Reviewing Your Beneficiary Designations

JUNE 28, 2022

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Three areas continually change over the years: your balance sheet, family dynamics, and the law. That is why reviewing your estate plan on an annual basis is integral to maintaining a desired outcome. Although all three of these topics are vital, let's drill down on the importance of family dynamics, specifically reviewing your beneficiary designations.

A common misconception people have is that their will controls the direction of their retirement assets. You may be surprised how easy it is to make this mistake, thus, reviewing your beneficiary designations is critical. It ensures your life insurance and retirement accounts flow to the correct individuals or organizations. We can make adjustments during your lifetime that will prevent unintended consequences. But after death, an improper designation may be impossible to reverse.

Common times to review your designations and make updates are when your family experiences major life events such as death, birth, marriage, or divorce. Also, if you switch jobs and rollover your 401(k) or IRA, this is another opportunity to make sure your beneficiaries are updated. To ensure our clients avoid costly mistakes, we, at MCF, make it a priority to review your beneficiaries on an annual basis, at a minimum.

Updating your beneficiary designations may differ from account to account, but is generally a straightforward process. We are here to walk you through that process and explain the flow of assets for each account.

You've worked diligently to build your wealth for your family and to provide a level of financial stability. Reviewing your beneficiaries and understanding the flow of each asset will avoid thwarting your desired estate plan.

Our focus on integrated holistic financial planning includes regular estate planning review, amongst other services. Ongoing planning discussions allow us to continue to guide our clients along the journey of life to achieve all their hopes and dreams. We look forward to seeing you in the coming quarter to discuss your estate plan and review your entire financial picture.

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