

**OPTION DEFINITIONS**

**\*\*CHANGES CANNOT BE MADE TO OPTIONS ONCE PAYMENT BEGINS:**

**NON-LIFE OPTIONS**

**LUMP SUM AMOUNT:**

The participant may select a lump sum option. First Security Benefit will issue a one-time payment for the full amount due to the participant.

**FIXED PERIOD:**

The participant may select the number of years to receive the monthly payment not to exceed 10 Years. First Security Benefit calculates the amount of the monthly payment using the accumulated fund value, the age **last** birthday and the number of payments selected. At the end of the fixed period, the payment terminates. If the participant dies before the end of the period, the payment continues to the beneficiary.

**LIFE INCOME OPTIONS**

**PERIOD CERTAIN WITH LIFE:**

The participant may select a life payment with a **10 year period certain**. If the participant dies during the period certain, the payment continues to the beneficiary until the end of the period certain; otherwise the payment continues to the participant for life.

**LIFE ANNUITY:**

Payment is made to the participant for life. Payment terminates upon the death of the participant.

**JOINT & SURVIVOR: 100%**

Payment is calculated using the ages of the participant and the designated survivor. Payment is made to the participant for life and then continues to the survivor for life. The **100% payment** means that the payment amount is the same for both the participant and the survivor.

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**I acknowledge that I have read and understand the list of benefit payment options available to me.**

Participant Name \_\_\_\_\_

Participant signature \_\_\_\_\_

Date \_\_\_\_\_



## FORM OF SERVICE AWARD BENEFIT ELECTION AGREEMENT

Plan Name: \_\_\_\_\_ Date of Participation \_\_\_\_\_

Participant's Name: \_\_\_\_\_ Date of Birth \_\_\_\_\_ Sex: Male \_\_\_ Female \_\_\_

Social Security #: \_\_\_\_\_ Home Phone #: (\_\_\_\_) \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

The undersigned wishes to elect the form of Service Award Benefit which will be payable under the Service Award Program ("Program") referenced above. All terms contained in this Election Agreement and defined by the Program shall have the meanings ascribed to them by the Program.

1. Applicability of Plan - I understand that this Election Agreement and all terms and conditions of my participation in the Program and my rights to amounts credited to me are subject to the provisions of the Program.
2. Taxation of Benefits - I understand that all amounts received by me under this Program are taxable to me as ordinary income in the year received.
3. Form of Service Award Benefit - As provided by Section 6.02 of the Program, I elect to receive my Service Award Benefit, when payable, as: (select one option in 3b)

**\*\*WE STRONGLY RECOMMEND THAT YOU REVIEW YOUR ELECTION/OPTION CHOICES WITH A QUALIFIED FINANCIAL CONSULTANT. FIRST SECURITY BENEFIT DOES NOT CONSULT OR GIVE FINANCIAL ADVICE ON THE ELECTION/OPTION THAT WILL BE MADE BY THE PARTICIPANT. FSB IS NOT HELD LIABLE FOR ANY ELECTION/OPTION THAT IS CHOSEN IN ERROR. \*\***

- 3b. ( ) Lump Sum.
- ( ) Fixed Period for \_\_\_\_ Years. (5 or 10) At the end of the designated number of years, the payment terminates. If the policyholder dies before the end of the fixed period payment continues to the beneficiary.
  - ( ) Life Annuity. Payment is made to the participant for life. Payment terminates upon the death of the participant. No beneficiary designations can be made.
  - ( ) Life Annuity with a 10 Year Period Certain. The period certain guarantees that if the participant dies during the period certain, the payment continues to the beneficiary until the end of the period certain; otherwise, the payment continues to the participant for life.
  - ( ) Life with 100% Survivor Benefits. Payment is made to the participant for life and then continues to the survivor for life. Payment is calculated using the ages of the participant and the designated survivor.

**4. Effective Date and Change of Election - The Election Agreement shall be effective on the date it is signed by me. This Election Agreement is IRREVOCABLE.**

Date	Participant's Signature
Please Make Check Payable To:	<b>Withholding Election:</b>
	( ) Do not withhold Federal Income Tax.
	( ) Please withhold Federal Income Tax. (10% unless otherwise specified.)

**FIRST SECURITY BENEFIT LIFE INSURANCE AND ANNUITY COMPANY OF NEW YORK**  
**C/o Hometown Firefighters**  
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