



# Group Life Beneficiary Designations and Assignments



## AN EMPLOYER'S GUIDE

Group Life and Accidental Death and Dismemberment (AD&D) insurance helps your employees protect their families' financial future. Beneficiary designations and assignments are vital to ensuring your employees' wishes are fulfilled in the event of death.

### Types of Beneficiary Designations

The employee can name any person or entity as a beneficiary, such as a relative, friend, trust or charity. The employee can change the beneficiary at any time without the beneficiary's consent, providing they have not completed an assignment (if permitted by the policy) or designated an irrevocable beneficiary.

TYPES OF BENEFICIARIES	DESCRIPTION
<b>Primary beneficiaries</b>	The first in line to receive death benefits if they are living at the time of the employee's death.
<b>Contingent (or secondary) beneficiaries</b>	Receive the insurance proceeds if no primary beneficiary is alive at the time of the employee's death.
<b>Trust</b> <i>Because this type of estate planning is complex, employees are encouraged to seek professional advice.</i>	<p>May generally be one of two types:</p> <ul style="list-style-type: none"> <li>• A testamentary trust is established in an individual's will and created upon death. Proof of acceptance of the will is required before benefits are released to the trust.</li> <li>• An inter vivos (or living) trust is created during the lifetime of the employee. The benefit is payable to a living trust.</li> </ul> <p>When assigning a trust as beneficiary, the complete name and date of the trust is required.</p>

## Making beneficiary designations and keeping them up-to-date

Maintaining accurate beneficiary designations is up to you and your employees. The following process can serve as a guide.

ACTION	EXPLANATION
<b>Review your employee’s beneficiary designations upon receipt</b>	Ensure that the following information is provided: <ul style="list-style-type: none"> <li>• Employee signature (or e-signature) and date</li> <li>• Name, date of birth, Social Security number, address, relationship to employee for each beneficiary (primary and contingent)</li> <li>• Beneficiary percentages, which must add up to 100 percent</li> <li>• Your company’s name or policy number. Include all policy numbers if they differ for basic, supplemental and/or AD&amp;D plans so that the beneficiaries are properly designated.</li> </ul>
<b>Keep designations on file</b>	<ul style="list-style-type: none"> <li>• Retain the original designation and any subsequent changes made by the employee.</li> <li>• Encourage employees to keep a copy of their current designation with other important papers, such as their will.</li> </ul>
<b>Encourage regular reviews</b>	Encourage your employees to review their beneficiary designation(s) every year or two and after life-changing events.
<b>In the event of death</b>	Provide the original beneficiary designation and any subsequent changes to The Hartford’s Group Life claims office, along with any other required information at the time of a death claim.

If a beneficiary has not been designated or there are no surviving beneficiaries at the time of an employee’s death, the policy provisions determine how benefits will be paid.

A preference beneficiary affidavit may be requested of a family member or family contact to help identify who is entitled to the benefit, such as the employee’s estate or next of kin.

## Payment of proceeds at the time of the insured’s death

Life insurance proceeds are paid once a claim has been filed with a certified copy of the death certificate.

IF	THEN
<b>There is more than one primary or contingent beneficiary at the time of the employee’s death</b>	Benefits are paid in equal amounts to each beneficiary in the same classification (primary or contingent) or in percentages specified in the beneficiary designation.
<b>A beneficiary cannot be located when an employee dies</b>	Benefits are sent to the abandoned property division of the appropriate state at the end of the state dormancy period.
<b>The deceased is a dependent (spouse, domestic partner or child)</b>	The beneficiary is automatically the employee, unless otherwise stated under the group policy.
<b>The beneficiary is a minor</b>	Benefits are paid to the minor’s court-appointed guardian of the estate (or property), not directly to the minor child.
<b>The beneficiary is a trust or estate</b>	Benefits payable are released to the court-appointed representative of the trust/estate. Certified estate papers issued by the court are required.

## Assignment of policy ownership

Through absolute assignment, employees may transfer the rights and ownership decisions for a Group Term Life or AD&D policy to another party. Commonly asked questions about assignments are answered below.

QUESTION	ANSWER
<b>What coverage included in an absolute assignment?</b>	Absolute assignment transfers the rights, titles and interest in all benefits on all employee Group Life and AD&D benefits under the specific policy number. (Dependent life cannot be assigned.)
<b>What is a statement of intent?</b>	A statement of intent confirms that an absolute assignment completed under a prior carrier is to remain in effect under the new group life policy. The insured who signed the absolute assignment must also sign the statement of intent, which must then be acknowledged by our Group Life Claims Office.
<b>What if the assignee dies?</b>	Benefits may be payable to the beneficiary designated by the assignee. If assignee dies before the insured, the assignment remains in place.
<b>Can an assignment be terminated?</b>	The assignee must complete a release of assignment form which must be notarized and sent to The Hartford's Group Life Claims Office. Once acknowledged, the policy rights are returned to the insured.
<b>Who can help with questions about a specific assignment?</b>	The Hartford's Group Life Claims Office can assist with questions about a specific assignment. Call 888-563-1124. However, in some instances, callers may need to speak to their own legal counsel.

## The Hartford difference

At The Hartford, we're committed to excellence in education and customer service that helps you and your employees navigate the world of employee benefits with ease. If you have further questions about beneficiary designations and assignments, please contact our customer service line at **888-563-1124** or call your local Hartford representative. You can also find us online at **[THEHARTFORD.COM/GROUPBENEFITS](http://THEHARTFORD.COM/GROUPBENEFITS)**.

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