

Pearls of Wisdom ® ... Today's Brady Bunch: His, hers and yours

By: Gwendolyn A. Faulkner

In 2007 blended families are not only more common than ever before, they also face different issues. If you or your spouse has children from a prior marriage, there are many issues that need to be addressed. Second marriages can be tough when dealing with children of past marriages, especially if you have children together as well. You need to talk together to resolve concerns and protect the children. Most people don't realize important issues, such as life insurance and 401(k) accounts pass outside your Will. This could cause serious issues for families who have not updated their information.

Here is an example of common issues the Brady Bunch of today is dealing with. Your new husband and you both have 2 children and came into the marriage with a large amount of assets. Many people depend on what some like to call an "I love you" Will. This is not a legal document but a conversation between you and your new spouse leading you to believe your wishes can be addressed when you have not written them down. You assume your spouse will give your children the inheritance that you had wished for them.

In a marriage, assets pass directly to the spouse unless otherwise stated. This happens without regard to the children involved. Once those assets go to your "husband" the money now belongs to him and he can do what he wishes with it. Worst case scenario is when he dies, his Will, which now includes your original assets, leaves everything to his children.

Another scenario is not updating your estate documents and beneficiaries, and your assets are left to you ex-husband. Often, people don't update the proper documents which state that life insurance and deeds to homes are to be left to someone that you are no longer married to.

Working with an attorney and financial service professional, you can review your current estate and work through the necessary changes to solve these problems. It is important to make sure all your ducks are in a row. Protecting your family's future is the most important objective. Remember you can't predict, but you can prepare. Consider the following and be smart about updating all your documents at once and review it annually.

1. Review your assets. Jointly and Separately.
2. Make sure legal work is complete and updated.
3. You do not want to disinherit a child. Check all your beneficiaries on life insurance policies, both at work and personal policies including 401(k) and other investment accounts.
4. Review your objects with a financial services professional to make sure you are adequately covered regarding life insurance, retirement accounts and long term care issues.

Gwendolyn A. Faulkner, Financial Service Professional. 856-673-4045 Registered representative of and offer securities through MML Investors Services, Inc., member SIPC. Supervisory Office: 2 Bala Plaza, Suite 901 Bala Cynwyd, PA 19004-1501 (610-766-3063) Insurance offered through Massachusetts Mutual Life Insurance Company and other fine companies. CRN 200908-093762

Pearls of Wisdom® and Never kissed a frog... Never had to!® are registered trademarks of Massachusetts Mutual Life Insurance Company.

