

Samson Electric, Inc. Profit Sharing Plan and Trust

BENEFICIARY DESIGNATION FORM – 50% Annuity Plan

RULES REGARDING THE COMPLETION OF THIS BENEFICIARY DESIGNATION FORM

Protected Benefit

- 50% of your account balance is "protected for the benefit of your spouse"
- If you want to name someone as beneficiary besides your spouse, your spouse must consent to this change in front of a notary public

Unprotected Benefit

- 50% of your account balance is "unprotected"
- You may name any beneficiary you choose for the unprotected portion

Form of Benefit Payment

- The Plan is required to pay any death benefit to your spouse in the form of a Pre-Retirement Survivor Annuity
- Annuity means a series of level periodic payments for your spouse's life
- You have a choice to waive the Annuity requirement now, or let your spouse choose after your death

- **PRIMARY BENEFICIARY - PROTECTED BENEFIT - MARRIED - BENEFICIARY:** If you are married, you are required to name your spouse as the primary and sole beneficiary of 50% of the value of your account (the "Protected" benefit), unless your spouse consents to you naming someone else as PRIMARY BENEFICIARY. Your spouse consents to someone(s) else as follows:
 - Your spouse completes the SPOUSAL CONSENT TO NAME ANOTHER BENEFICIARY SECTION; and
 - Your spouse's consent must be notarized; and
 - Your spouse consents to give up his or her right to any benefit; and
 - Your spouse must consent to specific beneficiary(ies) you name as PRIMARY BENEFICIARY(IES); and
 - Your spouse may be required to consent to any changes to the specific beneficiary(ies); and
 - Your spouse's consent may be withdrawn if you later attempt to change PRIMARY BENEFICIARY(IES); and
 - The Spousal consent rules referenced herein are Federal laws. If a couple is married validly under state or foreign law, the Plan will recognize the marriage. Domestic partnerships or civil unions are not considered a marriage.
- **PRIMARY BENEFICIARY - PROTECTED BENEFIT - MARRIED - FORM OF BENEFIT:** If you are married, the Pre-Retirement Survivor Annuity, as required by law, is the normal form of benefit your spouse will receive under the plan. The 50% of the value of your account would be used to purchase an annuity payable for your spouse's lifetime. If your spouse survives you for only a short time, there is a possibility that the value of the payments he or she receives will be less than the value of your account balance at

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the time of your death. The opposite is true: if your spouse survives longer than the appropriate mortality table estimates, then he or she could receive a benefit that is worth more than the value of your protected benefit at the time of your death.

- If you are under age 35 when you elect to waive the Pre-Retirement Survivor Annuity, your election will become invalid on the first day of the plan year in which you turn 35. You will need to execute a new election at that time and your spouse will need to consent to that new election in front of a notary public at that time.
 - If you terminate employment under the age of 35 and you elect to waive the Pre-Retirement Survivor Annuity, with the appropriate election and spousal consent, then your election will remain valid at all times.
 - Even if you do not elect to waive the Pre-Retirement Survivor Annuity (or your spouse refuses to consent to such waiver), your spouse still has the ability to elect to waive the Pre-Retirement Survivor Annuity prior to the commencement of his or her benefit.
- **PRIMARY BENEFICIARY - UNPROTECTED BENEFIT:** The remaining 50% of the value of your account may be paid to anyone you select, including your spouse, WITHOUT your spouse's consent.
 - **PRIMARY BENEFICIARY - SINGLE:** If you are SINGLE when you complete this BENEFICIARY DESIGNATION FORM and then later marry or remarry, your new spouse automatically becomes the PRIMARY BENEFICIARY under the plan, regardless what this current designation form provides. In order to reinstate your current designation, your new spouse will have to consent as explained above on a new designation form to your desired beneficiary(ies). If you marry or re-marry after completing this form and do not change the form, even though your new spouse would be the primary beneficiary, the secondary beneficiary designation would be unaffected.
 - **DIVORCE:** If you are MARRIED and your spouse is a Beneficiary when you prepare this designation form and you later divorce, your former spouse will no longer be a Beneficiary even if this form is not revised.
 - **SECONDARY BENEFICIARY:** You may choose whomever you wish as a secondary beneficiary WITHOUT the consent of your spouse.
 - **MULTIPLE BENEFICIARIES:** If more than one primary or secondary beneficiary is named, and one or more of that section of beneficiaries has died before you, the account balance will be payable pro-rata to the surviving beneficiaries. The heirs of a deceased beneficiary will not be entitled to any share of the benefit.
 - **INCOMPLETE OR INVALID FORM:** If you have not completed this form or the form is invalid, the terms of the plan document will control who will receive your account balance after your death. Your will or other testamentary device will not control the disposition of your account balance after your death. The plan document states without a valid BENEFICIARY DESIGNATION FORM, the benefits are paid in the following order of priority to: (1) the Participant's surviving Spouse; (2) the Participant's issue, including adopted children, per stirpes; (3) the Participant's surviving parents, in equal shares; and lastly, (4) the Participant's estate.

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Participant Name: _____ Date of Birth: _____

Social Security Number: _____ Marital Status: Married Single

I hereby make the following Beneficiary Designations(s) for the above named plan:

OPTION 1: MY SPOUSE IS 100% BENEFICIARY OF PROTECTED AND UNPROTECTED BENEFITS
(if you complete this section, skip to Option 4)

My Spouse's Name	Social Security Number	Date of Birth	Protected/Unprotected % of Benefit
			100%

OPTION 2: MY SPOUSE IS ONLY THE BENEFICIARY FOR MY PROTECTED BENEFITS
(if you complete this section complete UNPROTECTED BENEFICIARY section)

My Spouse's Name	Social Security Number	Date of Birth	Protected Only % of Benefit
			100%

OPTION 2 Continued: UNPROTECTED BENEFICIARY SECTION
(complete then skip to Option 4)

Name of Beneficiary(ies)	Social Security Number	Date of Birth	Relationship	% of Benefit
1)				
Address Beneficiary 1:				
2)				
Address Beneficiary 2:				
3)				
Address Beneficiary 3:				
If you select more than one beneficiary, all percentages must add up to 100%.				

**Samson Electric, Inc. Profit Sharing Plan and Trust
BENEFICIARY DESIGNATION FORM – 50% ANNUITY FORM – Continued for**

Participant Name: _____ Date of Birth: _____

Social Security Number: _____ Marital Status: [] Married [] Single

**OPTION 3: SINGLE - OR - MARRIED WITH SPOUSAL CONSENT REQUIRED SECTION
(if complete then skip to Option 4)**

Name of Beneficiary(ies)	Social Security Number	Date of Birth	Relationship	% of Benefit
1)				
Address Beneficiary 1:				
2)				
Address Beneficiary 2:				
3)				
Address Beneficiary 3:				
If you select more than one beneficiary, all percentages must add up to 100%.				

Such Beneficiary(ies) shall be entitled to receive the entire value of my account balance in the Plan upon my death, provided that he, she or they survive me. If more than one primary beneficiary is named, all such named beneficiaries who survive me shall share equally in my account balance unless a different % is designated above.

SKIP TO NEXT PAGE

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Participant Name: _____ **Date of Birth:** _____

Social Security Number: _____ **Marital Status:** [] Married [] Single

In the event that no Primary Beneficiary survives me, I hereby make the following Secondary Beneficiary Designation(s).

SECONDARY BENEFICIARY(IES):

Name of Secondary Beneficiary(ies)	Social Security Number	Date of Birth	Relationship	% of Benefit
1)				
Address Secondary Beneficiary 1:				
2)				
Address Secondary Beneficiary 2:				
3)				
Address Secondary Beneficiary 3:				
If you select more than one secondary beneficiary, all percentages must add up to 100%.				

PARTICIPANT'S SIGNATURE AND WITNESS:

I have completed the above sections of this form on this the _____ day of _____, 20 _____.

Participant's Signature

Witness' Signature

**Samson Electric, Inc. Profit Sharing Plan and Trust
BENEFICIARY DESIGNATION FORM – 50% ANNUITY FORM – Continued for**

Participant Name: _____

Date of Birth: _____

Social Security Number: _____

Marital Status: [] Married [] Single

Option 4:

**ELECTION TO WAIVE PRE-RETIREMENT SURVIVOR ANNUITY
(skip if not electing to waive)**

PARTICIPANT ELECTION:

I hereby acknowledge that I have been informed by the Administrator that if I should die prior to the annuity starting date (generally normal retirement age) under the Plan, the death benefit under the Plan will be paid to my spouse in the form of an annuity over the life of my spouse (subject to his or her right to waive such benefit before payments start). I acknowledge that I have the right to waive the annuity form of payment only if my spouse consents in writing to such waiver. I acknowledge that I have the right to revoke this waiver at any time without my spouse's consent. If I am making this election before the first day of the plan year in which I turn 35, I acknowledge that this election will cease to be valid as of the first day of the plan year in which I do turn 35, unless this election is made at the same time I terminate employment with the sponsor of the plan which holds the account for which I am making this election.

Participant

SPOUSE'S CONSENT TO WAIVER OF PRE-RETIREMENT SURVIVOR ANNUITY

I am the spouse of the above-named participant and I hereby consent to her/his election to waive the annuity form of death benefit that is payable to me under the Plan and consent to receive the benefit in the form elected. I hereby certify that I have read and understand the Beneficiary Designation and the Pre-Retirement Survivor Annuity Explanation. I certify that I have received the Pre-Retirement Survivor Annuity Explanation and that I understand my right not to consent to this waiver election, the time period during which my spouse and I may make this waiver election, and the financial effect of the election not to receive benefits in the Pre-Retirement Survivor Annuity form. I understand that I will remain the beneficiary of all death benefits provided under the Plan.

Executed this ____ day of _____, 20____.

State of _____ }
 } SS.
Judicial District or }
County of _____ }

Signature of Participant's Spouse

BEFORE ME, the undersigned, a Notary Public, Personally appeared the Participant's Spouse,
_____, who executed the above consent of spouse as a free and voluntary act.

IN WITNESS WHEREOF, I have signed my name and have affixed by official notarial seal this
_____ Day of _____, 20____.

Notary Public

(SEAL)

My commission expires: _____

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BENEFICIARY DESIGNATION FORM – 50% ANNUITY FORM – Continued for

Participant Name: _____ Date of Birth: _____

Social Security Number: _____ Marital Status: [] Married [] Single

SPOUSAL CONSENT SECTION
 (Skip this section if your spouse is named as 100% Primary Beneficiary or you are not married)

I am, _____, the spouse of _____ who is a participant in the above named Plan. By my signature below, I do hereby consent to permit my spouse to name:

Name(s):
1)
2)
3)

as the primary beneficiary(ies) of my spouse’s account balance in the above named Plan and that such person(s) shall have the sole right to receive my spouse’s account balance from the plan after my spouse’s death.

- [] However, I retain the right to consent only to the designation of this beneficiary(ies). I retain my right to require my spouse to receive my consent should a change in beneficiary designation be desired.
- [] I waive the right to limit my consent to the election of the above-named beneficiary(ies). My spouse may change beneficiary designations without my further consent. I recognize that this is a right I do not need to give up. However, I choose to do so of my own free will.

My rights have been explained to me to my satisfaction, and I hereby acknowledge that: (1) the effect of designating someone else as the primary beneficiary(ies) will cause the portion of my spouse’s death benefit to be paid to beneficiary(ies) other than me; (2) that my spouse’s designation of another primary beneficiary is not valid without my consent; and (3) that I cannot later revoke the consent I have made here, except to the extent that I retain the right to the consent of all future beneficiaries of my spouse’s account balance.

Signed this the _____ day of _____, 20 _____.

State of _____ }
 } SS.
 Judicial District or }
 County of _____ }

 Signature of Participant’s Spouse

BEFORE ME, the undersigned, a Notary Public, Personally appeared the Participant’s Spouse, _____, who executed the above consent of spouse as a free and voluntary act.

IN WITNESS WHEREOF, I have signed my name and have affixed by official notarial seal this _____ Day of _____, 20_____.

 Notary Public

(SEAL)

My commission expires: _____

Samson Electric, Inc. Profit Sharing Plan and Trust

PRE-RETIREMENT SURVIVOR ANNUITY EXPLANATION

PRE-RETIREMENT SURVIVOR ANNUITY EXPLANATION

Automatic Spousal Death Benefit. This form explains the Pre-Retirement Survivor Annuity benefit under the Plan. The Pre-Retirement Survivor Annuity provides a benefit for your surviving spouse if you die prior to commencing distributions from the Plan. The Plan will use 50% of your vested account balance to purchase a Pre-Retirement Survivor Annuity for your spouse unless you elect a larger percentage. This 50% portion is the Automatic Spousal Death Benefit. You need to read the balance of this explanation only if you have designated, or wish to designate, someone other than your spouse to receive the Automatic Spousal Death Benefit under the Plan.

Pre-Retirement Survivor Annuity. The Plan requires the payment of a Pre-Retirement Survivor Annuity to your spouse if your death occurs prior to commencement of benefits under the Plan, your spouse survives you, and you and your spouse are married on the date of your death. If the Plan commences benefit payments to you prior to your death, then the method of distribution in effect on the date of your death will dictate the manner in which the Plan will distribute your remaining account balance, if any.

Under the Pre-Retirement Survivor Annuity, your spouse will receive a lifetime level monthly payment. The Plan will use the value of the Automatic Spousal Death Benefit to purchase an annuity contract from an insurance company. The Plan then will distribute the contract to your surviving spouse as evidence of a right to receive the annuity payments from the insurance company. Generally, the Plan may not commence payment of the Pre-Retirement Survivor Annuity prior to the date you would have attained the later of Normal Retirement Age under the Plan or age 62 without the consent of your surviving spouse. However, your spouse may elect to have distribution of the Pre-Retirement Survivor Annuity at any time following your death. If, at the time of your death, the value of the Automatic Spousal Death Benefit does not exceed \$5,000, the Administrator will direct that a lump-sum distribution of such amount be made to your surviving spouse as soon as administratively feasible, in lieu of providing the Pre-Retirement Survivor Annuity.

The actual level monthly payments made under the Pre-Retirement Survivor Annuity will depend on the annuity purchase rate used by the insurance company, your surviving spouse's age at the time the distribution begins, and the amount of the Automatic Spousal Death Benefit at the time of the purchase of the annuity contract. The Plan will charge your account for the commission incurred incident to the purchase of the annuity contract. The following table provides the approximate monthly annuity payments under an immediate annuity purchasable per \$1,000 of account balance for a surviving spouse ranging from age 50 to age 80. The table assumes an annuity factor based on the UP 1984 mortality tables and a 6% interest rate. The insurance company from which the annuity contract is purchased may use different factors. Different factors will produce a different monthly payment. The Administrator, upon request, will provide you with a more precise calculation.

Surviving Spouse's Age	Monthly Payment	Surviving Spouse's Age	Monthly Payment
50	\$6.53	66	\$9.17
52	\$6.74	68	\$9.72
54	\$6.97	70	\$10.34
56	\$7.23	72	\$11.06
58	\$7.53	74	\$11.90
60	\$7.86	76	\$12.86
62	\$8.25	78	\$13.97
64	\$8.68	80	\$15.24

For example, if the value of the Automatic Spousal Death Benefit is \$10,000, then a surviving spouse who is age 60 will receive a monthly annuity payment for his or her life equal to approximately \$78.60 ($\7.86×10). These amounts are only estimates.

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PRE-RETIREMENT SURVIVOR ANNUITY EXPLANATION CONTINUED

Waiver election. The Plan requires payment of the Pre-Retirement Survivor Annuity unless you have a valid waiver election in effect on the date of your death. To have a valid waiver you must complete the enclosed BENEFICIARY DESIGNATION form. Please note, your spouse must consent to the waiver by signing the waiver form. A notary public must witness your spouse's signature. Your waiver election is not valid unless your spouse, during the election period, also consents in writing to your beneficiary designation or to any change in your beneficiary designation, unless your spouse is the sole primary beneficiary. A notary public also must witness your spouse's consent to the beneficiary designation. Your waiver election is not valid unless you and your spouse make the election within the election period. The election period begins on the first day of the Plan Year immediately preceding your 35th birthday or, if later, the date you receive this notice. The election period ends on the date of your death. If you wish, you may waive the Pre-Retirement Survivor Annuity prior to the beginning of the election period, but not prior to the first day of the Plan Year immediately preceding your 32nd birthday or, if later, the date you receive this notice. However, a waiver made prior to the beginning of the election period becomes null and void as of the first day of the election period and you would have to complete another waiver form with your spouse's consent. If you terminate service with the Employer prior to the beginning of the election period, you may waive the Pre-Retirement Survivor Annuity at any time after your termination of service. However, if you waive the Pre-Retirement Survivor Annuity prior to attaining age 35 and you return to employment, you will need to make another waiver with respect to any benefits you accrue after your return. Within the election period, as often as you wish, you may revoke a waiver election, or make a new waiver election following a revocation. You may revoke a waiver election without your spouse's consent, but your spouse would have to consent to a new waiver. A waiver election is valid only for the spouse consenting to the waiver. Therefore, you should inform the Administrator of any change in your marital status.

Financial effect of your election. The Pre-Retirement Survivor Annuity will not affect the total value of the death benefits paid under the Plan. If you and your spouse do not waive the Pre-Retirement Survivor Annuity, the Administrator will direct the Plan to pay your surviving spouse the Pre-Retirement Survivor Annuity in accordance with the Plan. If the Administrator pays your spouse the Pre-Retirement Survivor Annuity, the Plan does not need your spouse's consent to the beneficiary designation. Under a Pre-Retirement Survivor Annuity, your surviving spouse will receive lifetime income. The Pre-Retirement Survivor Annuity will not pay any benefits to other beneficiaries after your spouse's death. After your death, the Plan permits your surviving spouse to elect to receive the Automatic Spousal Death Benefit in a lump-sum, instead of the Pre-Retirement Survivor Annuity.

If you and your spouse waive the Pre-Retirement Survivor Annuity, the Plan will pay your entire vested account balance to your designated beneficiary, as required under the Plan. The Plan generally requires payment of the death benefit in a lump-sum. If your beneficiary receives a lump-sum distribution, the Administrator will provide the beneficiary a notice of the special tax benefits, if any, available for the distribution. If your vested account balance at the time of your death exceeds \$5,000, the Plan permits your designated beneficiary to elect a lump-sum. If an account balance remains in the Plan at the time of your primary beneficiary's death, the Plan will pay the remaining account balance to your primary beneficiary's estate, unless your beneficiary designation directs otherwise. You may designate portions of your account balance for payment to different beneficiaries. If you and your spouse waive the Pre-Retirement Survivor Annuity, your spouse need not consent to the form of payment to the designated beneficiary, but only to the identity of the designated beneficiary.

Procedure. If you and your spouse wish to have the Pre-Retirement Survivor Annuity apply, you do not need to make any election. If you and your spouse do not wish to have the Pre-Retirement Survivor Annuity apply, your spouse must execute the Section of the enclosed BENEFICIARY DESIGNATION form that is called SPOUSE'S CONSENT TO WAIVER OF PRE-RETIREMENT SURVIVOR ANNUITY.

Further information. If you need additional information or have any question regarding the information provided in this explanation, please contact the Administrator.