

DESIGNATING BENEFICIARIES

General Instructions. A beneficiary can be a person, trust, charity or your estate. Write only one beneficiary on each line. Make sure that you write the full names of all beneficiaries. For example, if you name your children as beneficiaries, DO NOT merely write “children” on one of the lines; instead, write the full names of all your children on separate lines.

If you would like to designate more than two primary or two secondary beneficiaries, or if you would like to designate a third level of beneficiaries (who will only receive payments if none of the primary or secondary beneficiaries qualify to receive money), please complete a separate “Beneficiary Designation/Change” (Form 2403). You can obtain this form from the credit union.

Order of Payment. To qualify to receive money from the IRA, a human beneficiary must be alive on the day after your death, and a trust, charity, or estate must be in existence within nine months after your death. If any of the primary beneficiaries you name qualify to receive money, then all of the money will be paid to the primary

beneficiaries. The money will be paid to secondary beneficiaries ONLY if none of the primary beneficiaries qualify to receive money.

Primary Beneficiaries. If you’re naming only one primary beneficiary, put 100% in the “%” column. If you’re naming more than one primary beneficiary, you must indicate what percentage each is to receive. The total MUST equal 100%.

Secondary Beneficiaries. If you’re naming only one secondary beneficiary, put 100% in the “%” column. If you’re naming more than one secondary beneficiary, you must indicate what percentage each secondary beneficiary is to receive. The total MUST equal 100%.

Example. Mary wants her IRA to be paid to her husband if he is alive on the day after her death. If her husband is not alive, she wants her IRA to be paid equally to her two children. Mary would list her husband’s name under the “Primary Beneficiary(ies)” section and fill in “100” in the “%” column. She would list the two children’s names under the “Secondary Beneficiary(ies)” section and fill in “50” in the % column for each child.