

# Choosing your life insurance beneficiary

Aetna Life Insurance Company

You have a life insurance plan from Aetna Life Insurance Company (Aetna). It's a great step in helping to protect the security of your loved ones. Now you have an important choice to make: choosing a beneficiary.<sup>1</sup>

A beneficiary is the person or legal entity who receives the life insurance payment if the insured person dies.<sup>2</sup> An example of a legal entity is a trust fund you may have set up.



If you are ready to choose a beneficiary, here are six tips that may help you:

## 1. You can name as many beneficiaries as you want

Specify whether you want them to be a:

- > Primary beneficiary, or
- > Contingency beneficiary

The contingent beneficiary/ies receives a payment only if the primary beneficiary dies before the insured dies.

Just remember to provide each person's full name, social security number and his or her relationship to you.

## 2. You can designate a trust as a beneficiary

When the insured person dies, the life insurance payment can go to the trust as beneficiary. The trust property is distributed as stated in the trust agreement.

## 3. You can decide how you want the beneficiary payment divided

Use percentages. Make sure the total adds up to 100 percent. You can also choose to have the payment evenly divided among beneficiaries. Avoid using dollar amounts.

# Learn the steps in choosing who will get your life insurance payment

## 4. There may be a court process if you designate your estate as a beneficiary

That process, known as probate, may be used to settle an estate. It:

- > Resolves all claims and distributes property under a valid will
- > Protects the deceased's instructions
- > Confirms who is the personal representative of the estate
- > Protects the interests of family members who may have claims against the estate
- > Protects the executor against claims and law suits

## 5. There may be a court process if a minor is a beneficiary

If the beneficiary is a minor at the time of settlement, a court may need to decide who should be the guardian or conservator of the minor's property.

## 6. It's good to review your beneficiary choices from time to time

Check to see if the decisions you made still fit your plans, especially after major events like a birth, marriage or divorce.

*Just remember this:* If you do not name a beneficiary, your benefits will be paid according to the default provision in your contract. Please see your plan documents for details

<sup>1</sup>You may want to talk to an estate planner, accountant or attorney before you make your decision.

<sup>2</sup>In "community property" states such as Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin, your spouse may have a legal claim for a portion of your life insurance benefits under state law.

Specific features of life insurance plans vary, depending on employers and states. Life insurance plans contain exclusions and limitations. See policy or plan documents for a complete description of benefits, exclusions, limitations and conditions of coverage. Information is believed to be accurate as of the production date; however, it is subject to change. For more information about Aetna plans, refer to [www.aetna.com](http://www.aetna.com).

Policy forms issued in Oklahoma include: GR-9 and/or GR-9N, GR-29 and/or GR-29N.