



THE DUPUIS LANGEN GROUP  
SOLUTIONS WITH CLARITY

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# Benefit *brief*

THE EMPLOYEE SOLUTIONS NEWSLETTER FOR THE CLIENTS  
AND FRIENDS OF DUPUIS LANGEN

## How do **I designate a beneficiary?**

*Who do you want to give your money to when you die?*

You may think, you don't care where it goes because you will be dead but think of the loved ones that you leave behind. They will have to deal with the emotional loss of losing you as well as the financial heartache and the many other decisions your loved one will face during this time. Your loved one will need to pay for the funeral or urgent bills, get your death certificate, notify various parties of your death and cancel coverages. Notifications you should consider are (depending on the circumstances) your employer, life insurance company, provincial health care plan, private health care plan, landlord, motor vehicle registry, credit card companies, Canada Pension Plan (for death benefit), Veteran's Affairs, doctor's office, and all utilities in your name such as telephone, cell phone, electricity, internet etc.

That's why it is important to control where your money goes by naming a beneficiary to ensure that the **life insurance benefit** paid upon your death goes to whomever you want to receive it. **You can name more than one beneficiary**, the insurance company will divide the death benefit among them. **Beneficiaries** may be revocable or irrevocable:

⇒ If the beneficiary is **revocable**, you can change the beneficiary at any time without advising the beneficiary.

⇒ If the beneficiary is **irrevocable**, you must have the irrevocable beneficiary's written permission before making beneficiary changes.

⇒ If you live in Quebec and name your spouse as your beneficiary, the designation is automatically **irrevocable**, unless you specifically make it revocable when you first designate your spouse.



## **Do you want your Life insurance or RRSP monies to go to your Ex Spouse?**

In

this day and age, breaking up with your significant other is hard enough so remembering to change your beneficiary to your new beau or belle is almost always forgotten. This means your Ex Spouse will be the recipient of your Life Insurance Policy if you never changed it.

In most cases, it's possible to change your beneficiary by filling out the proper paperwork. Each organization has its own processes for changing beneficiaries, so you should contact the company to find out what those are. In many cases, though, all you need to do is fill out a form and send it in. After you have gone through the steps necessary for changing a beneficiary, follow up and check to make sure the switch has been made. Verify that your wishes are being followed.

## Your Listed Beneficiaries Trump Your Will



Many people are tempted to think that once the Will is made, the work is done. Everything is set up. However, it's important to realize that listed beneficiaries trump Wills. No matter how explicit you are in

your Will, and no matter how many witnesses sign, if the beneficiary on a life insurance policy or retirement account does not agree with the Will, it's the listed beneficiary who gets the money.

When you experience a major life change, it's important to review your beneficiary information, and change it to reflect your desires. Many people forget to change beneficiaries on retirement accounts and life insurance policies when you a



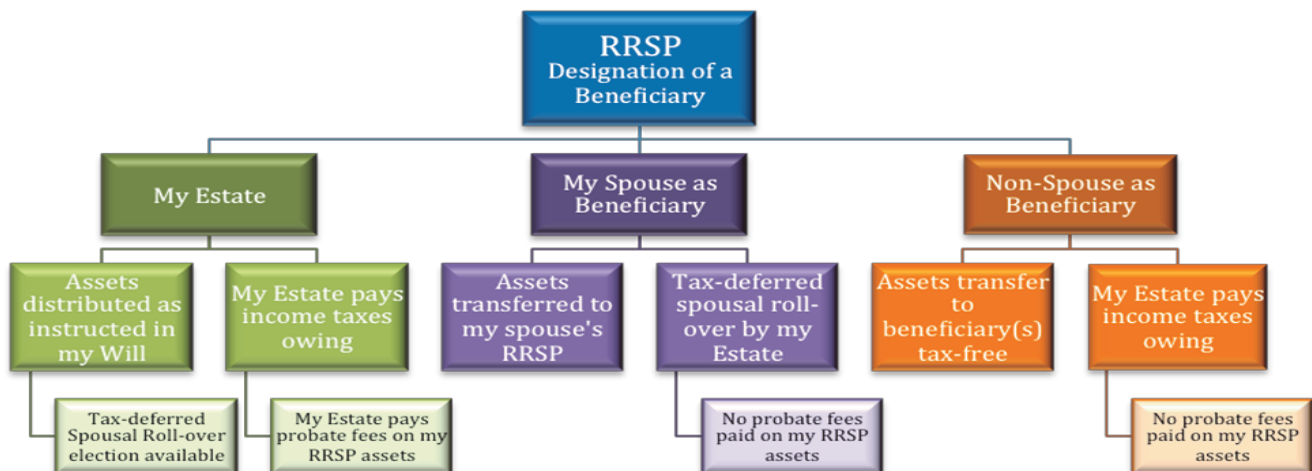
spouse dies or when there is a divorce. However, this is a mistake. Your listed beneficiary will receive the money, no matter what your will says. As you create your will, make sure to review your beneficiaries to make sure that everything matches up the way you want it to.



Financial institutions merge. Records can be lost. Keep copies of all your beneficiary forms and send them certified mail, return receipt requested. Then check regularly, perhaps at tax time, to make sure that what your institution has on file is correct. Don't expect your Bank, broker Plan Administrator to tell you if something is amiss with your beneficiary designations.

**How can I ensure my wishes will be honored?**

**"Don't assume it's right," "Life is not that simple."**



Credit: <http://www.investingforme.com/classroom/account-type/rrsp/designating-a-beneficiary>

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