

A photograph of an older couple walking away from the camera on a sandy beach. The woman is on the left, wearing a light blue button-down shirt and tan pants, carrying a white sneaker. The man is on the right, wearing a grey long-sleeved shirt and tan pants, also carrying a white sneaker. They are holding hands. The background shows the ocean and a cloudy sky.

Why Naming a Life Beneficiary is Important

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It's probably the last thing you want to think about but it's important to consider:

- *What would happen to your loved ones in the event of your death?*
- *Do you know who would receive your life insurance benefit?*
- *Does your family know your plan for your life insurance benefits?*

We know that this kind of planning can be overwhelming. But there's one simple thing you can do right now to settle some of your affairs, and it starts with your life insurance policy.

Your WEA Trust life insurance policy offers a benefit to your loved ones after your death to help settle affairs and manage other costs. That's comforting news, but it can be more difficult for your loved ones to access this

benefit if you don't name them as your beneficiaries.

It's simple to do. It only takes a few minutes to choose or update your information, which can help ensure your loved ones are cared for and your wishes are clear.

These conversations can be difficult, but it's important to let your loved ones know your plans and wishes. Ensuring that you've named your beneficiaries and discussed your plans with them can bring peace of mind to all involved.

Take a few minutes to update your beneficiary today. The WEA Trust Life Insurance Beneficiary form can be found on our website at WEATrust.org.

Here's some key information you need to know.

What is a life insurance beneficiary?

A beneficiary can be one or more people, a trustee of a trust you've created, a charity or your estate. With your WEA Trust life insurance coverage, if you don't name a beneficiary, your life insurance benefits will be paid to the members of your first surviving class according to the Group Life Certificate of Coverage. This means your legal spouse will be paid as the first person listed in the order. If there is no spouse the benefit will be paid according to your life insurance policy. WEA Trust will pay benefits to the members of the first surviving class in this order: your legal spouse, your children, your parents, your brothers and sisters and then your estate. The same process would be followed if your designated beneficiary is no longer living at the time of your death.

Use caution if you plan to name a minor child as your beneficiary. Life insurance proceeds cannot be paid directly to a minor. Rather payment must be made to a legally appointed guardian of the estate. Consult an estate planning professional to decide the best course for you and your family.

There are also different types of beneficiaries. You can list both primary and secondary beneficiaries to map out a more detailed plan of where you'd like to see the money go in different circumstances. Your death benefit will be paid out to your primary beneficiary(ies) then your secondary beneficiary(ies) will be paid if the primary has died.

Why should I name a life insurance beneficiary?

Naming a beneficiary is a way to take care of your loved ones after you're gone and to ensure your life insurance benefit gets to them quickly. Rather than leaving them to guess your wishes, it spells out where you'd like your WEA Trust life insurance benefit to go and can make the difficult days after your death easier to manage. Those funds can then be put toward expenses related to your funeral and settling your estate, further relieving the stress placed on your family and friends.



I selected my life insurance beneficiaries years ago. I'm done, right?

Not so fast. If you or your named beneficiary have experienced life changes since your last update—think divorce, marriage, adoption—you may want to update your beneficiaries. It doesn't matter if you've updated your will to include your new spouse, if they're not listed as a life insurance beneficiary, they will not receive your life insurance benefit. This is because beneficiaries named in a life insurance policy are separate and not connected to the wishes and instructions you leave in your will. Only if you name your estate as beneficiary will your will provide instructions on how to distribute those funds. Please check with a tax professional before naming your estate to make sure you aren't creating a taxable situation.

How will my life insurance beneficiaries know I've selected them?

When you name your beneficiary, it's important to let the person or charity know that you've named them, along with pertinent details like the benefit amount and the name and phone number of your insurance carrier. This will help things go more smoothly after your death and ensure that they know they're entitled to a claim. After all, if they don't know you wanted them to receive some of your benefit and your carrier is unable to locate them, they may not take the steps needed for that to happen.