



International Union of Operating Engineers Local 877 Annuity Fund

ELECTION TO WAIVE QUALIFIED PRERETIREMENT SURVIVOR ANNUITY AND TO DESIGNATE A NON-SPOUSAL BENEFICIARY

1. WHAT IS A QUALIFIED PRERETIREMENT SURVIVOR ANNUITY (QPSA)?

Your spouse - also referred to as a "Participant" - has an account¹ in International Union of Operating Engineers Local 877 Annuity Plan (the "Plan"). The money in the account that your spouse will be entitled to receive is called the vested account. Federal law states that as long as you and your spouse are married at the time of your spouse's death, 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 from the Plan (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. Note that this benefit may be paid by the Plan through the purchase a non-transferrable annuity contract. The special death benefit is often called a "Qualified Preretirement Survivor Annuity" or "QPSA" benefit. The Plan also allows you to elect, after your spouse's death, to receive the preretirement death benefit in a lump sum. The Plan will pay this death benefit in a lump sum, rather than as a QPSA, if the value of the death benefit is \$5,000 or less, and the Plan may exclude any Rollover Account balance your spouse may have had when determining if the value was \$5,000 or less.

2. CAN YOUR SPOUSE CHOOSE OTHER BENEFICIARIES TO RECEIVE THE ACCOUNT?

Assuming you remain married to the Participant, 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.

EXAMPLE: Pat Doe is a Participant in the Plan and is married to Robin. They jointly agree that Robin will not receive the QPSA benefit. Pat and Robin also decide that 100% of the death benefits that are paid from Pat's vested account will be paid to Pat and Robin's child, Chris. They contact the Fund Office and properly complete the necessary Fund QPSA waiver form. Assuming Pat and Robin were still married at the time of Pat's death and Pat had not received any Plan benefits, Chris would be able to choose to receive a lump sum payment of Pat's vested account balance from the Plan or payments in a series of installments.

¹ For purposes of this notice, an "account" can be a Regular Account (which holds employer contributions), a Deferral Contributions Account (which holds employee/401(k) deferral contributions), and/or a Rollover Account (which holds monies transferred to our Plan from another tax-qualified vehicle, such as another plan or an IRA).

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 SIGN THE ATTACHED AGREEMENT?

If you sign the agreement, as long as you remain married your spouse cannot change the beneficiary named in the agreement unless you agree to a new beneficiary (or beneficiaries) by signing a new agreement. If you agree and sign a new agreement, your spouse can change the named beneficiary (or beneficiaries) before he or she begins receiving benefits or dies. You do not have to agree to let your spouse change the beneficiary (or beneficiaries). However, your spouse can select the QPSA benefit for you without getting your agreement.

5. CAN YOU CHANGE YOUR MIND AFTER YOU SIGN THE AGREEMENT?

You cannot change the agreement after you sign it. Your decision is final.

6. WHAT HAPPENS TO THE AGREEMENT IF YOU BECOME SEPARATED OR DIVORCED?

You will lose your right to the QPSA benefit if your spouse and you become legally separated or divorced, even if you do not sign the agreement. However, if you become legally separated or divorced, you may be able to get a special state 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 from your spouse/the Plan Participant, you should get legal advice on your rights to benefits from the Plan.

7. IS THERE ANYTHING ELSE I SHOULD KNOW?

The decision to sign the agreement, or not to sign it, is a very important one. You should consider the implications of the agreement with your spouse, and you are urged to consult with a qualified advisor. Before signing the agreement, be sure you understand what death benefits you are eligible to receive, and the effect of eliminating and/or reducing the Plan account balance from your potential income after your spouse's death. You may also wish to review the terms of our Summary Plan Description as to death benefits. For additional information, you can contact the Fund Office.

**AGREEMENT TO WAIVE QUALIFIED PRERETIREMENT SURVIVOR ANNUITY
(AND DESIGNATION OF NON-SPOUSAL BENEFICIARY)
UNDER THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 877 ANNUITY PLAN**

I, _____ [*name of spouse*], am the spouse of _____ [*name of Participant*]. My Social Security Number is _____, and my husband's/wife's Social Security Number is _____. I understand that I have the right to the Qualified Preretirement Survivor Annuity ("QPSA") from the International Union of Operating Engineers Local 877 Annuity Plan if my spouse and I are married at the time of his or her death, and he or she dies before beginning to receive retirement benefits from the Plan (or, if earlier, before the beginning of the period for which the retirement benefits are paid). I also understand that if the value of the QPSA benefit is below a set minimum distribution amount, the Plan will pay the benefit to me in one lump sum payment.

I have also read and understand the document entitled "Election to Waive Qualified Preretirement Survivor Annuity and to Designate a Non-Spousal Beneficiary." I understand that to waive the Qualified Preretirement Survivor Annuity, I must complete this agreement, as indicated, with my spouse.

I. Waiver of the Qualified Preretirement Survivor Annuity

I agree to give up my right to the QPSA benefit and instead to have that benefit paid to the following beneficiary:

Name of Beneficiary:		Relationship to Participant:		
Social Security No.:		Date of Birth:		
Address:	City:	State:	Zip:	

II. Additional Information for the Spouse of the Participant

I understand that as long as my spouse and I are married, my spouse (the Annuity Fund Participant) cannot select a different beneficiary than those named in Section I, above, unless I agree to the change.

I also understand that by signing this agreement, I may receive less money than I would have received under the special QPSA payment form and I may receive nothing from the Plan after my spouse dies.

I understand that if I sign this agreement and the value of my spouse's Annuity Fund account(s) exceeds \$5,000 upon his or her death prior to receiving retirement benefits from the Plan, the beneficiary noted above will have the separate option of receiving the value of such account(s) in a lump sum payment or installments. I also understand that if the value of such account(s) is \$5,000 or less, the beneficiary noted above will receive such value in a lump sum payment only.

I understand that I do not have to sign this agreement. I am signing this agreement voluntarily. I understand that if I do not sign this agreement, then I will receive the QPSA benefit if: (1) my spouse and I are still married at the time of my spouse's death, and (2) my spouse dies before he or she begins to receive retirement benefits from the Plan (or, if earlier, before the beginning of the period for which the retirement benefits are paid). I also understand that if the value of the QPSA benefit is \$5,000 or less, the Plan will pay the benefit to me in one lump sum payment.

**** ACKNOWLEDGMENT ****

Signature of Participant: _____

Dated: _____

Signature of Spouse: _____

Dated: _____

Witness of Spouse's Signature: State: _____; County: _____

Before me, _____, the undersigned officer, personally appeared _____ (*name of Spouse noted above*), known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and swore that s/he executed the same, as his or her (as applicable) free act and deed, for the purposes therein contained.

Name: _____
Commissioner of the Superior Court
Notary Public
My Commission Expires: _____



International Union of Operating Engineers

Local 877 Annuity Fund

DESIGNATION OF BENEFICIARY FORM **MARRIED PARTICIPANT WHERE SPOUSE HAS WAIVED QPSA AND** **THEY ARE ELECTING ANOTHER INDIVIDUAL AS THEIR BENEFICIARY**

Please complete this Designation of Beneficiary Form (Form) only if you are a MARRIED PARTICIPANT of the International Union of Operating Engineers Local 877 Annuity Fund (Fund) and your spouse has affirmatively waived the Fund's qualified pre-retirement survivor annuity or QPSA. If you are currently married, your spouse is automatically your designated beneficiary, unless your spouse consent in writing on a special form provided by the Fund Office, to waive this designation. If you are an unmarried participant of the Fund, please contact the Fund Office to request the appropriate beneficiary form for unmarried participants. Please type or print each answer completely and clearly. If a mistake is made, no erasures or corrections should be attempted, and you should request a new Form to complete.

SECTION 1: PARTICIPANT INFORMATION

Participant Name: _____ Participant Date of Birth: _____

Participant Social Security Number: _____

Participant Address: _____

Participant Phone Number: _____ Participant Email Address: _____

Please confirm that you are currently married and your spouse has already provided the QPSA waiver to the Fund Office which allows for you to name another individual as your beneficiary: _____

SECTION 2: BENEFICIARY INFORMATION

Subject to the terms of the International Union of Operating Engineers Local 877 Annuity Plan (Plan) and in accordance with the form entitled "Agreement to Waive Qualified Preretirement Survivor Annuity (and Designation of Non-Spousal Beneficiary)", I, with my spouse's consent as evidenced by such form, hereby designate the following individual as my beneficiary to receive the value of my Fund account(s) if I die. I understand that this designation shall revoke all prior designations of beneficiary that I may have made.

Under the current terms of the Plan, I understand that I can only name one person as a beneficiary unless I obtain specific consent from the Board of Trustees of the Fund.

Name of Beneficiary: _____ Beneficiary Date of Birth: _____

Relationship of Beneficiary to Participant: _____ Beneficiary Social Security Number: _____

Address of Beneficiary: _____

Beneficiary Phone Number: _____

Beneficiary Email Address: _____

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SECTION 3: CERTIFICATION

I acknowledge and understand that no new beneficiary forms or changes in my beneficiary will be accepted or honored by the Fund Office after the date of my death. I hereby certify and represent to the Plan that my marital status, as evidenced by the Form entitled "Agreement to Waive Qualified Preretirement Survivor Annuity (and Designation of Non-Spousal Beneficiary)" has not changed. I will notify the Fund Office immediately if my marital status changes. Under penalties of perjury, I certify by my signature that all of the information on this Form is true, correct and complete.

Signature of Participant: _____ Date: _____

Notary Acknowledgement of Member's Signature

State/Commonwealth of _____

ss. _____ (Town/City)

County of _____

On this _____ day of _____, 20____, before me, _____ (*print name of Notary*), the undersigned officer, personally appeared _____ (*print name of Member*) known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained. In witness whereof I hereunto set my hand.

Signature of Notary Public

Date Commission Expires: _____

Affix Seal (required)