

# Beneficiary Designations

**Primary Beneficiary(ies):** The person(s) or entity you chose to receive your life insurance proceeds. Payment will be made in equal shares unless otherwise specified. In the event that a designated primary beneficiary predeceased the insured, the proceeds will be paid to the remaining primary beneficiaries in equal shares or all to the sole remaining primary beneficiary.

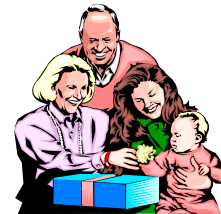
**Contingent Beneficiary(ies):** The person(s) or entity you chose to receive your life insurance proceeds if the primary beneficiary(ies) die (or the entity dissolves) before you die. Payment will be made in equal shares unless otherwise specified. IN the even that a designated contingent beneficiary predeceases the insured, the proceeds will be paid to the remaining contingent beneficiaries in equal shares or all to the sole remaining contingent beneficiary.

## *Per Capita versus Per Stirpes*



**Per Capita:** The children of a deceased beneficiary share equally with the surviving members of the original group of beneficiaries (in Latin it means “by the head,” “according to the number of individuals,” or “share and share alike.”)

**Per Stirpes:** The share of a deceased beneficiary goes to the beneficiary’s children (in Latin it means “by the trunk,” “by the right of representation,” or “by roots or stocks.”)



### **Example:**

There are two ways to leave your estate to your children; Per Stirpes and Per Capita. For example, if you are not survived by your spouse but you are survived by two children (named Alfa and Bravo), then Alfa and Bravo would each get 50% of your estate. Suppose Alfa died before you and left a child (named Alfa, Jr.). Where should Alfa's 50% of your estate go? To Bravo, or to Alfa, Jr.?

If you want Alfa's share to be inherited by Alfa's children then the share passes per stirpes (think of it as "down the stripe"). If you want Bravo to get the entire estate (thus shutting out Alfa's children), then the estate passes per capita. Per Capita distribution looks at the number of surviving heads (capitas) on the generational line.