

Beneficiary Designations

Who will get your money?

Although not a pleasant topic, it is an important one – Who is the named beneficiary of your retirement account should you pass away?

When you enrolled in your retirement plan, you were asked to select a beneficiary to receive your retirement plan assets in the event of your death. This step may be more important than you think, and it is imperative that you keep this information up to date.

Single

If you are single, your assets go to the designated beneficiary, no matter what your will states. This also includes other agreements and court orders. If you fail to designate a beneficiary, the terms of the plan document govern the disposition of your account. Some plan documents provide that in the absence of a beneficiary designation your estate is the beneficiary, while others use a hierarchy or relatives who are the beneficiaries. Because of the variances in plan documents, it is important that a financial professional review the terms of your plan document when faced with determining who the beneficiary is if no beneficiary is designated.



Married

If you are married, your spouse automatically becomes the beneficiary of your retirement plan. Should you want to name an alternate, you and your spouse may have to sign a waiver in front of a notary.

Separation/Divorce

If you remarry following a divorce and subsequently pass away while still married to your second spouse, the second spouse by law is automatically your beneficiary unless your new spouse consents to someone else being your designated beneficiaries. This consent would either need to be witnessed by a plan representative or a notary public.

Death may not be prominent on your mind, but it is inevitable. It is important to be prepared and organized to make sure your wishes are fulfilled.

To learn more about the importance of keeping your beneficiaries up to date, contact Fiduciary Plan Partners at (646) 974-4401 or info@fiduciarypp.com.

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