

Beneficiary Form

On-Line Systems, Inc. 401(k) Plan

668194

Employee Full Name (please print)	SSN
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Pursuant to the provisions of the Plan permitting the designation of a beneficiary or beneficiaries by a participant, I hereby designate the following person or persons as primary and contingent beneficiaries of my account balance under the Plan payable by reason of my death and revoke any previously signed Beneficiary Form.

Beneficiary Designation

_____	_____ %	_____
Primary Beneficiary Name(s)	Percent	Relationship
_____	_____ %	_____
Primary Beneficiary Name(s)	Percent	Relationship
_____	_____ %	_____
Contingent Beneficiary Name(s)	Percent	Relationship
_____	_____ %	_____
Contingent Beneficiary Name(s)	Percent	Relationship

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. If no named beneficiary survives me, then the Trustee will pay all amounts in accordance with the Plan. Unless provided otherwise, the Trustee will pay all sums payable to more than one beneficiary equally to the living beneficiaries.

Marital Status

- I am married. I understand the Beneficiary Designation is invalid without the consent of my spouse unless my spouse is the only primary beneficiary.
- I am not married.

Consent of Spouse. (Required if spouse is not the only primary beneficiary.)

I, _____, the undersigned spouse of the employee named in the foregoing "Beneficiary Designation," hereby certify I have read the Beneficiary Designation and fully understand the property subject to the designation in my spouse's account balance under the Plan, in which I possess a beneficial interest, provided I survive my spouse. Being fully satisfied with the provisions of the designation, I hereby consent to and accept the beneficiary designation, without regard to whether I survive or predecease my spouse. I realize my consent is irrevocable until my spouse completes a new Beneficiary Form.

PARTICIPANT'S SPOUSE SIGNATURE

DATE

X

On this _____ Day of _____, in the year _____ Before me personally
appeared _____ known to me to be the person
who is described in and who executed the above Consent of Spouse as a free and voluntary act

State of _____
County of _____

NOTARY PUBLIC

DATE

X

My commission Expires

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Employee Signature. I understand that I will need to file a new Beneficiary Form if I want to change my beneficiary or if my marital status changes.

EMPLOYEE SIGNATURE

DATE

X

Authorized Signature. As an authorized signer for the Plan, I acknowledge the receipt of this Beneficiary Form

AUTHORIZED SIGNATURE

DATE

X

Beneficiary – General Considerations for Designating or Changing

This Beneficiary Designation confers important rights upon your death. Therefore, the following are some of the issues you should consider:

- **Legal Advice:** If you have any questions regarding the effect of this Beneficiary Designation, you should seek the advice of your attorney.
- **Trust Designation:** If you intend to designate a trustee as beneficiary, you must have documentation to create a trust. You will create a trust by either signing a trust agreement apart from this Beneficiary Designation or having a Will with trust provisions contained within it.
- **Naming of Estate as Beneficiary:** In many cases, naming your “estate” as beneficiary will limit your beneficiary’s options regarding taxation and distribution at the time of your death. Consult a tax advisor before naming your estate.
- **Spouse as Primary Beneficiary:** Unless your spouse consents via a proper notarized waiver on this Beneficiary Designation, you cannot designate someone else as the primary beneficiary for your account. If you are single and become married, your new spouse becomes your primary beneficiary.
- **Divorce/Legal Separation:** Consider updating your Beneficiary Designation in the event of divorce or legal separation. If your employer utilizes an Alerus prototype plan document, the terms of the plan will automatically revoke a designation of your former spouse as beneficiary. However, since all employers do not use an Alerus prototype plan and because of the potential for serious consequences, you should update your Beneficiary Designation if you divorce or become legally separated.
- **Additional Children.** Update your Beneficiary Designation any time you have additional children. The Beneficiary Designation does not automatically update as your family expands.
- **Beneficiaries must Survive You.** In order for designated beneficiaries to receive your account, they must survive you. In general, the plan will pay to your primary beneficiaries who are living at your death. If no primary beneficiary survives you, then it will pay to the contingent beneficiaries who survive you. If you wish to have your account paid to your beneficiaries by representation (for example, if your child predeceases you and you wish his/her share to be given to the deceased child’s children (your grandchildren), then indicate the words “per stirpes” after each designated beneficiaries name.