

## Move Now to Stretch Later

Complete deferred annuity application and 1035 transfer forms.

### Stretch Upon Death

**Step 1:** Is the claiming beneficiary eligible for stretch?

- Was death recent (within 9 months)?
- Is beneficiary a living person?

*If yes to both, go to Step 2.*

**Step 2:** Contact current carrier for death claim options (see questions below).

- Does carrier allow NQ stretch?
  - If NO, does it allow post-death 1035 exchange? If yes, consider moving to us.
  - If SO, does it use an exclusion ratio? If not, consider moving to us.

**Step 3:** What type annuity suits the beneficiary?

- Fixed (non-FIA): Contact us for a sample NQ stretch illustration of distributions and excluded amounts.
- FIA or SPIA: Run NQ stretch illustration, available at [WSFinancialPartners.com](http://WSFinancialPartners.com).

**Step 4:** Complete eApp with Firelight (optimal) or paper app (including Required Distribution Form). Submit claim paperwork (and death certificate, if claim not filed separately) to New Business.

### Application Tips

- Owner: List as "[Beneficiary Name] beneficiary of [Deceased Name]"
- Annuitant: List beneficiary name.
- Transfer or Replacement: We do *not* consider NQ stretch a replacement of a decedent's NQ deferred annuity. Check if ceding carrier does. We do consider NQ stretch a replacement if an **in-force** NQ stretch is being replaced.
- Tax Qualification & Premium:
  - FIA or SPIA: Select Non-Qualified Extended (Stretch) option.
  - SPDA Series 2: Select Non-Qualified option and title as a beneficiary contract.

(More)

## Beneficiary-Required Distribution Election Form Tips

- **Section 3 – Transfers In:** This section identifies correct life expectancy factor.
  - Date Established: If it is beneficiary's first contract after a decedent-owner death, app date is the date established. If NQ stretch was begun earlier at another carrier, use issue date of that contract.
  - Question 2: Answer yes if a timely election was made to stretch the contract (upon first or earlier NQ stretch).
- **Section 4 – Payment Information:** For a new NQ stretch from a recent death, the payment date must begin within one year of decedent death.
- **SPIA Note:** Form not required. SPIA payments satisfy required distributions.

## Internal Exchange: Death Benefit Claim – Annuity

Funds are at Western & Southern. If beneficiary wants the NQ stretch option, select correct payment options or the NQ stretch option is forfeited.

### Section 5 – Payment Election (two options):

- Lump Sum Processed as Direct Exchange, Transfer or Rollover (second option, page 3): Select if beneficiary wants to stretch to a new contract at current interest rate.
- Minimum Distributions over Life Expectancy (first option, page 6): Select if beneficiary is not sure.
  - Funds are put in beneficiary name and is a surrender-free option.
  - Beneficiary must take RMD, but may transfer, surrender, set up systematic withdrawals, take partial withdrawals or annuitize in the future without penalty. This leaves the beneficiary options.
  - Beneficiary receives death benefit option interest rate of 1%.
  - No comp.

### Section 5 – Payment Election: Provides annuitization of proceeds.

- Irrevocable Annuity Option (second option, page 6).

*New beneficiaries must be named for either option on page 6 – Minimum Distributions or Irrevocable Annuity.*

*Ready to Stretch Your Sales? Call Now.*

**800.804.4465**

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