. The following table provides the approximate monthly annuity payments under an immediate annuity purchasable per \$1,000 of vested account balance for a surviving spouse ranging from age 50 to age 80. The table assumes an annuity factor based on the UP - 1984 mortality tables and a 6% interest rate. The insurance company from which the Trustee purchases the pre-retirement survivor annuity may use different factors. Different factors will produce a different monthly payment.

Surviving Spouse's Age	Monthly Payment	Surviving Spouse's Age	Monthly Payment
50	\$ 6.53	66	\$ 9.17
52	\$ 6.74	68	\$ 9.72
54	\$ 6.97	70	\$ 10.34
56	\$ 7.23	72	\$ 11.06
58	\$ 7.53	74	\$ 11.90
60	\$ 7.86	76	\$ 12.86
62	\$ 8.25	78	\$ 13.97
64	\$ 8.68	80	\$ 15.24

For example, if 75% of a participant's vested account balance at death is \$10,000, a surviving spouse who is age 60 will receive a monthly annuity payment approximately equal to \$78.60 (\$7.86 X 10).

Waiver Election. The Plan requires payment of the pre-retirement survivor annuity unless you have a valid waiver election in effect on the date of your death. To have a valid waiver you must complete the waiver included in the Designation of Beneficiary form on the reverse side of this memorandum. Please note that, in order for your spouse to fully waive the pre-retirement survivor annuity, he or she must consent to the waiver by signing the Designation of Beneficiary form. Your waiver election is not valid unless your spouse, during the election period, also consents in writing to your beneficiary designation or to any change in your beneficiary designation on the reverse side of this form, unless your change makes your spouse your sole primary beneficiary of 75% of your vested benefit. A notary public or Plan representative also must witness your spouse's consent to the waiver and the beneficiary designation. If your spouse does not properly consent to the waiver and beneficiary designation, your beneficiary designation will only apply to the portion of your account, if any, that is not subject to the pre-retirement survivor annuity (that is 25% of your vested benefit).

Your waiver election is not valid unless you and your spouse make the election within the "election period." The election period begins on the first day of the plan year during which you will reach age 35 or, if later, the date you receive this notice. The election period ends on the date of your death. If you wish, you may waive the pre-retirement survivor annuity prior to the beginning of the election period. However, a waiver made prior to the beginning of the election period becomes null and void as of the first day of the election period and you would have to complete another waiver form with your spouse's consent. If you terminate service with the employer prior to the beginning of the election period, you may waive the pre-retirement survivor annuity at any time after your termination of service. However, if you waive the pre-retirement annuity prior to attaining age 35 and you return to employment, you will generally need to obtain another waiver, but you should consult your financial advisor for confirmation. Within the election period, as often as you wish, you may revoke a waiver election, or make a new waiver election following a revocation. You may revoke a waiver election without your spouse's consent, but your spouse would have to consent to a new waiver (i.e., in which you name a new non-spouse beneficiary). A waiver election is valid only for the spouse consenting to the waiver. Therefore, you should inform the Plan Administrator of any change in your marital status.

Financial Effect of your Election. If you and your spouse do not waive the pre-retirement survivor annuity, the Plan Administrator will direct the Trustee to pay your surviving spouse the pre-retirement survivor annuity, and to pay your designated beneficiary the remaining vested account balance, if any, in accordance with Article 9 of the Plan and the accompanying portions of the Plan's adoption agreement. If the Plan Administrator pays your spouse the pre-retirement survivor annuity, the Plan does not need your spouse's consent to the beneficiary designation that applies to the remainder, if any, of your account. Under a pre-retirement survivor annuity, your surviving spouse will receive lifetime income. The pre-retirement survivor annuity will not pay any benefits to other beneficiaries after your spouse's death. The Plan permits your surviving spouse to elect to receive the portion of your vested account balance payable as a pre-retirement survivor annuity in a lump sum or, in some cases, installment payments, in lieu of the pre-retirement survivor annuity, by completing a distribution request form.

If you and your spouse waive the pre-retirement survivor annuity, the Plan Administrator will pay your entire vested account balance to your designated beneficiary, as required under Article 9 of the Plan and the accompanying portions of the Plan's adoption agreement. The Plan generally pays the death benefit in lump sum. If your beneficiary receives a lump sum distribution, the Plan Administrator will provide the beneficiary a notice of the special tax benefits, if any, available for the distribution. If your vested account balance at the time of your death exceeds \$5,000, the Plan permits your designated beneficiary to elect a lump sum or, in some cases, an installment distribution. Under an installment distribution, the Trustee will continue payments from your account until paying in full your interest in the Plan. Furthermore, your vested account balance will continue to earn investment income. If a vested account balance remains in the Plan at the time of your primary beneficiary's death, the Plan will pay the remaining account balance to your primary beneficiary's estate, unless your beneficiary designation directs otherwise. You may designate portions of your account balance for payment to different beneficiaries. If you and your spouse waive the pre-retirement survivor annuity, your spouse need not consent to the form of payment to the designated beneficiary, but only to the identity of the designated beneficiary.

Procedure. If you and your spouse wish to have the pre-retirement survivor annuity apply, you do not need to make any election. If you and your spouse do not wish to have the pre-retirement survivor annuity apply, execute the enclosed Designation of Beneficiary form within the election period.

If you have any questions regarding the information provided in this memorandum, or you wish further information, please contact the Plan Administrator.