



Annuity Settlement Option

Use this form to elect the Annuity Settlement Option for one or more of your beneficiaries.

The Annuity Settlement Option is often selected by policy/contract owners who are concerned about how their beneficiary will manage a large lump sum death benefit, particularly for beneficiaries who may be inexperienced at managing money. Policy/contract owners who select the Annuity Settlement Option are opting for their beneficiary(ies) to receive their death benefit as a controlled income stream in the form of an annuity, either for a specific period of time, or for the lifetime of the beneficiary.

The Annuity Settlement Option may be elected for a portion of the death benefit or for the full amount. If you do not wish to elect the Annuity Settlement Option for any of your beneficiaries, please use Beneficiary Change form #671BCF for Individual Life and Critical Illness policies, use Beneficiary Change form #671BCFS&R for Individual Wealth contracts.

Policy/contract number: _____ Policy/contract Owner(s): _____

1. Beneficiary designation

I/We revoke the previously designated primary and contingent beneficiary(ies).

- **Where the Annuity Settlement Option has been elected:** I/We direct that the death benefit be payable to the selected beneficiaries in the form of a non-commutable and non-assignable annuity.
- **Where the lump sum payment option has been elected:** I/We direct that the death benefit be payable to the selected beneficiaries in the form of a lump sum payment.
- **Where both the Annuity Settlement Option and lump sum payment option have been elected:** I/We direct that the death benefit be payable to the selected beneficiaries in the form of a non-commutable and non-assignable annuity and lump sum payment in the specified percentages.

Primary beneficiary name(s)	Relationship to annuitant (in Quebec - relationship to owner)	Payout option	Guarantee period	Share of benefits	Date of birth if minor (dd/mm/yyyy)
		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

Total 100%



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1. Beneficiary designation (continued)

The contingent beneficiary(ies) receives the death benefit if all the primary beneficiaries are deceased at the time of the insured's death.

Contingent beneficiary name(s)	Relationship to annuitant (in Quebec - relationship to owner)	Payout option	Guarantee period	Share of benefits	Date of birth if minor (dd/mm/yyyy)
		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

		<input type="checkbox"/> Lump sum		_____ %	
		<input type="checkbox"/> Single life annuity	_____ (10-30 yrs)	_____ %	
		<input type="checkbox"/> Term certain annuity	_____ (10-30 yrs)	_____ %	

Annuity payment frequency: ☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

Total 100%

Beneficiary will be revocable unless stated to be irrevocable. Where Quebec law applies, if you have named your spouse (married or civil union) as beneficiary, this designation is irrevocable unless you stipulate it as revocable by checking here: ☐ Revocable

Trustee for all minor beneficiary(ies) (not applicable in Quebec):

Name: _____

2. Acknowledgements

Where the "Single life annuity" option has been selected:

The applicable beneficiary will be required to complete an annuity application when the death benefit on the original policy/contract becomes payable. A separate annuity contract will be issued for each applicable beneficiary. If a life annuity is selected, it will be based on the life of the beneficiary. Contract provisions, interest rates and first annuity payment date will be determined by our then current administrative rules, and set out in the beneficiary's annuity contract. Proof of age for each applicable beneficiary is required prior to commencement of the life annuity. If we are not provided with satisfactory proof of age, the death benefit will be paid as a 10 year Term Certain Annuity.

Changes to the Annuity Settlement Option:

The policy/contract owner can change the beneficiary designation, annuity selected, frequency of payments and lump sum option prior to the death of the life insured/annuitant by completing and submitting a new beneficiary declaration (provided an irrevocable beneficiary has not been named).



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2. Acknowledgements (continued)

Registered investments (such as an RRSP or RRIF):

When deciding how your beneficiaries should receive the proceeds of your contract, it is important to consider the effect on your estate. When you die, the market value of your registered contract is taxable income and your estate becomes liable to pay the income tax owing. If you select the Annuity Settlement Option, the money from your contract will not be available to pay the taxes. Your estate plan should take into account the tax that will be payable.

Instructions for beneficiary designations

1. If no beneficiary is named, the proceeds will be payable according to applicable law.
2. If a beneficiary is to be designated as irrevocable, that must be specified next to the beneficiary's name. If the beneficiary designation is specified as irrevocable, the signed consent of the irrevocable beneficiary is required to make any future beneficiary changes. If the current beneficiary is designated irrevocable, the beneficiary change will not be effective unless the irrevocable beneficiary signs a consent releasing their interest as a beneficiary.
3. Where Quebec law applies, designation of the owner's spouse (married or civil union) is irrevocable, unless the owner stipulates the designation to be revocable.
4. If a trustee is designated for a minor beneficiary, the proceeds will be paid to the trustee as long as the beneficiary is a minor. Once the minor beneficiary reaches the age of majority, the proceeds will be paid directly to him or her, according to applicable law. This does not apply in Quebec.
5. If a trust is designated as a beneficiary, ensure the full name of the trust is listed.
6. List names of children individually instead of "All my children" to avoid any delay in receiving proceeds at the time of claim.

The annuity that is established as a result of the Annuity Settlement Option is subject to legislative requirements, minimum purchase amounts, minimum payment guarantees and annuity options available at the time of purchase. If a beneficiary does not meet our then current administrative requirements for age or minimum amount required for the type of annuity specified, the death benefit will be paid as a lump sum. If your contract is registered and the death benefit will be payable to your spouse, you must ensure the annuity you choose is allowed under the Income Tax Act (Canada).

3. Agreements and signatures

I/We, the policy/contract owner(s) confirm and agree:

- That the named beneficiary(ies) will cancel and replace all previous beneficiary and trustee designations
- To the terms of this Annuity Settlement Option, designation and selection, and direct the death benefit under the policy/contract to be payable to the beneficiary(ies)/contingent beneficiary(ies) set out above
- That electing the Annuity Settlement Option will result in an annuity being purchased for the beneficiary that is to be non-commutable, non-assignable, and cannot be redirected or changed by the beneficiary
- That electing the lump sum payment option will result in the beneficiary receiving the death benefit in the form of a lump sum payment.

If policy/contract has multiple owners, all owners must sign. If a company is the owner, please specify officer's name and title.

Signed at (city, province)	On (dd, mm, yyyy)	Signature of policy/contract owner(s) (authorized signature if corporation)	Signature of witness