



DO YOU KNOW YOUR BENEFICIARIES?

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UNDERSTANDING HOW BENEFICIARIES WORK

Generally speaking, the beneficiaries you name in your last will and testament will inherit the assets you assign to them. But did you know... with certain types of contracts (including many retirement accounts and insurance policies) their beneficiary designation forms usually supercede what you have notated in your will?

It is very important to review who you have listed on all beneficiary forms and make adjustments as necessary.

BENEFICIARY DESIGNATION KEY CONSIDERATIONS

- With regards to an employer-sponsored plan, your current spouse must be the beneficiary *unless* he/she waives that right in writing. If there is no spousal waiver, any children from a previous marriage may not receive the account proceeds you designated them to have.
- It would be a good idea to designate secondary or contingent beneficiaries in the event that the primary beneficiaries predecease you. Otherwise, proceeds will be distributed according to the selected default method in the account documents and/or state law.
- It's important to note that some insurance policies, pension plans, and retirement accounts may not pay death benefits to minors. If you want to leave money to young children, you should designate a guardian or a trust as beneficiary.

MOST LIKELY PROSPECTS

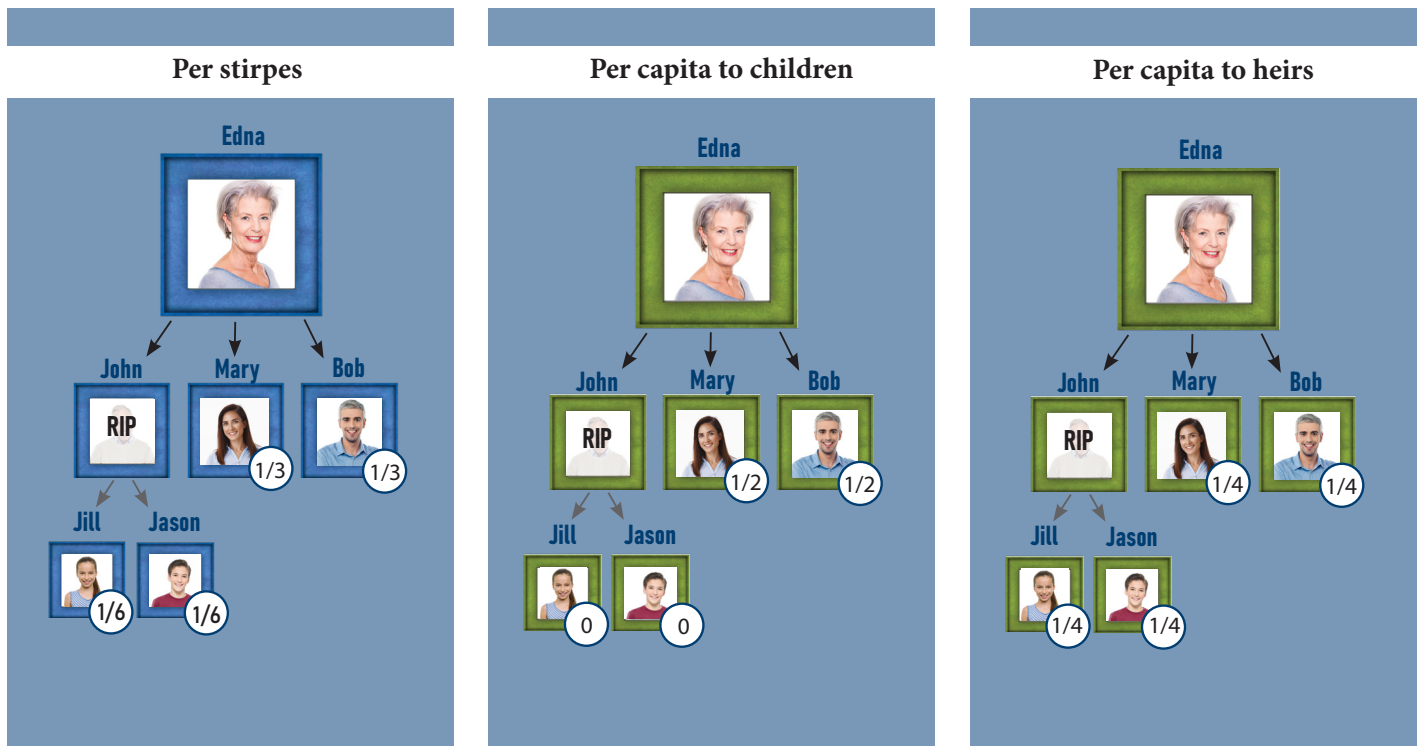
- Those who may have recently changed jobs
- Those mentioning grandchildren
- Those who have remarried and have a blended family
- Those who may have been recently diagnosed with long-term ailments

UNDERSTANDING BENEFICIARY TERMINOLOGY

KNOW THE LINGO

In documents naming beneficiaries, you may see the Latin terms “per stirpes” and/or “per capita”. These terms refer to the way assets are distributed if a named beneficiary passes away before you do. It is important to understand the difference between each and what that could mean for you.

- **Per stirpes** (also known as “by representation”) means *by the roots*. Think of a family tree, if one of your beneficiaries passes before you, his/her share would be divided proportionately among his/her heirs upon your death.
- **Per capita** means *by the head* indicating equal shares for each member of a group. If one of your beneficiaries passes before you, the division of assets would depend on how you defined the group of heirs. For example, designating to *my children per capita* would produce a very different distribution than designating to *my heirs (or issue) per capita*.



PLEASE LIST THE NAMES OF 5 CLIENTS THAT COULD BENEFIT FROM THIS PROGRAM:

Name

Phone #

1) _____

2) _____

3) _____

4) _____

5) _____
