



Eighth District Electrical Fringe Benefit Funds

August 2021

To: All Plan Participants

From: Board of Trustees of the Eighth District Electrical Pension Fund Annuity Plan

Re: Qualified Pre-Retirement Survivor Annuity (QPSA) Notice – and Updated Beneficiary Form

Dear Member,

Enclosed you will find various documents related to the Qualified Preretirement Survivor Annuity (QPSA), a spousal death benefit offered by the Eighth District Electrical Pension Fund Annuity Plan (“Annuity Plan”).

The first document is the QPSA Notice, which is a Notice required by law to be sent to certain participants explaining the terms and conditions of the Annuity Plan’s QPSA benefit that may be provided to a participant’s spouse if a participant dies prior to retirement. If you are a participant in the Eighth District Electrical Pension Plan, you may have recently received a similar notice for the Pension Plan.

The second document is an updated Beneficiary Designation Form. Previously, Participants in the Annuity Plan could file or update Beneficiary Designation Forms with either the Administrative Office or with Prudential. However, to streamline the Annuity Plan’s procedures, going forward, Annuity Plan Participants must file or update all Beneficiary Designations through the Administrative Office. You will no longer have the option to complete or update a Beneficiary Designation Form with Prudential.

Finally, enclosed with the QPSA Notice and updated Beneficiary Designation Form is a document entitled “Supplemental Information to Pension and Annuity QPSA Notices.” The purpose of this document is to provide additional explanation about the impact of a spouse completing the Spousal Waiver Section on the Beneficiary Designation Form. This information is being provided to supplement the legally required information in the QPSA Notice, and to address some questions the Fund Office has recently received.

IF YOU ARE ALSO A PARTICIPANT IN THE EIGHTH DISTRICT ELECTRICAL PENSION PLAN, you may have received an updated Beneficiary Designation Form with the Pension Plan’s QPSA Notice that was recently mailed. As stated on the updated Beneficiary Designation Form, you have the option to select whether the Beneficiary Designation Form that you received applies to both the Pension and Annuity Plans, or just one of the Plans.

Physical Address: 4704 Harlan Street, Suite 104 • Denver, CO 80212

Physical Address: 5295 South Commerce Drive, Suite 220 • Murray, UT 84107

Mailing Address: P.O. Box 30751 • Salt Lake City, UT 84130

Toll Free: 844-989-2321

www.8thDistrictBenefits.org

IF YOU ARE A PARTICIPANT IN BOTH THE PENSION AND ANNUITY PLANS AND HAVE ALREADY COMPLETED AN UPDATED BENEFICIARY DESIGNATION FORM INDICATING THAT YOUR DESIGNATION APPLIED TO BOTH PLANS, YOU DO NOT NEED TO COMPLETE AND RETURN THE ENCLOSED BENEFICIARY DESIGNATION FORM UNLESS YOU WOULD LIKE TO MAKE FURTHER CHANGES TO YOUR BENEFICIARY DESIGNATIONS.

Please return any completed Beneficiary Designation Forms to the mailing address listed at the bottom of this letter. Should you have any questions about the QPSA Notice or the Beneficiary Designation Form, please reach out to the Administrative Office at 844-989-2321.

**EIGHTH DISTRICT ELECTRICAL PENSION FUND ANNUITY PLAN
QUALIFIED PRERETIREMENT SURVIVOR ANNUITY (“QPSA”) NOTICE**

Notice to Participants

As required by federal law and the terms of the Restated Rules and Regulations of the Eighth District Electrical Pension Fund Annuity Plan (the “Plan”), if you die prior to your retirement date, and if you were married throughout the one-year period ending on your death or death, a survivor annuity will be paid to your spouse unless you waive this form of payment and your spouse consents to that waiver. This benefit is called the “Qualified Preretirement Survivor Annuity” or “QPSA.” The QPSA is a monthly benefit paid to your surviving spouse for the remainder of his or her life.

The QPSA is an irrevocable annuity purchased from an insurance company which provides your surviving spouse a fixed monthly amount for the rest of his or her life. The monthly amount is at the level payable under an annuity that is actuarially equivalent to the amount in your Individual Account on the date of your death. The conversion of your Individual Account to an actuarially equivalent annuity is based on the actuarial assumptions and other terms and conditions prescribed by the insurance company selected to issue the annuity. Fees and other costs directly incurred in connection with the purchase of an annuity are deducted from the Individual Account immediately before the purchase the annuity. The annuity is irrevocable, and even if your spouse later remarries, the amount of the monthly benefit will remain the same.

Your surviving spouse may elect optional forms of benefit in lieu of the QPSA, including a single or partial lump sum payment of the amount in your Individual Account, or installment payments over a specified period not to exceed ten years.

If the amount in your Individual Account as of your date of death is less than \$5,000, then the QPSA will not be paid in the form of an annuity, and no optional forms of payment will be available. Instead, your surviving spouse will receive a single lump sum.

You may waive the QPSA form of payment and designate an alternate beneficiary only with the consent of your spouse. If you properly waive the QPSA form of payment and die prior to retirement, your designated beneficiary will receive a death benefit in the form of a single or partial lump sum distribution of your Individual Account.

Under the terms of the Plan, the retirement benefit payable to you will be the same whether or not the Plan’s death benefit is payable as a QPSA benefit, or in another form, or to someone else. Therefore, the election of the QPSA benefit has no financial effect on the retirement benefit payable to you. The only impact the QPSA election will have is on the amount of potential death benefits that would be payable to your surviving spouse or other beneficiaries.

In order to waive the QPSA form of payment, you must complete the “Waiver of QPSA” section on the attached beneficiary designation form and your spouse must consent to the waiver by executing the “Spousal Consent to Waiver” section of the beneficiary designation form. The QPSA Spousal Consent Notice explains the QPSA benefit, as well as the consequences of

consenting to a waiver of the QPSA form of payment. A notary public must witness your spouse's signature. Please note that the QPSA waiver is valid only for the spouse consenting to the waiver, so you would need to complete a new waiver should you remarry.

Generally, you cannot waive the QPSA form of payment before the first day of the Plan Year in which you attain age 35. However, if you separate from service prior to the beginning of the Plan Year in which you attain age 35, you may waive the QPSA upon your separation from service.

**EIGHTH DISTRICT ELECTRICAL PENSION FUND ANNUITY PLAN
QUALIFIED PRERETIREMENT SURVIVOR ANNUITY (“QPSA”) NOTICE**

QPSA Spousal Consent Notice

1. What is a Qualified Preretirement Survivor Annuity (QPSA)?

Your spouse has an account in the Eighth District Electrical Pension Fund Annuity Plan (“Plan”). The money in the account that your spouse will be entitled to receive is called the vested account. Federal law states that you will receive a special death benefit that is paid from the vested account if your spouse dies before he or she begins receiving retirement benefits (or, if earlier, before the beginning of the period for which the retirement benefits are paid). You have the right to receive this monthly payment for your life beginning after your spouse dies. The special death benefit is often called a “qualified preretirement survivor annuity” or “QPSA” benefit. (The plan will pay this death benefit in a lump sum, rather than a QPSA, if the value of the death benefit is \$5,000 or less.)

2. Can Your Spouse Choose Other Beneficiaries to Receive the Account?

Your right to the QPSA benefit provided by federal law cannot be taken away unless you agree to give up that benefit. If you agree, your spouse can choose to have all or a part of the death benefits paid to someone else. The person your spouse chooses to receive the death benefits is usually called the “beneficiary.” For example, if you agree, your spouse can have the death benefits paid to his or her children instead of you.

3. Do You Have to Give Up Your Right to the QPSA Benefit?

Your choice must be voluntary. It is your personal decision whether you want to give up your right to the special QPSA payment form.

4. Can Your Spouse Change the Beneficiary in the Future if You Consent to the Waiver of the QPSA benefit?

Your spouse cannot change the beneficiary(ies) unless you agree to the new beneficiary(ies). You will indicate your approval to any updated beneficiaries by completing an updated “Spousal Consent to Waiver” section on any subsequent beneficiary designation card. In other words, you must consent to any changes your spouse makes to the death benefit designation.

5. Can You Change Your Mind After You Sign the Waiver?

You cannot revoke your consent after the Plan has received the completed Waiver, except by you and your spouse completing an updated “Spousal Consent to Waiver” section on any subsequent beneficiary designation card.

6. What Happens if You Become Separated or Divorced?

You may lose your right to the QPSA benefit if your spouse and you become legally separated or divorced even if you do not sign this agreement. However, if you become legally separated or divorced, you might be able to get a special court order (which is called a qualified domestic relations order or “QDRO”) that specifically protects your rights to receive the QPSA benefit or that gives you other benefits under this Plan. If you are thinking about separating or getting a divorce, you should get legal advice on your rights to benefits from the Plan.

7. What is the Financial Effect of the Election of the QPSA?

Under the terms of the Plan, the retirement benefit payable to your spouse will be the same whether or not the Plan’s death benefit is payable to you as a QPSA benefit, or in another form, or to someone else. Therefore, the election of the QPSA benefit has no financial effect on the retirement benefit payable from the Plan to married Participants. The only impact the QPSA election will have is on the amount of potential death benefits that would be payable to you, as described above.

Supplemental Information to Pension and Annuity QPSA Notices

To supplement the information found in the Pension and Annuity Plans' QPSA Notices, the purpose of this mailing is to provide a summary of the pre-retirement death benefits available to beneficiaries of vested participants that die prior to retirement and to provide some general explanations to some of the questions about the Beneficiary Designation Form and the QPSA Notice that the Fund has received. The Fund has also further clarified the language in the Spousal Waiver Section on the Beneficiary Designation Form to address some of these questions.

Please note, this notice is being provided for general informational purposes only. If you have questions about the impact of naming certain beneficiaries, please contact an Estate Planning attorney or your tax advisor.

I. Summary of Pension Plan Pre-Retirement Death Benefits:

As outlined in the Pension Plan QPSA Notice, the Pension Plan offers two different pre-retirement death benefits if a vested participant dies prior to retirement. First, as required by federal law and the terms of the Pension Plan Document, if you and your spouse meet certain eligibility requirements, should you die prior to retirement, an annuity from the Pension Plan will be paid to your spouse for the remainder of her lifetime, starting no earlier than when you would have turned age 55. This benefit is known as the "Qualified Preretirement Survivor Annuity" or "QPSA". Second, the Pension Plan offers a sixty (60) month pre-retirement death benefit, which can commence as early as the month after a vested participant dies.

At the time a participant dies, if the Qualified Spouse has not waived her right to the QPSA, a Qualified Spouse has the option to elect either the QPSA or the sixty (60) month pre-retirement death benefit. Non-spouse beneficiaries are only eligible for the sixty (60) month benefit from the Plan.

II. Summary of Annuity Plan Pre-Retirement Death Benefit

As outlined in the Annuity Plan QPSA Notice, the Annuity Plan offers different benefits for beneficiaries of vested participants that die prior to retirement. First, as required by federal law and the terms of the Annuity Plan Document, the Annuity Plan offers a QPSA benefit to Qualified Spouses. For the Annuity Plan, the QPSA is an irrevocable annuity purchased from an insurance company which provides your surviving spouse a fixed monthly amount for the rest of his or her life. The other pre-retirement death benefit available is the direct payment of your Individual Account in either a lump sum or partial payments.

Similar to the Pension Plan, a Qualified Spouse has the option to elect either the QPSA or direct payment of your Individual Account at the time of your death. A non-spouse beneficiary is only eligible to receive the direct payment of your Individual Account.

III. Beneficiary Scenarios and Impact of Completion of the Beneficiary Designation Form

Along with the information provided in the Plans' QPSA Notices, the following scenarios may provide further clarification on the impact of naming (or not naming) your spouse on the Beneficiary Designation Form, and better outline which section of the Beneficiary Designation Form your spouse needs to complete, depending on who is named as beneficiary.¹

Scenario One: You name your spouse as the sole primary beneficiary on the Beneficiary Designation Form (i.e., your spouse is the only beneficiary listed as a primary beneficiary on the Beneficiary Designation Form). If your spouse is the only primary beneficiary, your spouse should not complete the Spousal Waiver Section on the Beneficiary Designation Form.

Impact of Completing Spousal Waiver Section:

- **Pension Plan:** If your spouse completes the Spousal Waiver Section but is the sole primary beneficiary, your spouse will only be eligible to receive the sixty (60) month death benefit. As outlined in that section, (s)he will have waived their right to receive the monthly lifetime annuity.
- **Annuity Plan:** If your spouse completes the Spousal Waiver Section but is the sole primary beneficiary, your spouse will only be eligible to receive your Individual Account Balance in an optional form of payment (for example, a lump sum or partial lump sum payments).

Impact of Not Completing Spousal Waiver Section:

- **Pension Plan:** By not completing the Spousal Waiver Section, if you die prior to retirement, your spouse will be retaining the right to elect, at the time of your death, to receive either the QPSA or the sixty (60) month death benefit.
- **Annuity Plan:** By not completing the Spousal Waiver Section, if you die prior to retirement, your spouse will be retaining the right to elect, at the time of your death, to receive either the QPSA or to receive your Individual Account Balance in an optional form (for example, a lump sum or partial lump sum payments).

¹ For each of the scenarios the Fund assumes that: (1) you are vested in the Plans at the time of your death; (2) your spouse is a Qualified Spouse for the purposes of determining eligibility for a QPSA; (3) you are married to your current spouse at the time of your death; (4) your spouse and/or named beneficiaries are otherwise eligible for death benefits from the Plan; (5) your Individual Account or vested benefit is worth more than \$5,000, and (6) no QDRO applies to the distribution of pre-retirement death benefits. If any of these assumptions do not apply, it may impact the Fund's treatment of the Beneficiary Designation Form.

Scenario Two: You name your spouse and other individual(s) as co-primary beneficiaries on the Beneficiary Designation Form (for example, your spouse and child are named as co-primary beneficiaries for pre-retirement benefits). If you name your Spouse and other individuals as co-primary beneficiaries, your Spouse MUST complete the Spousal Waiver Section on the Beneficiary Designation Form for the designation to be valid.

Impact of Completing Spousal Waiver Section:

- **Pension Plan:** By completing the Spousal Waiver Section, your spouse will be acknowledging that (s)he is not the sole beneficiary and agrees with the selection of the other beneficiary(s) and further that (s)he will only be eligible to receive the applicable percentage of the sixty (60) month pre-retirement death benefit.
- **Annuity Plan:** By completing the Spousal Waiver Section, your spouse will be acknowledging that (s)he is not the sole beneficiary and agrees with the selection of the other beneficiary(s) and further that (s)he will only be eligible to receive the applicable percentage of your Individual Account Balance.

Impact of Not Completing Spousal Waiver Section:

- **Pension Plan:** If your spouse does not complete the Spousal Waiver Section, and you die prior to retirement, the Beneficiary Designation Form will not be considered valid, and your spouse will remain the sole primary beneficiary. This means your spouse will retain the right to elect, at the time of your death, to receive either the QPSA or the sixty (60) month death benefit.
- **Annuity Plan:** If your spouse does not complete the Spousal Waiver Section, and you die prior to retirement, the Beneficiary Designation Form will not be considered valid, and your spouse will remain the sole primary beneficiary. This means your spouse will retain the right to elect, at the time of your death, to receive either the QPSA or your Individual Account Balance in an optional form of benefit (for example, a lump sum or partial lump sum payments).

Scenario Three: You do not name your spouse as a primary beneficiary at all (for example, you name your child(ren) or grandchild(ren) as your primary beneficiaries). If you name other individuals as your primary beneficiaries, your Spouse MUST complete the Spousal Waiver Section on the Beneficiary Designation Form for the designation to be valid.

Impact of Completing Spousal Waiver Section:

- **Pension Plan:** Your spouse will not be entitled to any death benefits from the Pension Plan, as explained in the Pension Plan QPSA Notice.
- **Annuity Plan:** Your spouse will not be entitled to any death benefits from the Annuity Plan, as explained in the Annuity Plan QPSA Notice.

Impact of Not Completing Spousal Waiver Section:

- **Pension Plan:** If your Qualified Spouse does not complete the Spousal Waiver Section on the Beneficiary Designation Form, and you die prior to retirement, the Beneficiary Designation Form will not be valid. This means your spouse will retain the right to elect, at the time of your death, to receive either the QPSA or the sixty (60) month death benefit.
- **Annuity Plan:** If your Qualified Spouse does not complete the Spousal Waiver Section on the Beneficiary Designation Form, and you die prior to retirement, the Beneficiary Designation Form will not be valid. This means your spouse will retain the right to elect, at the time of your death, to receive either the QPSA or your Individual Account Balance in an optional form (for example, a lump sum or partial lump sum payments).

If you believe you may have completed an earlier Beneficiary Designation Form in error, you can complete a new form. The last the properly completed Beneficiary Designation Form will supersede any previous form.

If you should have any questions, please contact the Administrative Office.

EIGHTH DISTRICT ELECTRICAL PENSION AND/OR ANNUITY FUNDS

BENEFICIARY DESIGNATION FORM

PART A: General Information (Please print all information)

Last Name:	First Name:	Middle Name:
Soc. Sec. No.: _____	Birth Date: Mo _____ Day _____ Year _____	Telephone #: (_____) _____ - _____
Street Address:	City, State, Zip Code	Local Union No./NECA Chapter
Current Marital Status <input checked="" type="checkbox"/> Single, Never Married <input type="checkbox"/> Divorced	<input checked="" type="checkbox"/> Married, If Married, Spouse Name: _____ <input type="checkbox"/> Divorced and Remarried	Date Joined Union/NECA

This Beneficiary Designation Form applies to the Eighth District Electrical Pension and Annuity Plans. If you do not select individual Plans, All PLANS will apply. You should submit another form if designating a different beneficiary for each plan benefit.

PART B: Beneficiary Designations (Please print all information) (Additional forms may be used if needed)

ALL PLANS

If you do not select individual Plans, ALL PLANS will apply

OR

ANNUITY PLAN

PENSION PLAN

The Beneficiary(ies) listed below shall receive benefits payable upon the listed participant's death from the Plans selected above. You may add a page if additional space is needed. List your beneficiary(ies) in the spaces provided below. At least one primary beneficiary must be selected. The percentages of your primary beneficiary(ies) must total 100%. If you designate a secondary beneficiary, the percentages for those beneficiaries must also total 100%. Otherwise, the remaining beneficiaries who do not have a stated percentage will equally share the remaining percentage.

Full Name of PRIMARY Beneficiary	Relationship to You	Social Security No.	Date of Birth
Street Address	City, State, Zip Code		Percentage of Interest
Full Name of PRIMARY Beneficiary	Relationship to You	Social Security No.	Date of Birth
Street Address	City, State, Zip Code		Percentage of Interest
Full Name of SECONDARY Beneficiary	Relationship to You	Social Security No.	Date of Birth
Street Address	City, State, Zip Code		Percentage of Interest
Full Name of SECONDARY Beneficiary	Relationship to You	Social Security No.	Date of Birth
Street Address	City, State, Zip Code		Percentage of Interest
Full Name of SECONDARY Beneficiary	Relationship to You	Social Security No.	Date of Birth
Street Address	City, State, Zip Code		Percentage of Interest

I designate as a Beneficiary(ies) the person(s) named above for my death benefits. I understand that the designation of a spouse will automatically be revoked upon divorce, and a new designation will be required to name the ex-spouse as my beneficiary. I will inform the Plan Administrator IMMEDIATELY of any change in my marital status. This designation revokes any prior beneficiary designations, made by me, for my death benefits.



Participant Signature

Date

Spouse Waiver Section – Only Complete this Section if the Spouse is not the Sole Primary Beneficiary:

I am the legal spouse of the above-named participant. I have read an explanation of my right to receive a Qualified Pre-Retirement Survivor Annuity (lifetime monthly annuity) from the Pension and/or Annuity Plan if my spouse dies before benefit payments commence. I also understand the other death benefit(s) to which I may otherwise be entitled under the Pension and/or Annuity Plan(s). I hereby voluntarily consent to the beneficiary designation(s) my spouse has made above. I acknowledge the effect of my consent is that I will not receive the lifetime monthly annuity benefit that would otherwise may have been payable to me upon the participant's death.



Spouse Signature

Date

Subscribed and sworn to before me this

_____ day of _____.

Witness (Notary Public)