

YOU BUILT IT.

LET IT LIVE FOREVER.



Annuities may lose value and are not insured by the FDIC or any federal government agency. They are not a deposit of or guaranteed by any bank, bank affiliate, or credit union.



TRANSAMERICA®



Even though a lasting legacy isn't built in a day, it can live on for a lifetime. That's why at Transamerica we try our best to ensure everything you've worked so hard for continues to help the ones you love for years to come.

ENSURE YOUR LEGACY HAS AS MUCH STRENGTH AS IT TOOK TO CREATE

Understanding available options for death benefit distribution is the first step. These options will help increase your legacy, avoid costly mistakes, and address specific concerns you may have about passing assets to your heirs. By conducting a beneficiary designation review, we can help you build an effective strategy for transferring wealth to your beneficiaries.

Transamerica offers a broad range of flexible death distribution options, including the use of "stretch" systematic payouts. The "stretch" option offers beneficiaries who inherit an individual retirement account (IRA) or nonqualified annuity greater flexibility and control by featuring:

TAX CONTROL: Stretching can help beneficiaries control the taxation by allowing them to pay taxes only as they take their voluntary and required distributions.

GROWTH POTENTIAL: By stretching the distributions, your beneficiaries can keep assets invested on a tax-deferred basis to the extent permitted by law, giving the money more time to potentially grow.¹

FLEXIBILITY: Unless restricted, beneficiaries can withdraw additional amounts beyond the required minimum distribution (RMD) in any year.

CONTROL OF YOUR LEGACY: Contract owners may restrict death benefit distribution options, which can be particularly advantageous when beneficiaries have limited or no financial experience. Owners can force the beneficiaries to stretch the payments by using the Restricted Beneficiary Payout form.

57%

of boomers surveyed in a 2017 U.S. Trust survey of high net worth individuals consider it important to leave a financial inheritance to the next generation.²

¹The investment is subject to market conditions and the loss of principal.

²Boomers vs. Millennials, U.S Trust, January 2017.

Annuities issued in all states except New York by Transamerica Life Insurance Company, Cedar Rapids, Iowa, and in New York by Transamerica Financial Life Insurance Company, Harrison, New York. Annuities are underwritten and distributed by Transamerica Capital, Inc. References to Transamerica may pertain to one or all of these companies.

All guarantees, including optional benefits, are based on the claims-paying ability of the issuing insurance company. Note some of these death benefit distributions options may not be available in all situations.

ANNUITY OPTION FOR DEATH BENEFIT DISTRIBUTION

Every legacy is unique and one option does not fit all. Transamerica can help you understand which death benefit option is right for you, as some may not be available in all situations.

SPOUSAL CONTINUATION

If the surviving spouse is the sole beneficiary, the spouse may elect to continue the contract and exercise many of the rights of the original owner.

LUMP SUM

Beneficiaries can elect to receive the entire death benefit immediately.

PAYMENT WITHIN FIVE YEARS

For nonqualified annuities, beneficiaries can liquidate the annuity within five years of the owner's death. For qualified accounts, the beneficiary must receive all payments by the end of the year containing the fifth anniversary of the owner's death.

LIFETIME INCOME

Beneficiaries can elect annuity payments guaranteed for life. This must be exercised within one year of the date of death with nonqualified annuities. For qualified annuity contracts, payments generally should begin by December 31 of the year following the deceased owner's death.

THE SPECIFIED TIME PERIOD IN WHICH THE BENEFICIARY MUST ELECT TO BEGIN TAKING ANNUITY PAYMENTS

Beneficiaries can elect an annuity payable for any period between five to 30 years, provided the period does not exceed the beneficiary's life expectancy at time of election and complies with tax laws.

SYSTEMATIC PAYOUTS (STRETCH)

Beneficiaries can stretch distributions by taking systematic payouts over a period not to exceed their life expectancy. Although the stretch election has a required minimum distribution (RMD) each year, it gives beneficiaries greater control over the taxation of their inherited assets. For nonqualified contracts, payments must start within 12 months from the date of death. For qualified contracts, payments generally should begin by December 31 of the year following the deceased owner's death.

EMBRACE THE TRANSAMERICA ADVANTAGE

Transferring wealth is an important consideration for anyone. One of the first steps in effective wealth transfer planning is knowing the capabilities of the companies you work with. Transamerica provides the options and capabilities that empower you to address your wealth transfer needs.

STRETCH: Available for any living beneficiary on qualified accounts or nonqualified annuities.

RESTRICTED BENEFICIARY OPTION: Allows you to customize how and when your beneficiaries can access their inheritance (death benefit). These restricted options must comply with tax laws.

IRREVOCABLE BENEFICIARY ELECTION: An irrevocable beneficiary must sign off on any changes to the beneficiary designation while the owner is alive.

PER STIRPES DESIGNATIONS: Allows the owner to customize the beneficiary designation in case a primary beneficiary dies before the annuitant/owner.

QUESTIONS TO CONSIDER

- Have you done any beneficiary planning?
- Are you concerned about how one or more of your beneficiaries will handle their inheritance?
- Are your beneficiaries aware of the tax consequences associated with inheriting your IRA or nonqualified annuity?
- Have you spoken with your beneficiaries to ensure they understand the options available to them?

	BENEFICIARY/INHERITED IRA	NONQUALIFIED STRETCH
When should the first stretch distribution begin?	Generally, December 31 of the year following death.	Within one year of the date of death.
Is there a 10% penalty on distributions under age 59½?	No.	Generally no.
Can the beneficiary take more than the required minimum stretch?	Yes, unless the original owner limits distributions to stretch only.	Yes, unless the original owner limits distributions to stretch only.
Is this option available for a trust designated as beneficiary?	Yes, but only if the trust meets specific requirements.	No.
Does Transamerica accept this type of account as new business?	Yes, as a trustee-to-trustee transfer. Additional benefits are not available.	Yes, assuming the originating company will accommodate a post-death 1035 exchange.
Can a beneficiary send Transamerica a check?	No, trustee-to-trustee transfer only.	No, direct transfer via 1035 exchange only.



TRANSAMERICA®

When it comes to preparing for your future, there's no time like the present.

Let's get started today.

 **Visit:** transamerica.com

Neither Transamerica nor its agents or representatives may provide tax or legal advice. Anyone to whom this material is promoted, marketed, or recommended should consult with and rely on their own independent tax and legal advisors regarding their particular situation and the concepts presented herein.

Withdrawals of taxable amounts are subject to ordinary income tax and if taken prior to age 59½, a 10% federal tax penalty may apply.

