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Beneficiary Designation Form
for IRA and 403(b)(7) Accounts

Investment Advisor ("IA") Information (This portion to be completed by IA.)

IA Firm Name *(Please print.)*

IA Master Account Number

Service Team

IA Contact Name *(if follow-up is required)*

IA Telephone Number

IA Email Address

This form may be used to designate one or more beneficiaries for an IRA or a 403(b)(7) account. To designate beneficiaries for a Qualified Retirement Plan (QRP), use the Qualified Retirement Plan (QRP)/Individual 401(k) Beneficiary Designation Form.

Please note: The information provided in Section 4 will supersede any previous designation of a beneficiary(ies) for this account. If this section is left blank, any existing designation will be removed, and no new designation will be added for this account.

1. Account Holder Information

Name *First* *Middle* *Last*

Social Security/Tax ID Number **Schwab Account Number**

2. Instructions and Important Information

In the event of my death, pay the full value of my account (in equal proportions, in the case of multiple beneficiaries, unless I indicate otherwise) to the Primary Beneficiary(ies) as designated in Section 4 below. I understand that if a Primary Beneficiary passes away before me, the remaining portion will be divided proportionately among any surviving Primary Beneficiaries in the manner provided in the Charles Schwab & Co., Inc. Individual Retirement Plan. If no Primary Beneficiary survives me, pay the full value of my account (in equal proportions, in the case of multiple beneficiaries, unless I indicate otherwise) to the Contingent Beneficiary(ies) as designated in Section 4 below. I understand that if a Contingent Beneficiary passes away before me, the remaining portion will be divided proportionately among any surviving Contingent Beneficiaries in the manner provided in the Charles Schwab & Co., Inc. Individual Retirement Plan. Any beneficiary who does not survive me by 120 hours will be considered to have passed away before me. If I do not designate a Beneficiary, the balance of the account shall be distributed in the listed order of priority to the following named person(s) surviving me:
a) my spouse,
b) my living children (natural or legally adopted) in equal shares; stepchildren are not legally defined as descendants for these purposes,
c) my estate.

I understand that I may change or revoke this designation at any time by completing a new Beneficiary Form with Schwab during my lifetime. It will become effective when Schwab receives it.

I understand that if Schwab determines that my beneficiary designation is not clear with respect to the amount of the distribution, the date on which the distribution shall be made, or the identity of the party or parties who will receive the distribution, Schwab shall have the right, in its sole discretion, to consult counsel and to institute legal proceedings to determine the proper distribution of the account, all at the expense of the account, before distributing or transferring the account.

If I live in a state with community property statutes and do not designate my spouse as the sole Primary Beneficiary, I represent and warrant that my spouse has consented to such designation.

If this account is for a minor, I understand that only the minor's estate can be the beneficiary until such time as the minor becomes the owner of the account and designates his or her own beneficiaries.

3. Information About Beneficiary Designations

You may select either a per stirpes distribution or a per capita distribution. **The primary difference between per stirpes and per capita is in how**

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your assets would be distributed to your named beneficiary's(ies') surviving children in the event that all of your named beneficiaries die before you. Per stirpes and per capita distributions are limited to your named beneficiary's children and no further descendants.

Per stirpes and per capita are defined below.

Please note the following:

If you indicate a distribution option to your named beneficiary's(ies') surviving children, per stirpes or per capita, you agree that the definition of per stirpes or per capita in this form will govern how Schwab distributes your assets.

The definition of per stirpes and per capita in this form may differ from the definition of per stirpes and per capita under your state's laws and/or your will or trust.

Carefully review the definition of per stirpes and per capita below and in the Beneficiary Designation Account Terms. Consult an attorney if you have any questions about these definitions.

If you indicate per stirpes or per capita for a named beneficiary, Schwab will require the Authorized Party (named in Section 5) to certify the identity of the per stirpes/per capita beneficiary(ies) prior to distributing your assets.

Per stirpes and per capita are options for individual beneficiaries only; for trusts or organizations (such as charities), designate only a percentage.

Definition of Per Stirpes Distribution

- If your named beneficiary dies before you, Schwab will distribute your named beneficiary's portion of your assets to his or her living children, if any, in equal shares.
- If your named beneficiary dies before you and has no living children, his or her portion will be distributed to your other named beneficiary(ies) (primary or contingent, as appropriate), if any, in equal shares.
- If all of your named beneficiaries die before you, Schwab will distribute your named beneficiary's(ies') portion of your assets to his or her living children.

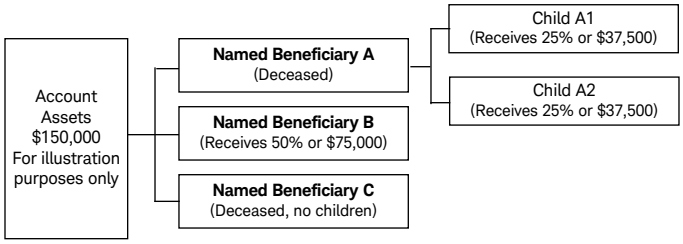
Definition of Per Capita Distribution

- If your named beneficiary dies before you, Schwab will distribute your named beneficiary's portion of your assets to his or her living children, if any, in equal shares.
- If your named beneficiary dies before you and has no living children, his or her portion will be distributed to your other named beneficiary(ies) (primary or contingent, as appropriate), if any, in equal shares.
- If all of your named beneficiaries die before you, Schwab will distribute your assets equally among all of the living children of your named beneficiaries, if any.

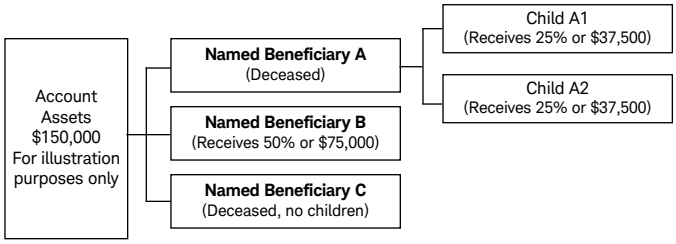
Example 1

The end result is the same under both a per stirpes and a per capita distribution as long as at least one of the named beneficiaries survives you.

Example 1A – Per Stirpes



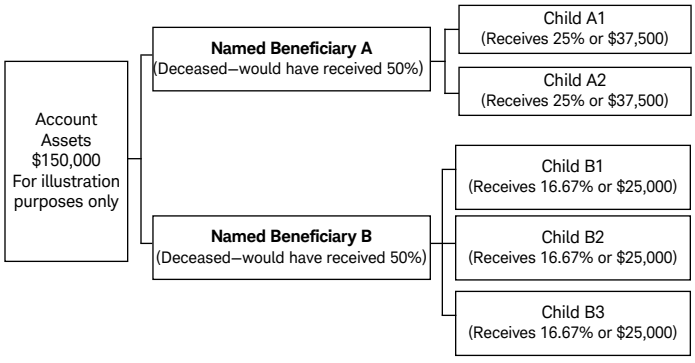
Example 1B – Per Capita



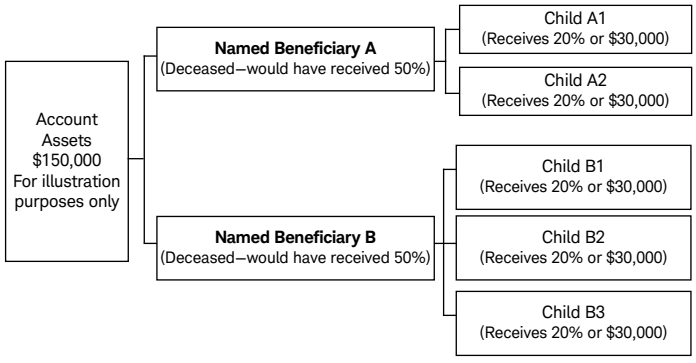
Example 2

In this example, all of the named beneficiaries die before you, and **the results are different based on whether you selected a per stirpes or per capita distribution option.**

Example 2A – Per Stirpes



Example 2B – Per Capita



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4. Beneficiary Designations

Selection of Per Stirpes or Per Capita Distribution–OPTIONAL

Please select either a per stirpes or a per capita distribution option. Only one option may be selected per account.

☐ **Per Stirpes** ☐ **Per Capita**

To apply the election you made above to a particular beneficiary, please indicate "Yes" when asked to specify per stirpes/per capita distribution in the beneficiary chart below.

Please note:

1. If you select "Yes" in the beneficiary chart below, but fail to make an election in this section or select both per stirpes and per capita in this section, Schwab will apply the per stirpes distribution option to that beneficiary.
2. If you select "No" or make no election in the beneficiary chart below, Schwab will distribute assets to your beneficiaries as if neither the per stirpes nor the per capita distribution option were selected above.

The information included in this section will supersede any previous designation of a beneficiary(ies) for this account. By leaving this section blank, I do not designate anyone to be my beneficiary for this account.

Primary Beneficiaries

The percentage portions must add up to 100% per beneficiary type. All portions can be extended to the hundredths position (e.g., 33.33%). If the percentage portions section is left blank, portions will be evenly distributed among beneficiaries.

Note: Benefits cannot be expressed in dollar amounts.

If you wish to indicate additional designation options, please visit www.schwabalLiance.com/beneficiaries.

Primary Beneficiary

_____ **%** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**

Portion

_____ _____ _____

Beneficiary Name *First* *Middle* *Last*

_____

Trust/Organization/Estate *(If Trust, include full Trust name.)*

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

_____ _____ _____

Social Security/Tax ID Number **Date of Birth/Trust Date** *(mm/dd/yyyy)* **Telephone Number**

_____ _____

Email Address **Mailing Address**

_____ _____ _____

City **State or Province** **Zip or Postal Code**

Country(ies) of Citizenship (Must list each separated by a comma.)

☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)

☐ **USA** ☐ **Other:** _____

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Additional Primary Beneficiary (if applicable)

_____ **%** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**
Portion

_____ _____ _____
Beneficiary Name *First* *Middle* *Last*

_____
Trust/Organization/Estate *(If Trust, include full Trust name.)*

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

_____ _____ _____
Social Security/Tax ID Number **Date of Birth/Trust Date** *(mm/dd/yyyy)* **Telephone Number**

_____ _____
Email Address **Mailing Address**

_____ _____ _____
City **State or Province** **Zip or Postal Code**

Country(ies) of Citizenship (Must list each separated by a comma.)
☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)
☐ **USA** ☐ **Other:** _____

Additional Primary Beneficiary (if applicable)

_____ **%** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**
Portion

_____ _____ _____
Beneficiary Name *First* *Middle* *Last*

_____
Trust/Organization/Estate *(If Trust, include full Trust name.)*

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

_____ _____ _____
Social Security/Tax ID Number **Date of Birth/Trust Date** *(mm/dd/yyyy)* **Telephone Number**

_____ _____
Email Address **Mailing Address**

_____ _____ _____
City **State or Province** **Zip or Postal Code**

Country(ies) of Citizenship (Must list each separated by a comma.)
☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)
☐ **USA** ☐ **Other:** _____

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Additional Primary Beneficiary (if applicable)

_____ % **Portion** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**

Beneficiary Name *First* _____ *Middle* _____ *Last* _____

Trust/Organization/Estate *(If Trust, include full Trust name.)* _____

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

Social Security/Tax ID Number _____ **Date of Birth/Trust Date** *(mm/dd/yyyy)* _____ **Telephone Number** _____

Email Address _____ **Mailing Address** _____

City _____ **State or Province** _____ **Zip or Postal Code** _____

Country(ies) of Citizenship (Must list each separated by a comma.)

☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)

☐ **USA** ☐ **Other:** _____

Contingent Beneficiaries

The percentage portions must add up to 100% per beneficiary type. All portions can be extended to the hundredths position (e.g., 33.33%). If the percentage portions section is left blank, portions will be evenly distributed among beneficiaries.

If you wish to indicate additional designation options, please visit www.schwaballiance.com/beneficiaries.

Contingent Beneficiary

_____ % **Portion** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**

Beneficiary Name *First* _____ *Middle* _____ *Last* _____

Trust/Organization/Estate *(If Trust, include full Trust name.)* _____

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

Social Security/Tax ID Number _____ **Date of Birth/Trust Date** *(mm/dd/yyyy)* _____ **Telephone Number** _____

Email Address _____ **Mailing Address** _____

City _____ **State or Province** _____ **Zip or Postal Code** _____

Country(ies) of Citizenship (Must list each separated by a comma.)

☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)

☐ **USA** ☐ **Other:** _____

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Additional Contingent Beneficiary (if applicable)

_____ **%** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**
Portion

_____ _____ _____
Beneficiary Name *First* *Middle* *Last*

_____
Trust/Organization/Estate *(If Trust, include full Trust name.)*

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

_____ _____ _____
Social Security/Tax ID Number **Date of Birth/Trust Date** *(mm/dd/yyyy)* **Telephone Number**

_____ _____
Email Address **Mailing Address**

_____ _____ _____
City **State or Province** **Zip or Postal Code**

Country(ies) of Citizenship (Must list each separated by a comma.)
☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)
☐ **USA** ☐ **Other:** _____

Additional Contingent Beneficiary (if applicable)

_____ **%** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**
Portion

_____ _____ _____
Beneficiary Name *First* *Middle* *Last*

_____
Trust/Organization/Estate *(If Trust, include full Trust name.)*

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

_____ _____ _____
Social Security/Tax ID Number **Date of Birth/Trust Date** *(mm/dd/yyyy)* **Telephone Number**

_____ _____
Email Address **Mailing Address**

_____ _____ _____
City **State or Province** **Zip or Postal Code**

Country(ies) of Citizenship (Must list each separated by a comma.)
☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)
☐ **USA** ☐ **Other:** _____

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Additional Contingent Beneficiary (if applicable)

_____ % **Portion** **Per Stirpes/Per Capita Distribution** ☐ **Yes** ☐ **No**

Beneficiary Name *First* _____ *Middle* _____ *Last* _____

Trust/Organization/Estate *(If Trust, include full Trust name.)* _____

Relationship (Select only one.)

☐ **Spouse** ☐ **Child** ☐ **Grandchild** ☐ **Parent** ☐ **Sibling** ☐ **Other Individual** ☐ **Trust** ☐ **Organization** ☐ **Estate**

Social Security/Tax ID Number _____ **Date of Birth/Trust Date** *(mm/dd/yyyy)* _____ **Telephone Number** _____

Email Address _____ **Mailing Address** _____

City _____ **State or Province** _____ **Zip or Postal Code** _____

Country(ies) of Citizenship (Must list each separated by a comma.)

☐ **USA** ☐ **Other:** _____

Country of Legal Residence (Select only one.)

☐ **USA** ☐ **Other:** _____

If more than four Primary or Contingent Beneficiaries are designated, attach a separate sheet of paper, signed and dated as it appears on this application.

5. Designate an Authorized Party

Please name an Authorized Party below. An "Authorized Party" is a person you identify as being able to assist Schwab in locating and/or identifying your beneficiary(ies).

If you indicate per stirpes or per capita for a beneficiary(ies), Schwab will require the Authorized Party to verify the identity of the beneficiary(ies) prior to distributing your account assets. For more information, see the Beneficiary Designation Terms of Agreement.

Authorized Party Name *First* _____ *Middle* _____ *Last* _____ **Relationship to You** _____

Home Street Address *(no P.O. boxes)* _____ **City** _____

State or Province _____ **Zip or Postal Code** _____

Telephone Number _____ **Email Address** _____

6. Signature

By signing below, I request Charles Schwab & Co., Inc. to accept the beneficiary(ies) and/or Authorized Party for my account, as specified on this agreement. I acknowledge that I have read and agree to the Beneficiary Designation Account Terms, and the Charles Schwab & Co., Inc. Individual Retirement Plan or Schwab 403(b)(7) Account Agreement as applicable.

✘ _____ _____

Signature: Account Holder **Today's Date** *(mm/dd/yyyy)*

Print Name _____

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Beneficiary Designation Account Terms

These terms relate to your account and are part of the Account Agreement between each account holder and Schwab. Please retain for your files.

For the purposes of this section, "Schwab," "we," "us," and "our" refer to Charles Schwab & Co., Inc.

A. Designation of Beneficiaries. You must designate your beneficiaries in writing on the form provided. These designations will remain in effect until changed or cancelled by you. Your designation of named individuals who may be in the same class as other individuals (e.g., your children or grandchildren) will not include the other unnamed members of that same class, regardless of changes in the members of the class before or after the date of this form. **For example, if you name two children as primary beneficiaries and subsequently have a third child but fail to update your account, the third child will not receive distributions under this Plan unless a court orders otherwise.**

If it cannot be determined whether a beneficiary survived the account holder by 120 hours, the beneficiary will be deemed not to have survived that period. Contingent beneficiaries will inherit assets only if there are no surviving primary beneficiaries or per stirpes/per capita heirs (if indicated) at the time of death of the account holder.

You may indicate per stirpes or per capita distribution for your beneficiary(ies) on this form. **Note that Schwab's definition of per stirpes and per capita may differ from the definition of per stirpes and per capita under your state's laws and/or your will or trust.** It is important that you understand that Schwab will follow the procedures described in this Agreement. If you have questions regarding your beneficiary designation or estate planning, please consult an attorney. If you indicate a **per stirpes distribution** for a named beneficiary and he or she dies before you, Schwab will distribute your named beneficiary's portion to his or her living children (natural or legally adopted; stepchildren are not legally defined as descendants for these purposes), if any, in equal shares. If your named beneficiary dies before you and has no living children, his or her portion will be distributed to the other named beneficiary(ies) (primary or contingent, as appropriate), if any, in equal shares. If all of your named beneficiaries die before you, Schwab will distribute your named beneficiary's portion of your assets to his or her children, equally.

If you indicate a **per capita distribution** for a named beneficiary and he or she dies before you, Schwab will distribute your named beneficiary's portion to his or her living children (natural or legally adopted; stepchildren are not legally defined as descendants for these purposes), if any, in equal shares. If your named beneficiary dies before you and has no living children, his or her portion will be distributed to the other named beneficiary(ies), if any, in equal shares. If all of your named beneficiaries die before you, Schwab will distribute the assets equally among the children (natural or legally adopted) of your named beneficiaries, if any.

B. Authorized Party. If you indicate per stirpes or per capita for your beneficiary(ies), Schwab will require a certification of the identity of the beneficiary(ies) from your Authorized Party prior to distributing the account assets. You, on behalf of yourself, your estate, and your successors in interest, agree that Schwab shall be entitled to rely on the verification of beneficiaries provided by your Authorized Party when distributing your account assets. You also agree that Schwab has no obligation to locate or identify any beneficiary or to independently verify any information submitted by your Authorized Party prior to distributing your account assets.

You, your estate, and your successors in interest further understand and agree that, notwithstanding the above and any information or instructions provided by your Authorized Party, Schwab may, in its sole discretion, require additional documentation, consult with counsel, or institute legal proceedings in order to determine the proper identity of your beneficiaries, all of which shall be at the expense of your account.

If you name an Authorized Party in Section 5, Schwab will use reasonable efforts to locate the person you have so designated. If, however, despite these reasonable efforts we are unable to locate the person you have designated as your Authorized Party, or that person is unable or unwilling to serve, then you, your estate, and your successors in interest understand and agree that Schwab will instead be entitled to rely on the verification of beneficiaries provided by the personal representative, executor, or administrator of your estate as identified in letters testamentary or letters of administration issued by a court of appropriate jurisdiction. You agree and understand that the costs of appointing a personal representative, executor, or administrator for your estate, if any, shall be borne by your estate and not by Schwab.

If you wish to change the person you have designated as your Authorized Party, you agree to do so by completing this form in its entirety.

C. Payment on Death. Beneficiary designations under your account will not be effective until your death. Only assets that are held in your account at Schwab can be distributed to the named beneficiaries. Transfers to a beneficiary(ies) include any interest, earnings, dividends, etc. associated with these account assets but not paid or credited before your death.

Schwab has no duty to withhold a transfer based on knowledge of an adverse claim unless written notice is given of that claim that affords Schwab reasonable opportunity to act prior to making the transfer. It is the responsibility of each beneficiary designated under the account to notify Schwab of the death of the account owner and to provide: (1) a completed Inherited IRA Application; and (2) a certified copy of the death certificate. Furthermore, it may be necessary to require proof of the beneficiary's date of birth or relationship to the account holder. For per stirpes and per capita distributions, the Authorized Party of the account holder will also be required to determine and verify the identity of your beneficiaries. We reserve the right, in our sole discretion, to require additional documentation, to consult counsel, and to institute legal proceedings in order to determine the proper distribution of account assets, which shall be at the expense of the account. Schwab reserves the right, but shall not be obligated, to withhold a certain portion of the proceeds payable to any beneficiary, the distribution to whom would be subject to tax under Chapter 13 (Generation- Skipping Tax) or any other provision of the Internal Revenue Code, or under applicable state laws.

Schwab has no obligation to locate or notify any beneficiary or to independently verify any information submitted either by your Authorized Party or any person claiming an interest in your account. If you indicate per stirpes or per capita distribution, you, your estate, and your successors in interest agree that Schwab is entitled to rely on the certification provided by your Authorized Party. When your assets are distributed to your beneficiaries, fractional shares that cannot be distributed in accordance with your instructions will instead be given to the beneficiary receiving the largest percentage of the account's assets or, if each beneficiary is receiving an equal percentage, to the last beneficiary to receive proceeds from the account before it is closed. Each beneficiary will be required to open an account at Schwab or to identify an appropriate existing Schwab account to facilitate transfer of the account's assets and to execute an indemnification in the amount of the account's assets. Schwab may resolve any reasonable doubt as to the disposition of the

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account's assets by judicial determination, which shall be binding on all parties. All legal and other applicable expenses shall be paid from the assets of the account as permitted by state law.

D. Indemnity. Schwab shall incur no liability for any payment made in good faith pursuant to the account. You, on behalf of yourself, your estate, and your successors in interest, including those receiving payment as designated beneficiaries, agree to indemnify and hold harmless Schwab, its affiliates, and their directors, officers, employees, and agents from and against all claims, actions, costs, and liabilities, including attorneys' fees, arising out of or relating to:

- Any conflicting designations of the assets in your account by will, revocable living trust, or any other instrument;
- Any written change of designated beneficiaries that you have made that is not received by Schwab during the lifetime of the account holder;
- An inability to locate your Authorized Party;
- The failure of your Authorized Party to identify the correct per stirpes or per capita beneficiary(ies);
- Any reliance by Schwab on any information provided to Schwab by your Authorized Party;
- Delays in distributions, including those resulting from attempts to identify or locate your beneficiaries and/or Authorized Party; and
- Any other claims or disputes not due to Schwab's fault or negligence.

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