

What you need to know about beneficiary designations



Why you need to update your beneficiaries

Accounts that carry a beneficiary designation offer one of the simplest and most direct ways to efficiently get assets into the hands of loved ones after your death—but *only if you have completed the paperwork properly and the information is up-to-date*.

To ensure that your beneficiary designations meet your specific needs and address any requirements of your state law, you should obtain guidance from your attorney or estate planning professional when deciding upon the appropriate designations.

Your accounts that have beneficiaries are probably more numerous than you realize. They include IRAs, company-sponsored retirement plans, life insurance policies, Coverdell Education Savings Accounts and annuities, as well as “in trust for” and “pay on death” accounts. In many cases, these accounts will make up much—if not most—of your estate.

Designating a beneficiary typically avoids the need for the assets to pass through the probate process. It is essential for you to review and update the beneficiary designations on all of your accounts on a regular basis and whenever you have a major change in your personal circumstances such as a divorce, marriage, adoption, the death of a spouse or birth of a child.

If you were married when you opened these accounts, you probably named your spouse as your beneficiary. If you were unmarried at the time, you might have named a parent or sibling. Since then, years may have passed without further thought about whether your initial beneficiary designations are still appropriate.

Unless you change the beneficiaries named on your accounts, your assets could pass to beneficiaries who are no longer appropriate—an ex-spouse, for instance.



Use a contingent beneficiary as back-up

When reviewing the primary beneficiary(ies) of your accounts, make sure you have also named a contingent beneficiary(ies). Contingent beneficiaries are the individuals or institutions who will receive your assets if your primary beneficiary(ies) predeceased you or disclaimed part or all of your account. (Disclaiming is an estate planning strategy that gives the primary beneficiary(ies) the flexibility to refuse all or a portion of the inherited account, with the remainder passing to the contingent beneficiary(ies) named by the account owner prior to death).

The Inventory Worksheet contained in this brochure is provided for personal use only. If you have a retirement plan with Fiduciary Trust International of the South (part of the Franklin Templeton organization) as custodian and would like to change your beneficiary of record, please visit franklintempleton.com (click the “Forms and Literature” tab, search for “beneficiary”) or call (800) 527-2020 to obtain the appropriate beneficiary designation form for your Franklin Templeton retirement plan. If your accounts are held at another financial institution, please contact the respective institution to obtain the appropriate beneficiary designation form.

Minors as beneficiaries

Take care when naming a minor as your beneficiary. If you wish to leave certain assets to young children, such as grandchildren, a guardian may need to be involved until the beneficiary is no longer considered a minor.

Estate as beneficiary

If you don't have a primary beneficiary(ies) or contingent beneficiary(ies) on your accounts—either because the individuals you named have died or because you simply never specified anyone—your estate may become the beneficiary (depending on the plan document/account agreement).

Assets left to your estate are subject to the delays and costs of probate. They will be distributed according to the terms of your will. If you don't have a will, state law determines who receives your assets. Heirs or creditors may contest the division of property, further delaying its distribution.

Trust as beneficiary

While naming a trust as the beneficiary of your account may seem like a simple solution, it may actually add a level of complexity when it comes to IRAs. If you want the beneficiaries of your trust to be able to stretch out the distributions from your IRA over their life expectancies, your trust has to meet very specific requirements. Among other things, all the beneficiaries of your trust must be people. You should not commingle individuals and institutions, such as a charity, school or hospital.

It's important that your estate-planning attorney be experienced in drafting a trust that will accomplish your goals.

529 Plans: similar but different

A different, but related, issue is posed by 529 Savings Plans. If you are the account owner for a minor, your death will not affect the designation of beneficiary. However, you should appoint someone you trust who can take over as successor account owner. This position is important because only the account owner of a 529 Plan can change the beneficiary and authorize distributions.

Take a minute to protect a lifetime of saving

For your own peace of mind and the well-being of your loved ones, use the enclosed inventory worksheet to list the beneficiaries on your accounts, making sure the information is both current and correct. The primary and contingent beneficiaries may vary depending upon the asset.

Once you have completed the inventory, you'll need only a few minutes each year to review and make changes.



Please note:

To ensure that beneficiary changes are legally binding, you will need to submit them to the appropriate account custodian, plan administrator, or insurance company using the forms and procedures each requires.

Information needed

To ensure a complete inventory of beneficiary information, please gather this information for all accounts, including those that are not currently serviced by your financial professional.

IRAs (Traditional and Roth) Contact your IRA custodian (examples: bank, mutual fund company or brokerage firm where you have your IRA account).

Account owner/Name on account

1.

2.

3.

COMPANY-SPONSORED RETIREMENT PLANS (examples: 401(k), 403(b), 457, SEP-IRA, SIMPLE-IRA, pension, Keogh)
If you can't find this information on the annual statement, contact your plan administrator.

Account owner/Name on account

1.

2.

3.

LIFE INSURANCE

Owner

1.

2.

3.

ANNUITIES

Owner

1.

2.

COLLEGE SAVINGS PLANS

Account owner/Name on account

1.

2.

Beneficiary account inventory worksheet

This worksheet is for inventory purpose only. This worksheet does not replace a beneficiary designation form. Contact each financial institution to obtain the instructions and forms necessary to designate or change your beneficiary(ies) at that financial institution.

IRAs (Traditional and Roth)

BENEFICIARY DESIGNATION WORKSHEET

NAME OF FINANCIAL INSTITUTION	ACCOUNT NUMBER	<input type="checkbox"/> TRADITIONAL <input type="checkbox"/> ROTH	OWNER NAME
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First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

BENEFICIARY DESIGNATION WORKSHEET

NAME OF FINANCIAL INSTITUTION	ACCOUNT NUMBER	<input type="checkbox"/> TRADITIONAL <input type="checkbox"/> ROTH	OWNER NAME
-------------------------------	----------------	---	------------

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Relationship		Share %	Phone number ()
Address		City	State	ZIP

For IRAs with Fiduciary Trust International of the South, please visit franklintempleton.com to access required forms for beneficiary designation changes.

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IRAs (Traditional and Roth)

BENEFICIARY DESIGNATION WORKSHEET

NAME OF FINANCIAL INSTITUTION		ACCOUNT NUMBER		<input type="checkbox"/> TRADITIONAL <input type="checkbox"/> ROTH	OWNER NAME	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	

BENEFICIARY DESIGNATION WORKSHEET

NAME OF FINANCIAL INSTITUTION		ACCOUNT NUMBER		<input type="checkbox"/> TRADITIONAL <input type="checkbox"/> ROTH	OWNER NAME	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	
First name		M.I.	Last name		Date of birth (mm/dd/yyyy)	
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent		Relationship		Share	Phone number	
				%	()	
Address		City		State	ZIP	

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COMPANY-SPONSORED RETIREMENT PLANS (Examples: 401(k), 403(b), 457, SEP-IRA, SIMPLE-IRA, pension, Keogh)

BENEFICIARY DESIGNATION WORKSHEET

EMPLOYER NAME	OWNER NAME	ACCOUNT NUMBER

TYPE OF PLAN	EMPLOYER PHONE NUMBER

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

BENEFICIARY DESIGNATION WORKSHEET

EMPLOYER NAME	OWNER NAME	ACCOUNT NUMBER

TYPE OF PLAN	EMPLOYER PHONE NUMBER

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

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LIFE INSURANCE

BENEFICIARY DESIGNATION WORKSHEET

INSURANCE COMPANY	OWNER NAME	POLICY NUMBER
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First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

BENEFICIARY DESIGNATION WORKSHEET

INSURANCE COMPANY	OWNER NAME	POLICY NUMBER
--------------------------	-------------------	----------------------

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN
<input type="checkbox"/> Primary	Relationship	Share	Phone number	
<input type="checkbox"/> Contingent		%	()	
Address	City	State	ZIP	

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ANNUITIES

BENEFICIARY DESIGNATION WORKSHEET

INSURANCE COMPANY **OWNER NAME** **POLICY NUMBER**

☐ **FIXED** ☐ **VARIABLE (CHECK ONE)**

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

BENEFICIARY DESIGNATION WORKSHEET

INSURANCE COMPANY **OWNER NAME** **POLICY NUMBER**

☐ **FIXED** ☐ **VARIABLE (CHECK ONE)**

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN
☐ Primary Relationship Share Phone number
☐ Contingent % ()
 Address City State ZIP

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COLLEGE SAVINGS PLANS (Example: 529 Account)

SUCCESSOR ACCOUNT OWNER WORKSHEET

NAME OF FINANCIAL INSTITUTION		ACCOUNT NUMBER		OWNER NAME	
First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN	
<input type="checkbox"/> Successor	Relationship	Share	Phone number		
		%	()		
Address		City	State	ZIP	

NAME OF FINANCIAL INSTITUTION		ACCOUNT NUMBER		OWNER NAME	
First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN	
<input type="checkbox"/> Successor	Relationship	Share	Phone number		
		%	()		
Address		City	State	ZIP	

COVERDELL EDUCATIONAL SAVINGS ACCOUNT

BENEFICIARY DESIGNATION WORKSHEET

NAME OF FINANCIAL INSTITUTION		ACCOUNT NUMBER		OWNER NAME	
First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN	
<input type="checkbox"/> Primary	Relationship	Share	Phone number		
<input type="checkbox"/> Contingent		%	()		
Address		City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN	
<input type="checkbox"/> Primary	Relationship	Share	Phone number		
<input type="checkbox"/> Contingent		%	()		
Address		City	State	ZIP	

First name	M.I.	Last name	Date of birth (mm/dd/yyyy)	SSN/TIN	
<input type="checkbox"/> Primary	Relationship	Share	Phone number		
<input type="checkbox"/> Contingent		%	()		
Address		City	State	ZIP	

Name	Date
------	------

ACCOUNTANT/TAX PROFESSIONAL

First name	Last name	Phone number	
<input type="text"/>	<input type="text"/>	<input type="text" value="()"/>	
Firm name			
<input type="text"/>			
Address	City	State	ZIP
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

ATTORNEY/LEGAL COUNSEL

First name	Last name	Phone number	
<input type="text"/>	<input type="text"/>	<input type="text" value="()"/>	
Firm name			
<input type="text"/>			
Address	City	State	ZIP
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

ESTATE PLANNING ATTORNEY

First name	Last name	Phone number	
<input type="text"/>	<input type="text"/>	<input type="text" value="()"/>	
Firm name			
<input type="text"/>			
Address	City	State	ZIP
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Location of will			
<input type="text"/>			

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