



## Why You Should Add a Beneficiary to Your Savings/Checking Account

Unlike investment accounts, IRAs, or life insurance policies, it is not mandatory to add a beneficiary to your savings or checking account. However, even though it may not be required, it's still sensible to do it anyway. A beneficiary is the designated person (or people) you choose to receive the money in your account(s) after you die. It may not be pleasant to think about, but it's prudent to be prepared.

**Beneficiaries may be added at any time.** And, it's easy! Beneficiaries are designated on your Membership Application; simply come see us to have it updated. Your beneficiary doesn't need to be present, however you will need to provide the name, current address, phone number, Social Security number, date of birth, and relationship to you for each beneficiary that you designate. This will help us identify the correct recipient(s) of your account balances when the time comes. If you designate more than one beneficiary, the funds will be split equally among them. Note that beneficiaries do not have any access to your account or your account information prior to your death.

**Similarly, beneficiaries may be changed, too.** Maybe your life circumstances have changed. For example, a newlywed may change their current beneficiary from a family member to their spouse, or add their spouse as an additional beneficiary. On the flip-side, someone going through a divorce may want to remove their soon-to-be ex-spouse as a beneficiary, and replace them with someone else. For some, naming a beneficiary could be just as much about avoiding someone from receiving the account funds as it is about wanting someone to have them.

**Your account beneficiaries will supersede your will.** When the time comes to distribute your assets, the executor of your will relies on beneficiary designations to determine who receives the monies in your accounts. Naming a beneficiary not only speeds up the process of dealing with your estate, it also helps avoid family fights about inheritance. Your wishes in this regard will be clear, so your family members won't question which assets are intended for whom. Note that we are not estate planners, so it's best to contact a lawyer if you wish to establish a will.

**What if you don't have a will?** That's perfectly okay. Whether or not you have a will established at the time of your death, we will distribute your savings and checking account balances according to your beneficiary designations.

**The bottom line.** Adding a beneficiary to your savings and checking accounts can save time and prevent confusion after your death. The process is simple, can be altered as your life circumstances require, and ensures that your account assets are distributed according to your wishes. It's good practice to review your account beneficiaries at least annually, in case any updates are needed.