

For qualified purchasers, beneficiary designation is handled directly with the self directed IRA custodian.

For non qualified (cash) purchasers, beneficiary designation is typically handled in one of 3 ways based on client preference.

METHOD #1

Client names the intended recipient directly in their will. Upon death, the executor presents the will and death certificate to the disbursing department at GoldStar, who updates records and payment preferences for the disbursing account, paying the remaining payments to the new payee.

METHOD #2

Client buys the DCF Income Payment initially in the name of a Trust or they transfer the asset into Trust after purchase, and specify how they want the income stream handled in the Trust documents. Trustee / successor trustee can make account changes for each of the owned payment streams at any time thereafter directly with the disbursing department at GoldStar.

For transfers of assets into a Trust after the initial purchase, this is usually done with a simple internal document stating that "I, {Bob Smith}, hereby put my payment stream {Case ID and Payments} into the {Bob Smith Trust}" and retaining this note with the Trust documents.

Ownership record can then be updated directly with the disbursing department at GoldStar informing them that the payment stream formerly owned by {Bob Smith} is now owned by the {Bob Smith Trust}. As this is not a third party ownership change, there is typically no transfer fee or additional GoldStar documentation required.

METHOD #3

GoldStar Trust company also offers a non-qualified GoldStar Asset Management Account (GAMMA). There is no fee for this account or service.

The GAMMA account allows for direct beneficiary designation applicable to all cash and assets owned in that account. This custodial account is also useful for holding client cash and for consolidating inflow from multiple payment streams, which may then be distributed per standing monthly or other periodic distribution instructions. The GAMMA account has online access to view holdings and cash balances.

In addition to traditional beneficiary designation, GAMMA accounts are very useful for clients who seek to aggregate inflow from multiple payment streams, or to receive transfers from other sources or send in cash for future purchases prior to selecting specific investments.

Transferring previously acquired payments into a GAMMA account is a coordination between the Client Services team at GoldStar Trust and the disbursing department.

Step 1 is to open the account with GoldStar, which includes sending in required Patriot Act documentation such as Drivers License and SSN. A GAMMA account application can be found on DCF's website and may be sent in by fax or email to newbusiness@goldstartrust.com.

Step 2 is to inform the disbursing department that the payee and ownership information is updated to make the payment stream owned by and pay into the GAMMA account. An amortization schedule of the remaining payments will also be uploaded to the GAMMA account so that each payment can be tracked through GoldStar's online portal.