

Why is naming a beneficiary important?

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Many times when we ask a member to name a beneficiary to their account(s), we hear, "I'll do it later." or even... "I won't be here anymore, so it won't really matter, will it?"

We understand it is difficult to think about end of life business matters. However, listing a beneficiary on all your financial accounts makes end of life matters just a little bit easier for those left to work through the loss of a loved one.

The reality is... listing a beneficiary **DOES** matter. It matters quite a lot.

Naming a beneficiary on financial accounts does several things.

1. Accounts with named beneficiaries ease financial stress by enabling the beneficiary to access the funds quickly to pay for end of life expenses such as the funeral and burial.
2. Having a beneficiary helps limit fighting over the money. Listing a beneficiary on an account gives clear direction on who should receive the funds in the event of the owner's death.
3. It eases the emotional stress of dividing up monetary assets. If there is a clear listing on who should receive the funds or assets, it alleviates loved ones having to shoulder the responsibility and emotional stress of dividing monetary assets.
4. Having a listed beneficiary gives the credit union legal directives to effectively help loved ones manage the funds at the credit union. It also gives us confidence we're following the account owner's wishes.
5. **SAVES MONEY.** The beneficiary does not have to spend money for attorney or court costs to access funds in the account where they are listed as beneficiary.
6. **SAVES TIME.** Funds can be accessed with a proper I.D. and a copy of the death certificate. There's no running around getting proper authorization or paperwork from the court system.

We have helped many family members work through the business side of losing of a loved one. Not only is the loved one managing the grief, they have to work through the arduous process of finalizing the financial affairs of the decedent.

If beneficiaries aren't named on accounts nor a Last Testament and Will in place, it is much more stressful for family members to manage end of life and access funds to pay for expenses.

Additionally, if there's not a directive from the account holder of where the funds need to go after the account holder's death. Those funds may very well end up being awarded by the state. *Depending on the state, assets could be distributed to anyone... including ex-spouses.*

Naming a beneficiary (or beneficiaries) to your financial accounts will make life just a bit better for your loved ones working through the grief of losing someone. They will thank you for it.

Call us to check if beneficiaries are named on your Journey Credit Union accounts.

Adding or changing beneficiaries is quick and easy. **We're happy to help.**

***Disclaimer:** Journey Credit Union is not an estate planner nor are we attorneys or acting as attorneys. We are providing this information simply as a reference guide. For legal advice in estate planning or end of life planning please consult a licensed professional.*