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The Savvy Investor
**Do You Have Something in Common With
Anna Nicole Smith?**

You might have more in common with Anna Nicole Smith than you realize. But hopefully you don't. The poor way she handled the planning of her estate while alive illustrates common errors that could easily have been avoided.

The following observations and suggestions apply to your own will and also your IRAs. Remember, your IRA beneficiaries are determined by who you name in your IRA as beneficiaries, not by what you state in your will. Changing the beneficiaries in your will does not affect who inherits your IRAs and visa versa.

Here are just a few of the errors which Anna Nicole Smith could have avoided.

1. **Ms. Smith's will was not up to date.** It did not name her seven month old daughter as a beneficiary. Ms. Smith named her son as the sole heir, but he died September 2006, only half a year ago

Lesson: Update the beneficiaries named in your will and IRAs as soon as there is a significant change.

2. **The will failed to provide for her spouse and future spouses and future children.**

Lesson: Be sure to include contingent beneficiaries in your will and IRAs. Many people name their spouse as the beneficiary, but what happens if both of you die in a common accident?

3. Ms. Smith's wealthy husband died at age 90 in 1995 and his will is still not settled. It is being contested by his family and is valued at \$500 million.

Lesson: Having wealth does not assure that you will have a well written will. Work

with an attorney who specializes solely in estate planning.

Here are specific suggestions for you:

- **Your will:** Make sure you will is up to date. As a minimum, check your will now to make sure the beneficiaries and executor(s) you named are still the ones you want. Then, review your will every few years. If your estate is worth over about \$2 million, make sure you work with a good estate planner.
- **Your IRAs:** Review the beneficiaries named in your IRA right now to make sure they are the ones you want. Be sure to specify contingent beneficiaries.
- **Remember:** Your IRA beneficiaries are not determined by your will but by the IRA Designation Agreement, which is totally separate.

Give me a call if you aren't sure who you named as beneficiaries in your IRAs or want to make a change. It's easy to do and I'll help you. It's free.

We work with an excellent team of estate attorneys to help assure that your estate plans meet your wishes. Call me if you want their names.