Profit-Sharing Plan

PLAN DESIGN QUESTIONNAIRE

Profit-Sharing Plan

Plan Design Questionnaire

Establishing a retirement plan is an important step for you and your business. A plan not only offers a great way for you and your employees to save and invest for the future, but it can also be a powerful tool for attracting and retaining employees and reducing business taxes. A profit-sharing plan is for business owners who want flexibility and choice in a plan that is funded through employer contributions. Benefits include:

> Tax deductions for contributions to the plan

> Choice of contribution formulas to suit business goals

> Flexibility to decide whether and how much to contribute to the plan each year

> A potential tax credit of up to $500 per year for each of the first three years after establishing a plan

> The ability to set vesting schedules and eligibility requirements to help reward and retain employees

> Less complicated administrative and compliance requirements than a 401(k) Plan

Enclosed in this packet is a Plan Design Questionnaire that will guide you in the creation of your retirement plan documents. We use an Internal Revenue Service (IRS)-approved prototype plan document that allows quick and easy setup of your plan once we receive your completed questionnaire. Follow these three easy steps to open your retirement plan:

Step 1 Complete your Plan Design Questionnaire

Step 2 Mail or fax the completed questionnaire to **Ascensus** at:

Regular Mail: P.O. Box 726, Brainerd, MN 56401
Express or Overnight Mail: 415 8th Avenue NE, Brainerd, MN 56401
Fax: (218) 825-5713

Step 3 Sign and return your adoption agreement and required forms to Pershing (you will receive the signature-ready adoption agreement, required forms and documents—based on the plan and features that you have selected—within five to ten business days of Ascensus' receipt of the Plan Design Questionnaire)

Important Notes

> Please complete all sections of the questionnaire

> Read all assumptions and disclosures

> Sign the form and return it to Ascensus by mail or fax

> You must provide a Pershing account number with the Plan Design Questionnaire. Documentation without a valid Pershing account number may cause delays in the ability to trade your account.

After submitting your completed Plan Design Questionnaire, you will receive all of the documents that are necessary to establish and operate your plan, as well as instructions on what to do with each document.

Go Green!

Save paper and postage by having your plan documents sent to you electronically from Ascensus. Just check the appropriate box on the questionnaire, and you will receive an e-mail with instructions on how to access your signature-ready plan documents.

Pershing has arranged with Ascensus to provide you with a dedicated group of qualified retirement plan specialists to answer any questions that you may have about completing your Plan Design Questionnaire. You may contact them toll free at (866) 775-9118, weekdays from 9:00 a.m. to 5:00 p.m. (ET).

ascensus®
Always have a plan

PLAN ESTABLISHMENT GUIDE

Getting started...

Pershing LLC ("Pershing") will be providing to the employer qualified plan prototype document services through Ascensus. Ascensus is a respected leader in the retirement plan industry and will prepare the adoption agreement for the employer's review based upon the information supplied in the Contact Information Form, Plan Design Questionnaire, and the assumptions indicated throughout the questionnaire. It is the employer's responsibility as plan administrator to select provisions that are most appropriate for the employer's plan and to ensure that all appropriate optional forms of benefit are preserved. Once the adoption agreement is signed, provisions can only be changed by a formal plan amendment. It is highly recommended that the employer consult with a legal or tax advisor to review all plan selections including the indicated assumptions and defaults. **The options listed on the questionnaire will be matched to the appropriate adoption agreement to facilitate the provisions selected.** The defaults reflect plan provisions in the Pershing simplified adoption agreement.

Please complete the following information to begin the document establishment process.

Documents	Signature/Date Required	Completed
Contact Information Form	No	☐
Plan Design Questionnaire (PDQ)	**Yes**	☐

Once you have completed the materials indicated above, return the Contact Information Form and PDQ to Ascensus using one of the following delivery methods.

Regular mail	Ascensus PO Box 726 Brainerd, MN 56401 ATTN: Document Compliance Service
Fax	218-825-5713
Email	pershingplandocs@ascensus.com

If you have any questions, please contact the Ascensus Document Compliance Service Team at 866-775-9118.

Action Steps…

- Complete all applicable information on the Contact Information Form
- Complete all information on the PDQ and sign where indicated in the document

Next Steps…

- Ascensus receives the completed Contact Information Form and PDQ and reviews the documents for accuracy and complete information**. If additional information is required, Ascensus will contact you or your financial professional.**
- After all information is received, Ascensus will process and upload the pre-filled documents to a secure website.
- Upon the documents being uploaded to the secure website, the plan sponsor receives an email notification to review and sign the plan documents. The financial professional listed on the Contact Information Form also receives a copy of the notification and can access the documents.
- The signed documents are the plan sponsor's executed documents. A copy of the executed Adoption Agreement and applicable Amendments will be automatically submitted to Ascensus when the client electronically signs the plan documents. If the plan sponsor prints and signs the plan documents, they must send a copy of all signed plan documents to Ascensus using one of the methods above.

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CONTACT INFORMATION FORM

Employer Information

Plan Name	
Legal Name of Employer	
Legal Address of Employer	
City, State, Zip	
Contact Person at Employer	
Title of Contact Person	
Phone Number	
Email Address of Contact Person*	

***An email address is required for electronic delivery of plan documents to the plan sponsor.**

Owner Information
(if applicable)

Owner Name	
Home Address	
City, State, Zip	

Financial Professional Information

Financial Organization *(broker dealer)*	
Master Financial Organization Account Number *(typically authorized signer's plan account number)*	
Account Type *(select one)*	☐ Employer *(self-directed accounts)* ☐ Omnibus *(pooled account)*
Name	
Phone Number	
Email Address*	

By signing this PDQ, I acknowledge that Ascensus may provide information or documentation related to the employer or the plan to the financial professional listed above. I am responsible for providing written notification to Ascensus if the contact information changes.

***An email address is required for electronic delivery of plan documents to the investment professional.**

☐ Check here if the investment professional would like to have the plan documents mailed through the U.S. Postal Service. If this option is checked, only the investment professional will receive the documents in the mail, and neither the plan sponsor nor the investment professional will receive an electronic copy of the documents to sign through the secure website. The employer or investment professional is responsible for ensuring Ascensus receives a signed copy of the plan documents after the plan sponsor signs them.

Client Service Associate
(Optional)

Name	
Phone Number	
Email Address	

☐ I authorize Ascensus to provide information or documentation related to the employer or the plan to the financial professional's client service associate listed above, upon their request. I am responsible for providing written notification to Ascensus if the contact information changes or if I wish to revoke this designation. Ascensus will not provide information to an individual listed above if this authorization is not selected.

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Trustee and Authorized Individual

Enter below in Part A the individual who will be the plan's discretionary trustee (may not be Ascensus, Pershing, another financial organization or any of their employees or representatives). A trustee must be named for the plan and Part A must be completed.

Part A. Trustee Information

Name of Trustee	
Email Address *(if different than the email address for the employer's contact person)*	
Legal Address ***(P.O. boxes not accepted)***	
City, State, Zip	
Phone Number	
Title of Trustee	

If you have more than one trustee for the plan, list additional trustees in the **Additional Comments/Notes** section of this form.

Part B. Limited Trustee

A limited trustee is appointed solely for the purposes of ensuring the timely collection and deposit of employer contributions. This individual will be the same as the individual provided in Part A, **Trustee Information**, unless different information is listed below. A limited trustee cannot be a financial organization.

Name of Trustee	
Email Address	
Legal Address ***(P.O. boxes not accepted)***	
City, State, Zip	
Phone Number	
Title of Limited Trustee	

Part C. Authorized Individual

The authorized individual of the employer is the person who should receive legal paperwork if a claim is to be made against the plan (to be reflected in the summary plan description). This individual will be the same as the individual provided in Part A, **Trustee Information**, unless different information is listed below.

Name	
Business Address ***(P.O. boxes not accepted)***	
City, State, Zip	

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RETIREMENT PLAN
PROFIT SHARING PLAN DESIGN QUESTIONNAIRE

Part I – Plan Design Information

1. Employer's Tax Year End *(Month/Day)* _____ /_____

2. Type of Business Organization
   ☐ Sole Proprietorship ☐ Partnership ☐ Limited Liability Company
   ☐ C Corp ☐ S Corp ☐ Other _____

3. Employer Identification Number (EIN) ___ ___ –___ ___ ___ ___ ___ ___ ___ *(Must be employer's Tax ID number – No Social Security Numbers)*

   NOTE*: Use IRS Form SS-4, Application for Employer Identification Number, to apply for an EIN. IRS Form SS-4 is available at www.irs.gov (keyword "EIN").*

4. Plan Effective Date: Indicate below if this is a new plan or an amendment and restatement to an existing plan. A new plan is typically a start-up plan with no assets (i.e., a plan not moving from another brokerage or investment firm). An amendment and restatement is a takeover plan with existing assets. The employer should select A or B (and C if applicable).

   ☐ A. New Plan

   The plan's effective date is *(Month/Day/Year)* _____ /_____ /_____

   NOTE: *To choose the first day of the plan year as an effective date, the company must have been in existence as of the first day of the plan year.*

   For new startup plans making a profit sharing contribution in the first year: the plan's effective date should be the first day of the plan year if 1) the employer wants to make a profit sharing contribution in the first plan year, and 2) the employer chooses to use full-year compensation for employees who become eligible to enter the plan on the first day of the plan year. If the effective date is any day other than the first day of the plan year and the employer makes a profit sharing contribution in the first plan year, only compensation earned as of the participant's actual entry date (which would be on or after the effective date) will be used for allocation purposes.

   ☐ B. Amendment and Restatement

   The initial plan adoption was effective on *(Month/Day/Year)* _____ /_____ /_____

   The effective date of the amendment and restatement will be 15 days after this PDQ is received by Ascensus unless a later date is indicated *(Month/Day/Year)* _____ /_____ /_____

   ☐ C. Frozen Plan

   Effective on *(Month/Day/Year)* _____ /_____ /_____, this plan became a frozen plan. The employer will not make additional contributions to the plan after the date the plan was frozen.

   NOTE: *If the Frozen Plan box is checked and no date is provided, the plan document will be drafted as a frozen plan with an effective date equal to the amendment and restatement effective date indicated above.*

5. Internal Revenue Service (IRS) three digit Plan Sequence Number *(e.g.001)* _____

   If this is the first plan the employer has ever maintained, use 001. If this is a new qualified retirement plan, but not the employer's first qualified retirement plan, take the last plan sequence number used by the employer and add one. If this is a restatement or amendment of an existing plan, use the same plan sequence number on the prior adoption agreement or most recent Form 5500. This number, in conjunction with the EIN, is used by the IRS and DOL to identify the plan.

Part II – Eligibility

6. Age: An employee must be at least 21 years old to participate in the plan, unless a younger age is indicated _____ *(may not be greater than age 21).*

7. Service: An employee must complete at least one year (12 months) of eligibility service before being permitted to participate in the plan, unless a different number of years is indicated _ 2 _ *(Select 0, 1, or 2 years; may not be greater than two years.)* If more than one year is selected, the plan requires 100% vesting.

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Part III – Contributions

8. Profit Sharing contributions will be made to the plan on a discretionary basis (determined by the employer from year to year) and will be allocated pro rata in the ratio that each participant's compensation for the plan year bears to the total compensation of all participants for the plan year, unless a different formula is selected below.

☐ Profit sharing contributions will be integrated with Social Security

Note: *If the employer also maintains a money purchase pension plan, only one plan can use an integrated formula.*

Part IV – Vesting

9. Profit sharing contributions will vest according to the following schedule *(select one)*.

Years of Service	☐ Option 1	☐ Option 2	☐ Option 3	☐ Option 4 *(Complete if chosen)*
0	100%	0%	0%	_____%
1	100%	0%	0%	_____%
2	100%	0%	20%	_____% (not less than 20%)
3	100%	100%	40%	_____% (not less than 40%)
4	100%	100%	60%	_____% (not less than 60%)
5	100%	100%	80%	_____% (not less than 80%)
6	100%	100%	100%	100%

NOTE: *If no vesting option is selected, Option 1 will apply.*

Part V – Other Plan Elections

10. Loans are not permitted from the plan, unless indicated.

☐ Yes, loans are permitted from the plan.

If Yes, the minimum loan amount will be $1,000 unless indicated $_____ (not to exceed $1,000).

Two loans will be the maximum number of outstanding loans at one time, per participant, unless indicated _____

The loan interest rate will be Prime + 1%, unless indicated ☐ Prime ☐ Other _____

NOTE: *The maximum amount of all outstanding loans cannot exceed the lesser of half of the participant's vested account balance or $50,000. In addition, plan loans shall be available without regard to the intended use of the loan.*

11. The plan intends to meet the requirements of ERISA Section 404(c) unless indicated.

☐ No, the plan does not intend to meet the requirements of ERISA Section 404(c).

Providing that an employer meets the requirements of ERISA Section 404(c) and prudently selects a sufficiently broad range of investment alternatives for its employees, the employer may shift the responsibility for investment selection directly to the employees and beneficiaries and may be absolved of any liability for the performance of the investments selected by the employees or beneficiaries. If the employer intends to have the plan meet the ERISA Section 404(c) requirements, the employer is responsible for ensuring that it takes the appropriate steps to comply with ERISA Section 404(c). This includes, but is not limited to, providing applicable notices and education to employees and beneficiaries.

Additional Comments/Notes

Use this section to provide any additional information that will assist us in preparing the plan document (attach additional page(s) if necessary).

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Plan Design Assumptions

In addition to the choices made on the prior pages, the following plan provisions will apply to your qualified plan.

ELIGIBILITY

Eligibility Computation Period. The initial eligibility period is from the date of hire to the first anniversary of that date. Once that initial period is completed, if an employee has not met the plan's eligibility requirements, the eligibility period will switch to the plan year.

Eligibility Requirements. All employees must satisfy the requirements to become eligible. A year of eligibility service means an eligibility computation period in which an employee completes 1,000 hours of service. To avoid a break in eligibility service, a participant must exceed 500 hours of service.

Entry Dates. After meeting the plan's eligibility requirements, an employee may enter the plan on the first day of the plan year and the first day of the seventh month of the plan year (semi-annual entry dates).

Excludable Employees. Union employees and nonresident aliens are excluded from the plan. Acquired employees will be excluded during the transition period as applicable. All other employees of the adopting employer and related employers will not be excluded from the plan.

CONTRIBUTIONS

Benefit Accrual. Employees who cannot be reemployed because of death or disability incurred while performing qualified military service will not be considered reemployed under USERRA. These employees will not be entitled to benefit accruals for the time they were providing military service or for the plan year in which the death or disability occurred.

Integrated Formula. If an integrated contribution formula is selected, the excess integration formula will and used and the integration level will be 100% of the taxable wage base.

Qualifying Participant. A participant who is employed on the last day of the plan year or works more than 500 hours will be eligible to receive a profit sharing contribution.

Rollovers. The plan will accept direct or indirect rollover contributions of pretax amounts from a qualified plan described in Internal Revenue Code Section 401(a) or 403(a) (excluding nondeductible employee contributions), a 403(b) plan (excluding nondeductible employee contributions), and an eligible governmental 457(b) plan. The plan will accept rollover contributions only from employees who are not in an excluded class. In addition, the plan will accept rollover contributions of pretax amounts from a Traditional IRA. Employees will be permitted to withdraw their rollover assets at any time.

Transfer Contributions. Subject to uniform and nondiscriminatory rules, the employer may permit transfer contributions by employees who are not part of an excluded class. Employees may withdraw their transfer contributions at any time.

Top-Heavy Contributions. If the plan is top-heavy, the employer will make any mandatory top-heavy contribution to this plan and will allocate it only to nonkey employee participants. It is assumed that the employer has not maintained a defined benefit plan.

Vesting. All of an employee's years of service with the employer will be counted to determine an employee's years of vesting service. A year of vesting service means a plan year during which the employee completes 1,000 hours of service. An employee must exceed 500 hours of service to avoid a break in vesting service. An employee will be fully vested upon attainment of normal retirement age, plan termination, complete discontinuance of employer contributions, death, or disability (including disability while performing military service if unable to be reemployed).

DISTRIBUTIONS

Distributable Events. A participant's full vested balance will be available for distribution when the participant terminates employment, attains age 59½, incurs a disability, dies, attains normal retirement age, or upon plan termination. In-service distributions are also available as described below.

Forms of Distribution. Participants may elect to take distributions in one or more of the following forms of payment: 1) in a lump-sum payment, 2) in partial payments, 3) in installment payments, or 4) they may apply the distribution towards the purchase of an annuity contract.

Hardship Distributions. Hardship distributions are available to participants when there is an immediate and heavy financial need. This includes, but is not limited to, 1) medical care, 2) purchase of a principal residence, 3) tuition, 4) prevention of eviction or foreclosure, 5) funeral or burial expenses, and 6) casualty losses. The plan will not permit hardship distributions on account of a hardship incurred by the participant's primary beneficiary.

In-Service Distributions. An employee who has been a participant for at least five years may receive an in-service distribution of the entire vested account balance. An employee who has been a participant in the plan for less than five years may withdraw only the vested amount that has been in the plan for at least two full plan years.

Involuntary Cashouts. If a terminated participant does not elect a distribution option and the vested account balance is $1,000 or less, the vested balance will be paid out of the plan in a single lump sum. If the vested account balance is greater than $1,000, the participant must provide consent before the balance can be distributed. Rollover contributions will be included in determining the value of a participant's balance for involuntary cashout purposes.

2009 Required Minimum Distributions. Under Internal Revenue Code Section 401(a)(9)(H), participants were permitted to waive their 2009 RMDs. If participants did not remove their 2009 RMDs, such amounts remained in the plan. Any direct rollovers of 2009 RMDs or extended RMDs were treated as eligible rollover distributions.

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OTHER PLAN ELECTIONS

Compensation. For contribution purposes, compensation will be defined as W-2 compensation. Compensation will include deferrals under cafeteria plans, qualified transportation fringe benefit plans, 401(k) plans, salary deferral SEP plans, and 403(b) tax-sheltered annuity plans. The compensation measuring period will be the plan year and will include only compensation from the time the employee became a plan participant. Compensation will not include any deemed Internal Revenue Code Section 125 compensation. A participant's regular compensation received within 2½ months after severing employment (or after the end of the limitation year, if later) will be included in the definition of compensation. A participant's leave payments and deferred compensation received after severing employment will not be included as compensation. For any self-employed individual covered under the plan, compensation means earned income. Differential wage payments provided to individuals who are active duty members of the uniformed services will be included in compensation.

Early Retirement Age. An early retirement age provision will not apply.

Emergency Relief. The plan did not take advantage of the Hurricane Sandy Disaster Relief and other related legislation and pronouncements.

Hours of Service. Hours of service will be determined based on the actual hours for which an employee is paid or entitled to payment.

Investment Elections. Participant direction of investments is permitted.

Life Insurance. Life insurance will not be permitted as an investment option in the plan.

Limitation Year. For purposes of annual additions testing under Internal Revenue Code Section 415, the limitation year is the plan year.

Normal Retirement Age. The normal retirement age for the plan will be age 59½.

Plan Year. The plan year end will coincide with the employer's tax year.

Predecessor Service. For eligibility, vesting, or contribution allocation purposes, an employee will not receive credit for service with a predecessor employer.

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Employer Agreement and Signature

I have read and understand the choices elected within the Contact Information Form and Profit Sharing Plan Design Questionnaire. I represent that I am authorized to sign on behalf of the employer (for example, president, officer or other person legally authorized to establish the plan) and that the employer will take all actions (for example, board resolutions) necessary to implement the documents. The information within this Profit Sharing Plan Design Questionnaire and any ancillary information provided for the purposes of enrolling this plan are, to the best of my knowledge, correct and complete. I understand that Ascensus, acting on behalf of Pershing, will be creating an adoption agreement and plan document based upon the information in this Profit Sharing Plan Design Questionnaire and has neither reviewed the prior plan document (if a prior document exists) nor provided tax or legal advice regarding the document. I agree to receive all prototype plan document communication by email, and to notify Pershing of any change in email address. I understand that failure to notify Pershing of any email address change may result in the plan not receiving required amendments and can result in the disqualification of the plan by the IRS. I affirm that there is a valid email address on file with Pershing, and that the representatives of the plan have access to the Internet. I have been advised to seek independent tax or legal advice to assist me in establishing and maintaining this plan.

Name _____ Title _____

Authorized Individual's Name *(Print Clearly)*

Signed_____ Date_____

Authorized Individual for the Employer

Plan documents will be delayed if this form is incomplete, not signed, or illegible.

Return the Contact Information Form and PDQ to Ascensus using one of the following delivery methods.

Regular Mail
Ascensus DCS Unit
PO Box 726, Brainerd, MN 56401

Express or Overnight Mail
Ascensus DCS Unit
415 8th Avenue NE, Brainerd, MN 56401

Fax 218-825-5713

Email pershingplandocs@ascensus.com

Neither Ascensus nor any of its employees provide legal or tax advice. You must consult with your legal or tax advisor when making decisions about a retirement plan.

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QUALIFIED RETIREMENT PLAN
DESIGNATION OF BENEFICIARY

Please see the important notice about Qualified Pre-Retirement Survivor Annuities on page two of this form.

I. PARTICIPANT INFORMATION

NAME: _____ **DATE OF BIRTH:** __ / __ / ____

STREET ADDRESS: _____ **CITY:** _____ **STATE:** _____ **ZIP:** _____

TELEPHONE NUMBER: _____ **SOCIAL SECURITY NUMBER:** ___ – __ – ____

MARITAL STATUS: ❑ **SINGLE** ❑ **MARRIED (NOTE:** Spousal consent may be required. See below.**)**

II. ACCOUNT INFORMATION

CHECK ONE: ❑ **PROFIT SHARING PLAN** ❑ **MONEY PURCHASE PENSION PLAN** ❑ **TARGET BENEFIT PLAN** ❑ **401(k) PLAN**
❑ **403(b)(7) CUSTODIAL ACCOUNT**

ACCOUNT NUMBER: (For self-directed accounts only) ___ – ____
(Office) (Account)

III. BENEFICIARY INFORMATION

❑ DESIGNATION OF BENEFICIARY: I hereby make the following beneficiary designation(s) pursuant to the retirement account indicated above.

❑ CHANGE OF BENEFICIARY: I hereby revoke all prior beneficiary designations and designate the following beneficiary(ies) for my account.

PRIMARY BENEFICIARIES

NAME: _____ **RELATIONSHIP:** _____
ADDRESS: _____
GENDER: _____ **PERCENTAGE:** _____
DATE OF BIRTH: __ / __ / ____
SOCIAL SECURITY NUMBER: ___ – __ – ____

NAME: _____ **RELATIONSHIP:** _____
ADDRESS: _____
GENDER: _____ **PERCENTAGE:** _____
DATE OF BIRTH: __ / __ / ____
SOCIAL SECURITY NUMBER: ___ – __ – ____

CONTINGENT BENEFICIARIES (Contingent beneficiaries will be paid only if all primary beneficiaries do not survive the participant)

NAME: _____ **RELATIONSHIP:** _____
ADDRESS: _____
GENDER: _____ **PERCENTAGE:** _____
DATE OF BIRTH: __ / __ / ____
SOCIAL SECURITY NUMBER: ___ – __ – ____

NAME: _____ **RELATIONSHIP:** _____
ADDRESS: _____
GENDER: _____ **PERCENTAGE:** _____
DATE OF BIRTH: __ / __ / ____
SOCIAL SECURITY NUMBER: ___ – __ – ____

FORM OF DISTRIBUTION OF DEATH BENEFITS (For qualified plans and 403(b)(7) custodial accounts subject to the terms of the Employee Retirement Income Security Act of 1974)

CHECK ONE: Please refer to Qualified Retirement Plan Document Sections 5.01 through 5.14 or 403(b)(7) Custodial Account Agreement Article IV, Section 1, as applicable.
NOTE: A selection other than a Pre-Retirement Survivor Annuity may require spousal consent. See below.

❑ **QUALIFIED PRE-RETIREMENT SURVIVOR ANNUITY** ❑ **LUMP SUM** ❑ **INSTALLMENTS OVER _____ YEARS ONLY**

❑ **INSTALLMENTS OVER _____ YEARS WITH THE OPTION FOR THE BENEFICIARY TO ELECT A SINGLE SUM PAYMENT**

❑ **AS BENEFICIARIES SHALL DESIGNATE**

Selection of any one of the above payment options may have important tax consequences. Accordingly you should consult your tax professional before completing this form. The participant understands that Pershing LLC takes no responsibility for advising participants on these rules. The participant agrees to indemnify and hold harmless Pershing against adverse consequences of this beneficiary designation or form of distribution of death benefits.

IV. SPECIAL INSTRUCTIONS

If for any reason no person designated qualifies or survives the Participant, payment will be made in accordance with the terms of the Plan or the Custodial Account Agreement, as applicable. If you are married, this section must be reviewed and signed by your spouse if: 1) Either the trust or the residence of the account holder is located in a community or marital property state (currently AZ, CA, ID, LA, NV, NM, TX, WA, and WI) and you have named someone other than your spouse as your sole primary beneficiary; or, 2) the Plan or Custodial Account is governed by the Employee Retirement Income Security Act of 1974 (ERISA) and you have named someone other than your spouse as the sole primary beneficiary; or, 3) except for certain Retirement Equity Act "Safe Harbor" profit sharing or 401(k) plans, the Plan or Custodial Account is governed by ERISA and you have selected a form of distribution of death benefits other than a Joint and Survivor Annuity or Pre-Retirement Survivor Annuity (see below).

PARTICIPANT SIGNATURE: **DATE:**

V. SPOUSAL CONSENT

I am the spouse of the above-named account holder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest this Plan or Custodial Account, I have been advised to see a tax professional. I hereby give the account holder any interest I have in the funds or property deposited in this Plan or Custodial Account and consent to the beneficiary designations(s) indicated above or a form of distribution of death benefits other than a Joint and Survivor Annuity or Pre-Retirement Survivor Annuity. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by Pershing. I agree to indemnify and hold harmless Pershing against adverse consequences of this beneficiary designation or form of distribution of death benefits.

SIGNATURE OF SPOUSE: **DATE:**
(Required in community or marital property states)

NOTARY PUBLIC: **DATE:**

Important Information About Qualified Pre-Retirement Survivor Annuities

If you are married, the law requires that any amount remaining in your plan account be paid to your surviving spouse in a certain manner upon your death. This manner of payment is called a "Qualified Pre-Retirement Survivor Annuity," and will provide your spouse with a series of periodic payments over his or her life. The size of the periodic payments will depend on the amount remaining in your plan account.

For instance, assume that a participant dies with an account balance of $10,000. If the balance is paid to the surviving spouse in the form of a Qualified Pre-Retirement Survivor Annuity, the annuity will provide the spouse with monthly payments of $76.60. (This payment amount is an estimate based on the Individual Annuity Mortality Tables – 71, using a 5% interest rate with payments commencing at age 65.)

You may elect to waive the following:

- The requirement that your surviving spouse be paid in the form of a Qualified Pre-Retirement Survivor Annuity, and,
- If applicable, the requirement that your spouse be your beneficiary.

You may make either or both of the above elections beginning with the first day after which you become a participant in the plan. Any waiver election you sign before the age of 35 will become invalid the first day of the plan year in which you attain the age of 35. At that time you may again waive the Qualified Pre-Retirement Survivor Annuity and the requirement that your spouse be your beneficiary.

Your spouse must consent in writing to either waiver. You have the right to revoke any waiver that you have made at any time. Your spouse must also consent to any subsequent changes of beneficiary.

If your vested account balance is $5,000 or less at the time of your death, the plan administrator may make a distribution to your surviving spouse in a single sum cash payment even if you did not waive the Qualified Pre-Retirement Survivor Annuity.

Because a spouse has certain rights under the law, you should inform your plan administrator immediately of any changes in your marital status. A change in your marital status may require you to complete a new Designation of Beneficiary Form.

For more information regarding Pre-Retirement Survivor Annuities, contact your plan administrator or employer.

Qualified
Retirement Plan

EMPLOYEE DATA WORKSHEET

This worksheet is used to gather information regarding the owner(s) and any employees of a business. This form should be completed by the employer and forwarded to: Pershing LLC, Retirement New Accounts Department, One Pershing Plaza, Jersey City, New Jersey 07399. Attach a Beneficiary Designation form completed by each employee listed.

NAME OF EMPLOYER _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TELEPHONE NUMBER _____

DATE _____ WORKSHEET COMPLETED BY _____

EMPLOYER TIN # _____ - _____

EMPLOYER/OWNER ACCOUNT NUMBER _____

SIGNATURE (TRUSTEE/PLAN ADMINISTRATOR) _____

FILL IN THE INFORMATION BELOW FOR ALL EMPLOYEES, INCLUDING THE OWNERS OF THE BUSINESS.

A "Highly Compensated Employee" is any employee who

1. is a 5% owner at anytime during the current year or the preceeding year, or
2. during the preceding year received compensation in excess of $80,000 (as adjusted for cost of living increases) and if elected by the employer, is a member of the top 20% of employees when ranked based on compensation.

NAME _____ S.S.N. _____

ADDRESS _____ DATE OF BIRTH _____ MARITAL STATUS _____
STREET

_____ DATE OF HIRE _____ % OF BUSINESS OWNERSHIP _____
CITY STATE ZIP

[ ][ ][ ] - [ ][ ][ ][ ][ ][ ] -1- [ ][ ][ ] HIGH COMP. EMPLOYEE ☐ Yes ☐ No
ACCOUNT NUMBER

NAME _____ S.S.N. _____

ADDRESS _____ DATE OF BIRTH _____ MARITAL STATUS _____
STREET

_____ DATE OF HIRE _____ % OF BUSINESS OWNERSHIP _____
CITY STATE ZIP

[ ][ ][ ] - [ ][ ][ ][ ][ ][ ] -1- [ ][ ][ ] HIGH COMP. EMPLOYEE ☐ Yes ☐ No
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