

Frequently Asked Questions Regarding the Claims Process for Annuity Policy Proceeds

Q. Where do I send my claim information?

A. Please send your completed claim form and one original certified death certificate, along with additional required documentation to:

EMC National Life
PO Box 9197
Des Moines, IA 50306-9197

Q. Can my claim information be faxed to you?

A. You can fax the claim form and any additional documentation, unless otherwise noted; however, we do not accept a faxed death certificate if the total death benefit proceeds exceed \$25,000 on all policies. Our fax number is 515-237-2282.

Q. What makes it a certified death certificate?

A. Certified death certificates have either a raised seal or a multicolored signature seal from the county, city or state that issued the certificate. In addition, the original death certificate should contain the signature of an appropriate officer of the county, city or state.

Q. Will you accept a certified death certificate with a pending cause of death?

A. No. We must receive a certified death certificate with the final cause of death.

Q. If a primary beneficiary is deceased, can I send a copy of the certified death certificate for the deceased beneficiary?

A. Yes, a copy is acceptable. If a copy of a death certificate is not available, we may accept an obituary, funeral program or mention in another's obituary.

Q. What is a funeral home assignment?

A. A funeral home assignment is a binding contract between a contract owner or beneficiary and a funeral home. If a beneficiary signs an assignment form authorizing us to direct payment for all or a portion of the proceeds to a funeral home and the assignment is received prior to the claim being settled, we are obligated to honor the assignment and pay the funeral home accordingly. In some instances, a collateral assignment may have been made prior to the insured's death.

Q. What is needed to process an assignment to a funeral home?

A. A copy of the signed assignment request and a copy of the final bill showing the outstanding balance due from the funeral home is required to process the assignment.

Q. My name has changed since the last beneficiary designation. What do I need to provide to validate the name change?

A. If a beneficiary's name has changed due to marriage or divorce, a copy of the marriage or divorce decree is preferred. If the name has changed due to any other reason, we require a court document with the name change from the birth name to the requested name.

Q. Why does a beneficiary, estate or trust need to provide their Social Security Number or Taxpayer Identification Number?

A. The claim cannot be processed without this information. Interest is paid on some claims from the date of death until the claim is paid. The Social Security Number or Taxpayer Identification Number is required to report interest payments to the Internal Revenue Service.

Q. What is a form 1099-R?

A. Form 1099-R is utilized to report to the Internal Revenue Service distributions from an annuity during any calendar year. Form 1099-R is mailed to an individual or entity in January of the year following the disbursement and informs the individual or entity of the gross distribution paid during the tax year, the taxable portion of the distribution, the federal income tax withheld and distribution code that represents the type of distribution made to be reported on their tax returns.

Q. What happens if there is no guardian named for the minor child beneficiary?

A. The Uniform Transfers to Minors Act (UTMA) or Uniform Gifts to Minors Act (UGMA) permits disbursement of funds to a minor child without guardianship papers. There are certain guidelines and limitations determined by each state regarding disbursement of funds to a minor under these acts. Contact EMC National Life for specific information.

Q. What if a beneficiary wants his or her Attorney-in-Fact (Power of Attorney) to complete the claim form on his or her behalf?

A. The Power of Attorney document must be submitted with the claim form and certified death certificate. When the claim form is completed by the Attorney-in-Fact, the signature should include his or her proper title reflecting the fiduciary relationship. All information on the claim form should be completed on behalf of the beneficiary.

Q. What is the difference between a qualified and nonqualified annuity policy?

A. Annuities are classified into two basic types: qualified and nonqualified, depending whether the annuity was an IRA or held in an employer-sponsored plan or purchased with after-tax dollars. Qualified annuities, such as IRAs, are generally funded with pre-tax dollars. This means taxes were not paid on the money before it was put into the annuity. Therefore, state and federal income taxes are generally due on the entire amount—both the initial paid premium and all increases in value—when the money is taken out. With a nonqualified annuity, income taxes were already paid on the money before it was put into the annuity contract. Therefore, the money put into the nonqualified annuity is not subject to taxes. However, any interest accrued on that money is taxable when it is received.

Q. What portion of the death benefit is taxable?

A. If the annuity policy is nonqualified, any amount over the principal is taxable as ordinary income. If the annuity contract is qualified, such as an IRA, the entire amount of the death benefit is taxable.

Q. Will surrender charges be applicable to the death benefit?

A. Surrender charges will not apply to the death benefit. However, if a spouse elects the spousal continuation option, all provisions remain in effect, including surrender charges.

Q. If there are multiple beneficiaries, can they each elect a different claim option?

A. Each beneficiary can elect his or her own claim option if the claim option is available to him or her based on the policy.