Subject: Designations of Beneficiary to Trusts

Designating a Trust

Employees may designate a person or institution as a trustee under the terms of a trust agreement to receive the lump sum benefits payable under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS) upon the employee’s death.

Information Required

To make sure that these designations are clear and to allow quick identification of the entitled party, we have established suggested formats to use for these designations. While it is not absolutely necessary to use our formats, the following information must be included for the designation to be valid:

- a statement that the CSRS or FERS lump sum death benefit is to be paid to the trustee or successor trustee
- name and date of the Trust (for inter vivos trusts - see definition below)

NOTE: The CSRS and FERS Handbook for Personnel and Payroll Offices currently states that the name and address of the trustee are also necessary; however, we have eliminated this requirement. The April 1998 update of the Handbook reflects this change.

Validity

To be valid, the trustee designation must be attached to and made a part of the Designation of Beneficiary form. The employing office should receipt the attachment in the same manner as the Designation of Beneficiary in case it gets separated from the Designation. The Designation of Beneficiary form should state "See attached" in the space for the designation.
Types of Trusts

*Inter Vivos Trusts* - an inter vivos trust is one that an employee establishes during his/her lifetime.

*Testamentary Trusts* - A testamentary trust is one that an employee creates at death by his/her will.

Sample Formats

Attached are sample formats for each type of trust.

If an employee wants to use some other format, can't provide the information requested above, or needs additional information about designating a trust, please contact your agency’s headquarters retirement counselor. If necessary, the retirement counselor may contact his or her liaison in the Agency Services Division for assistance.

Mary M. Sugar, Chief
Agency Services Division
Retirement and Insurance Service

2 Attachments
INTER VIVOS TRUSTEE DESIGNATION

TO BE ATTACHED TO AND MADE PART OF DESIGNATION OF BENEFICIARY DATED ________________________

I request that the amount payable under the CIVIL SERVICE RETIREMENT SYSTEM/ FEDERAL EMPLOYEES RETIREMENT SYSTEM (Proceeds) be paid to the Trustee(s) or Successor Trustee(s) as provided under (Name of Trust Agreement) ________________________ bearing the date of ________________________ executed by me.

I further request that in the case of the failure of said Trustee(s) to be appointed as such or to qualify as such for any reason, or the termination for any reason of the trust prior to my death that the Proceeds shall be paid to:

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<th>Name</th>
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<th>Relationship</th>
<th>Share</th>
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The U.S. Office of Personnel Management (OPM) shall not be responsible for the application or disposition of the proceeds by said Trustee and the receipt by said Trustee shall fully discharge OPM's liability.

_________________________________________________________
Signature of Employee (Only the Employee may sign. Signatures by guardians, conservators or through a power of attorney are not acceptable.)

Date of execution (Month, day, year) ______________________________________

Two Witnesses to Signature (A witness is not eligible to receive payment as a beneficiary):

_________________________________________________________
Signature of witness Number and street City, state and ZIP code

_________________________________________________________
Signature of witness Number and street City, state and ZIP code

Name of Insured (please print): ______________________________________

Social Security Number of Insured: ________________________________
TESTAMENTARY TRUSTEE DESIGNATION

TO BE ATTACHED TO AND MADE PART OF DESIGNATION OF BENEFICIARY DATED ________________

I request that the amount payable under the CIVIL SERVICE RETIREMENT SYSTEM/FEDERAL EMPLOYEES RETIREMENT SYSTEM (Proceeds) be paid to the Trustee(s) or Successor Trustee(s) as provided under my Last Will and Testament, and I further request that in the case of the failure of said Trustee to be appointed as such or to qualify as such by reason of non-probate of any Will to that effect or for any other reason whatsoever, the Proceeds shall be paid to:

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The U.S. Office of Personnel Management (OPM) shall not be responsible for the application or disposition of the proceeds by said Trustee and the receipt by said Trustee shall fully discharge OPM's liability.

______________________________________________________________________________
Signature of Employee (Only the Employee may sign. Signatures by guardians, conservators or through a power of attorney are not acceptable.)

Date of execution (Month, day, year) _______________________________________

Two Witnesses to Signature (A witness is not eligible to receive payment as a beneficiary):

______________________________________________________________________________
Signature of witness Number and street City, state and ZIP code

______________________________________________________________________________
Signature of witness Number and street City, state and ZIP code