Annuity replacement worksheet

Educational tool, not legal or tax advice. Use the replacement forms your carrier and agency require; this worksheet organizes the facts and does not replace them. The decision and the written basis are the agent's.

Client: _____ **Agent:** _____ **Date:** _____

Old contract (carrier, number): _____

New contract (carrier, product): _____

1. Tax test

Money type (non-qualified, IRA or employer plan; this worksheet covers the first two): _____

If partial: transfer date / placed-in-force date / day 180 (use the later count): _____

Same insured or annuitant on the old and new application (Y/N): _____

If partial: systematic or free withdrawal on the old contract stopped before the transfer (Y/N): _____

Owners (the regulation's "obligees") match on old and new application (Y/N): _____

Cash, or loan cancellation, received (boot): _____

Transfer method (direct carrier to carrier, or a check): _____

Contract status (deferred or partly annuitized): _____

Full or partial exchange: _____

Carrier's basis and investment-in-the-contract letter on file (Y/N): _____

2. Money test

Line	Old contract	New contract
Account value		
Cash surrender value (as of a date)		
Surrender charge today		
Surrender charge after the next anniversary		
Market value adjustment estimate (or "ask the carrier")		
Free withdrawal terms; do they apply to an exchange?		
Credited and uncredited index interest at the exit date		
Unvested bonus on the old contract		
New surrender schedule		
New bonus: vesting and forfeiture on early surrender		
Rider fee and other charges; premium tax		
Rate hold: how long, and what if funding is late		
Guaranteed yearly advantage in dollars		

Break-even years = cost to leave the old contract / yearly dollar advantage, taken from the guaranteed column. Then compare surrender values year by year, and test waiting one anniversary.

3. Guarantee test (dollar value of each, from the contract and the carrier's written answer)

Income base already grown, and income in dollars at the current age: $_____

Death benefit guarantee: $_____

Income already turned on (amount, single or joint, term): $_____

Variable annuity living benefit (does it still pay at zero account value?): $_____

Joint-income option: $_____

Minimum guaranteed rate; MVA: $_____

Each guarantee is a promise of the issuing insurer and depends on its claims-paying ability.

4. Paper test

State notice delivered and signed; application's replacement answer: _____

Carrier forms; what the new carrier's reviewer asked: _____

Prior exchange or replacement in the preceding 60 months (answer): _____

Appendix B or C statement, if any; written basis; retention date: _____

Keep test

Write at least three reasons the client might keep the contract, and answer each, whichever way the final answer goes.

1. _____
2. _____
3. _____

Source: Annuities Genius, The Annuity Replacement File, annuitiesgenius.com/blog/1035-exchange-annuity-replacement-rules-for-agents. Sources last opened 2026-11-05.