



The Senior Focus Newsletter

August 2009

Legacy Consultants All Stars
William Thurman – Lead Consultant
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& Kevin King.
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Beavercreek, OH 45434



Covered in this issue:

-5 Things to Know About... Naming Beneficiaries

-Upcoming Seminars

-Lifelock Identity Theft Protection

Famous Quotes

“After a visit to the beach, it's hard to believe that we live in a material world.”
-Pam Shaw

“Two things you can't get back in life: time and people”
-Bill Thurman

“I'd like to live as a poor man with lots of money.”
-Pablo Picasso

“Money often costs too much.”
-Ralph Waldo Emerson

“Budget: a mathematical confirmation of your suspicions.”
-A.A. Latimer

“If you think nobody cares if you're alive, try missing a couple of car payments.”
-Earl Wilson

“The waste of money cures itself, for soon there is no more to waste.”
-M.W. Harrison

5 Things to Know About Naming Beneficiaries

Don't want your intended heirs to have to chase after their money? Better make sure they're listed on your financial accounts.

By Ismat Sarah Mangla

Your estate plan is in place. Or is it? Not if you have out-of-date beneficiaries on your financial accounts. The Supreme Court has agreed to hear the case of a woman suing her late father's pension plan for money she believes should be paid to her, not her mother—who was still listed as the sole beneficiary even though she forfeited rights to his pension in their divorce. Know these things to avoid a similar mess.

1. Your will has no jurisdiction. Accounts with beneficiary designations—such as IRAs, 401(k)s, insurance policies and annuities—aren't governed by your will, says Allentown, Pa. investment adviser Kevin Brosious. So even if you wrote an ex out of your will eons ago, he or she would still get, say, your IRA if you never changed its beneficiary. Lesson: Review choices periodically, especially after major life events. Also, don't leave beneficiary forms blank. Accounts then go to probate court for distribution, and rules on who gets what vary by state.

2. You can—and should—name a runner-up. Just as the Miss America judges pick a No. 2 just in case—remember Vanessa Williams?—so too should you pick a contingent beneficiary for your accounts. Otherwise, if your primary beneficiary dies before you, the account goes to probate. Naming a No. 2 also gives the primary the option to execute a qualified disclaimer, which passes the inheritance to the contingent without gift taxes, says Steve Hartnett of the American Academy of Estate Planning Attorneys.

3. Retirement accounts have quirky inheritance rules. With IRAs and 401(k)s, there are advantages to naming a spouse over a child. Your partner can roll over such accounts into his or her name, thus postponing distributions and taxes until age 70 1/2. But if your kid inherits, she must start taking distributions—and paying tax on them—the year after your death, says San Diego estate attorney Roy Doppelt. (Regardless of estate taxes, retirement account recipients pay income taxes on payouts.) Also, avoid listing your estate as beneficiary. By law, heirs then must empty the account within five years, which could cost them investment gains and bump them to a higher tax bracket.

4. Naming a minor is a quick ticket to probate. In most states, the court must supervise the distribution of money left to kids under 18—a slow and potentially costly process. But you can circumvent the probate by having an attorney set up a trust in the child's name (cost: usually \$750 to \$1,500), says Helen Modly, a financial planner in Middleburg, Va. A trust also lets you have more control—for example, you can require that Junior graduate from college before getting payouts.

5. Changing beneficiaries is easier than changing the filter in your coffee pot. Many financial firms make beneficiary forms available online. You can also call to request them. (Or if this task will end up last on your long-to-do list, give your estate attorney permission to contract the institutions for you.) To name a new beneficiary, all you'll need is the person's birth date and, sometimes, Social Security number. Make copies of any form you submit, and request written confirmation. Store a master list of accounts and beneficiaries with the rest of your estate documents.



Bill Thurman was born and raised in Ohio. He and his wife, Cheryl, have five children. Bill built his wealth preservation practice over the last 20 years. Early in his career, Bill made the decision to specialize in working with seniors. He is a national speaker, conducting workshops and seminars for seniors. His workshops address the special areas of concern faced by those in their "golden years" such as Medicaid planning, reverse mortgages, and not outliving your money. Bill is currently the Lead Consultant for Legacy Consultants, LLC.

Bill enjoys a number of activities and hobbies such as golf, spending time with his family, coaching youth football, and running the non profit foundation he started 15 years ago, The Making a Difference Foundation. He and his wife of 17 years live in Xenia, Ohio.

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- Requests free annual credit reports on your behalf
- Reduced junk mail and reduced pre-approved credit card offers
- Proactive identity theft protection
- \$1 million total service guarantee

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1. Simply visit **LIFELOCK.COM** and click "Enroll Now" or call **800-LIFELOCK (543-3562)**
2. Use promotional code **Senior** (single) included in your packet in order to save 10% off the retail cost.



Upcoming Seminars in August!

**Golden Corral
1740 Bechtle Ave.
Springfield, OH 45504**

**Tuesday
August 25th
5:00 P.M.**

**Wednesday
August 26th
5:00 P.M.**

**Thursday
August 27th
5:00 P.M.**

**Guarantee your reservations by calling
1-800-452-1239**