Update Your Life Insurance Beneficiary Information Today!

Have You Had a Major Life Event?

If you've recently tied the knot, welcomed a baby, adopted a child, undergone a divorce or suffered a death in the family, it's probably time to update your beneficiary. Imagine how your spouse may feel if your Life Insurance benefits were unintentionally left to someone else… your ex-spouse happily receives a large sum of cash while your family helplessly watches. These situations can and do happen. Update your Life Insurance beneficiary today!

Tips about Beneficiaries:

- If you do not designate a primary beneficiary, the payment may pass to your estate where it could be subject to taxes and fees, or your state law may determine who receives the benefit.
- Be sure to list a secondary beneficiary in the event your primary beneficiary precedes you in death.
- List the full name of each beneficiary instead of "son," "spouse," "wife," etc. This will avoid complications down the line.
- If you have more than one primary beneficiary – specify the percentage of proceeds each one should receive.
- Make sure contact information for your beneficiaries is up to date with your HR department.
- Think carefully about all options before naming minor children as Life Insurance beneficiaries. By law, minors cannot receive or control these assets, so funds must be distributed to someone else. Distribution may be determined by the executor or in some cases, the State. No matter the size of your estate or your Life Insurance policy, it is best to channel the assets into a trust to be distributed to your heirs according to your specific instructions. A trust is not as complicated as it sounds and can be affordable to set up.
- If you list specific beneficiaries, then your Life Insurance policy will override your will. Make sure your wishes are covered in both documents.
- If you live in a Marital Property state and you want to name someone other than your spouse, your spouse may still have a marital property claim to part or all of the death benefit. If you want to name someone other than your spouse, have your spouse sign the beneficiary statement or submit a signed and dated letter giving his or her permission.
- You can make your favorite charity or non-profit your beneficiary. Be sure to include Tax ID and contact information.
- Consider consulting an advisor (investment professional, accountant, lawyer, etc.) if you have specific questions.

The information provided here is not meant to be a substitute for professional advice.

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