



Has Your Marital Status Changed? Then So Should Your Estate Plan

Whether your marital status has changed by marriage or death, or even if you are separated or in the process of terminating your marriage, it is time to overhaul your estate plan. We suggest you follow this simple three-step process.

Review and update your estate planning documents.

Make sure that your powers of attorney designate the people you want to have authority to act under those documents, and your will and trust include the beneficiaries you wish to inherit your assets upon your passing. Unless contrary language exists in your estate planning documents, under Ohio law, termination of a marriage revokes a designation of the ex-spouse as a beneficiary under a will or trust. Termination of marriage also revokes the designation of the ex-spouse as the executor of a will, trustee of a trust, and attorney-in-fact under a financial power of attorney. We do not recommend relying on state law to constitute a change to your estate plan. State law does not kick in until the marriage's termination, evidenced by a final decree, so even if you have been living separate and apart for years, Ohio law still recognizes your estranged spouse as your spouse. Moreover, your estate planning documents designate your ex-spouse as the agent or beneficiary with no backup or a family member of the ex-spouse who no longer shares the same relationship with you that you had before. This may not match your goals.

Review and update the structure of your assets.

Ensure your payable-on-death and transfer-on-death beneficiary designations align with your will and trust. If your marriage has terminated, convert joint accounts to individual accounts. Check

all real property, vehicles, bank accounts, life insurance policies, stocks, business interests, and any other title asset to ensure that your account's owner and beneficiary are named in line with your goals. It would be best if you also compared any divorce decree to ensure you cooperate with any court order (for example, some divorce decrees require one party to maintain a life insurance policy with the other party designated as a payable-on-death beneficiary of the policy). While state law will treat an ex-spouse as having predeceased you, if the ex-spouse is the only designated beneficiary, the asset may become payable to your estate and subject to the claims of your creditors.

Protect your estate planning documents and confidential information.

It is vital to keep your estate planning documents and confidential information, such as financial records, health care records, and passwords, to online accounts where they cannot be stolen or accessed by the wrong people. Ensure the people you trust know where your documents and information are located so they can find them when needed.

The attorneys in the Family Wealth & Estate Planning Group at Carlile Patchen & Murphy understand that updating your estate plan may not be the first thing you think about when going through a significant life change. Whether you are ready to move forward with an update to your plan or want to figure out what makes sense for your situation, we can help. Contact any Family Wealth & Estate Planning Group member or your attorney at Carlile Patchen & Murphy.