

## **ESTATE AS POLICY BENEFICIARY GUIDELINES**

### **OVERVIEW**

An Estate is defined as all property, real or personal, that belongs to a deceased individual. Every deceased individual has an Estate, even if, due to the considerations described below, the Estate is not formally probated.

Generally, the Estate of the Insured can become the Beneficiary of the Policy in two ways: (1) the Owner designates the Estate as the Beneficiary of the Policy application or during Insured's lifetime; or (2) when all Primary and/or Contingent Beneficiaries have predeceased the Insured..

### **CLAIM FORM COMPLETION**

When completing Our Life or Annuity Claim Form, the Beneficiary Information section must be completed with the Estate's information to be accepted by Us. The Claim Form should be initialed and signed by the person(s) with the appropriate legal authority conveyed unto them by one of the procedures described below. All Submissions are subject to review by Our Compliance Department.

### **FORMAL PROBATE**

The typical formal probate proceeding follows certain steps: (1) a petition is filed in the appropriate court whereby the executor under the decedent's will requests the will be admitted to probate or, if the decedent died without a will, that the court appoint an administrator for the Estate; (2) the court will appoint an executor or an administrator and that individual will be responsible for notifying creditors and taking inventory of the Estate's assets; (3) the executor/administrator will pay the estate's expenses, debts and taxes; and (4) will distribute the remaining assets to either: (i) in the case of a will, the beneficiaries designated in the will, or (ii) if there is no will, to the appropriate heirs following state laws regarding intestacy.

When a court appoints an executor, the executor receives a legal document commonly titled Letters Testamentary. When a court appoints an administrator in the absence of a will naming an executor, the administrator receives a legal document commonly titled Letters of Administration. Either of these documents is acceptable to Us in order for us to release the proceeds of the Policy to the Estate's representative listed in the Letters Testamentary or the Letters of Administration.

### **SUMMARY PROBATE PROCEDURES**

The above-discussed procedure can be time-consuming and expensive. Many states have, therefore, passed legislation allowing for claimants to use arguably quicker and less expensive methods to collect assets from estates – particularly estates with modest total valuations. The most popular summary procedure involves an individual who is entitled to claim the proceeds from the Policy completing a document called a Small Estate Affidavit or an Affidavit for Collection of Personal Property. For information on summary probate procedures available in the Insured's home state and county, you will need to contact an attorney or the appropriate county clerk of court. Many counties also have self-service centers that provide examples of commonly used forms, as well as give guidance on form completion. Commonly used forms are also frequently available online.

### **DISCLAIMER**

We encourage you to consult with an attorney and/or tax advisor with additional questions. The information provided above is intended to be a general information resource regarding the matters covered, but is not offered as legal, accounting or other professional advice, and is not tailored to your specific circumstance.