



# Life events with financial impact

Dealing with the death of a spouse or long-time partner



# Life events with financial impact

From the joyous to the tragic, major life events can impact your finances in expected and sometimes unexpected ways. This series of guides helps you prepare and, where necessary, adjust your family's financial plans – easing the transition to life's next chapter.



| *Annuity*

Neither North American, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice. Consult with and rely on your own qualified advisor.

## Dealing with the death of a spouse or long-time partner

We are terribly sorry for your loss. With time, we hope the grief you're experiencing becomes more manageable and the memories you shared become ever more vibrant and cherished.

There's nothing we can do to help the delicate healing process along, but there is one area where we can help you navigate the coming days and months. When it comes to your family's retirement plans, North American offers this checklist to shed light on what you may need to consider and the potential decisions ahead.

Any plans your partner had in place that named you or your children as beneficiaries will play a big part in what the next steps look like. In addition, your age, years to retirement, and retirement savings will determine how simple or major the changes are you'll need to consider to help ensure you still meet your goals.

These are especially important to think about if your partner primarily dealt with the family's finances and you're getting up to speed on what the plan was prior to his or her passing.

Obviously, retirement planning is just one aspect to consider as there are many other important topics that this guide doesn't cover. The intent of this list is to simply offer guidance to help ensure your retirement plans are appropriately handled through this transition.

## Confer with a financial professional, lawyer, and tax advisor

For any issues dealing with insurance or financial products, it's best to start with the financial professional who helped set up the account.

When it comes to a will, or maybe more importantly when there isn't a will in place, we strongly recommend speaking to an experienced attorney. In addition to giving legal guidance, they can help you reconcile any outstanding debts you may be liable for with potential assets you'll inherit and assist with settling the estate in court.

You may also find it helpful to keep in touch with your tax advisor as you work through the decision-making process to avoid any unexpected tax bills.



# What could be impacted

While we can't cover everything that may need to be addressed in your individual circumstances, we've listed some considerations you may wish to discuss with your financial professional and/or legal or tax advisor if they apply to your situation. You may find some considerations below will apply to many products.

## Product or service Life insurance

### What to consider

Find out if any life insurance policies named you or your children as beneficiaries, and report your partner's passing to insurance carriers who need to know. You may see this referred to as a death claim. Claims forms are available at [NorthAmericanCompany.com](http://NorthAmericanCompany.com).

Notes

Group life insurance policies through an employer can sometimes be overlooked. Premiums could have been paid for automatically by the employer. Or an employee could opt in during annual enrollment and have the cost come out of his or her check, so when you talk to your partner's employer, be sure to ask about these types of policies.

Notes

It's also possible for a partner to pass away and leave behind an inforce life policy that you never knew about and can't find documentation to support. If your financial professional is struggling to locate it, there are online databases for situations like these, and your state insurance commissioner's office could help, too.<sup>1</sup>

Notes

Review beneficiaries on any remaining policies on your life. In most cases, spouses list each other as primary beneficiaries, so you may want to change these to your kids, a guardian, or other trusted family member.

Notes

For minor children who could inherit a large sum of money if you were to pass away, you may want to consider setting up a trust. There are many varieties to explore, and you'll want to find a lawyer and tax advisor who specialize in trust work to advise you on the best approach.

Notes

# Product or service

# Annuities (IRA, Roth IRA, etc.)

## What to consider

You may be entitled to a payout of an annuity's remaining account value, known as a death benefit. Claims forms are available at [NorthAmericanCompany.com](http://NorthAmericanCompany.com).

Notes

When you're the primary beneficiary of your late spouse's annuity or of an annuity you owned jointly, you may be able to continue the contract and become the sole owner. The feature is known as spousal continuance. By current company practice\*, North American does not enforce surrender charges on spousal-continuance contracts.

Notes

If you and your departed spouse held a jointly owned contract that you now own solely, or if you were receiving joint payouts on an individually owned contract, you may want to confirm how its benefits might change.

Notes

Have your financial professional reassess how any changes may impact your projected savings growth and retirement income.

Notes

Review beneficiaries.

Notes

If your income from these products is impacted, talk to your accountant or tax advisor about the potential tax implications.

Notes

\* A feature offered "by current company practice" is not a contractual guarantee of this annuity contract and can be removed or changed at any time

Product or service	What to consider	
<p><b>Employer-based retirement plans [401(k), 403(b), etc.]</b></p>	<ul style="list-style-type: none"> <li>• Gather recent statements for your plan and your partner's.</li> <li>• If you don't need the money right away, consider whether rolling it into another qualified savings vehicle like an IRA may be beneficial.</li> <li>• Consider adjusting your deferral amounts on your employer-sponsored savings plans if you and your partner both contributed.</li> </ul>	<p>Notes</p>
<p><b>Social Security</b></p>	<ul style="list-style-type: none"> <li>• In most cases, the funeral home will report your partner's passing to Social Security. If not, you can reach them at 800-772-1213. Death notifications are only allowed by phone.</li> <li>• If your partner had worked long enough to qualify for benefits but not yet started drawing them, you could be entitled to some of that money as a survivor. Generally speaking, that means working at least 10 years and earning at least \$5,280 in wages each of those years.<sup>2</sup> Depending on recent work history, the bar could be even lower than that, but everyone's situation is different, so talk to your Social Security claims representative.</li> <li>• Additionally, a one-time payment of \$255 can be paid to the surviving spouse.<sup>2</sup></li> </ul>	<p>Notes</p>
<p><b>Investments (stocks, mutual funds, etc.)</b></p>	<ul style="list-style-type: none"> <li>• Get familiar with any investments you didn't know about.</li> <li>• Have your financial professional reassess whether they fit your individual risk tolerance and goals.</li> <li>• You may need to produce stock certificates as proof of ownership, so keep those handy.</li> </ul>	<p>Notes</p>
<p><b>Other insurance policies (health, disability income, etc.)</b></p>	<ul style="list-style-type: none"> <li>• If you're on your partner's health insurance and don't have coverage available to you otherwise, consider COBRA until you can secure an affordable alternative.</li> <li>• Medicare eligibility is based on the age of the individual. If you were eligible before your partner's passing, you'll still be eligible. If you weren't, your eligibility age stays the same.</li> <li>• If yours was a two-income household, you would have had more of a hedge against loss of one income due to severe illness or injury. On your own, you may want to consider a disability income policy.</li> </ul>	<p>Notes</p>



Not every decision needs to be made immediately. In fact, you might be better off letting some time pass before committing to any plans that you can't easily adjust later. Take your time to process your loss, and focus on your family. **Then, when you're ready, pull together your loved ones and your professional team to decide the best way forward.**

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1. "Finding a lost life insurance policy – Easy steps and resources," Mila Araujo, The Balance, <https://www.thebalance.com/finding-a-lost-life-insurance-policy-4066234>

2. "If you are the survivor," Social Security Administration, <https://www.ssa.gov/planners/survivors/ifyou.html>

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**The Life events series are general summaries that can be used when considering your financial future at various life stages. The information presented is for educational purposes only and is meant to help supplement additional information specific to your situation.**





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