

Not disclosing all of your assets helps no one

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People sometimes keep assets hidden without letting their families know about their location or even that they exist. Similarly, they may have life insurance policies no one knows about. Using a fictional example, here's why full disclosure of your assets to your family is recommended.

George was a successful entrepreneur. He accumulated significant wealth during his lifetime, including several real estate parcels, a wide array of securities, retirement plan accounts and IRAs, and various collectibles, in addition to the home he owned jointly with his wife, Theresa. He also took out several life insurance policies on his life.

In his will, George designated Theresa as the beneficiary of most of the assets but divided up some of the other property between his two children. George named his wife and children as equal beneficiaries on the life insurance policies. Sadly, George died late last year.

The problem: George had hidden some of his assets without disclosing their location to anyone in his family. His loved ones had no information about account numbers or passwords. And neither Theresa nor the children even knew of the existence of one of the life insurance policies.

What happens now? It will take considerable time and effort for George's family to track down all the assets and it's not certain that they'll be completely successful. And the family might never collect on the life insurance policy they were never made aware of. By being secretive, George made things more difficult for his loved ones and actually cost them money. It's like a pirate burying treasure and not leaving a map with "X" marks the spot to find it.

Don't make the same mistake. Have an open discussion with all relevant parties about your possessions. List all the assets you own and provide locations, account numbers and passwords. Arrange for this information to be stored in a secure place. If you become incapacitated or suddenly pass away, your family won't have the added stress of not having access to your assets. Please contact us for help in compiling your list of assets and all other relevant information.

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