

SPECIAL ISSUE

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ABOUT THE GATEKEEPERS FOR THE RICH & FAMOUS



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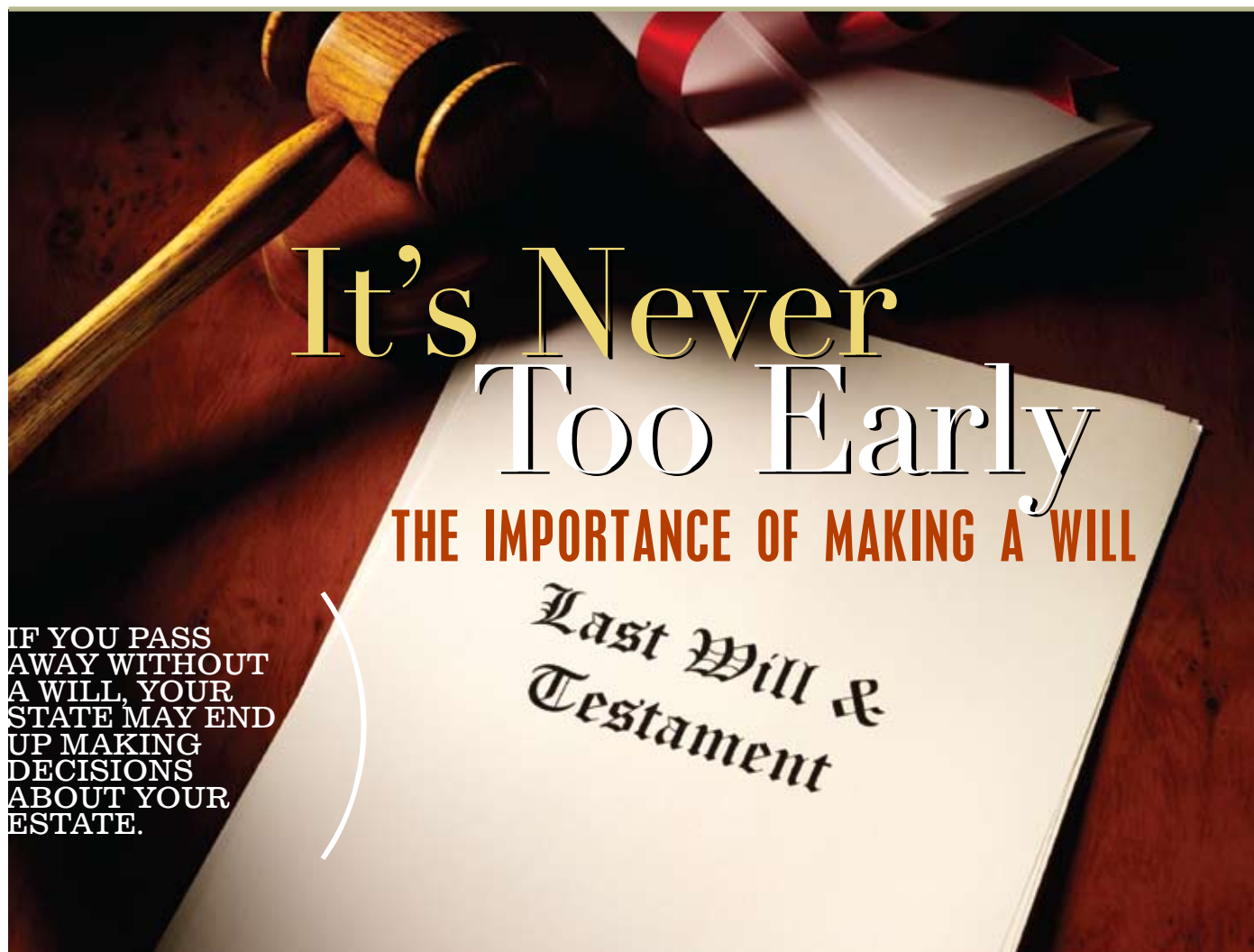
First Lady
MICHELLE
OBAMA

A Breath of Fresh Air
in the White House

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IF YOU PASS AWAY WITHOUT A WILL, YOUR STATE MAY END UP MAKING DECISIONS ABOUT YOUR ESTATE.

It's Never Too Early

THE IMPORTANCE OF MAKING A WILL

Last Will & Testament

There are lots of choices about what to do with your property and how to care for your loved ones, both during your life and after you are gone. The real question concerns who gets to make those choices. Obviously, *you* want to make these types of decisions and not have them made for you. As long as you are alive and competent, that is not a problem. However, if you unexpectedly pass away or become incapacitated without legal documents that demonstrate your intent, the state in which you live may end up making these decisions for you. Below is a guide to some of these documents.

WILL

If you die without a will (what the law calls “intestate”), the state in which you live will apply rules about how and to whom your property gets distributed. In general, the property goes to your immediate family first and then to extended family members in an order determined by the state. This can create unintended consequences. For example, if you do not have a spouse or children, the family members that the state has chosen as “next in line” may not be in accordance with your wishes. Also, it is often the case that you may have

others who are dear to you, such as close friends or longtime household staff members who are like family and to whom you wish to leave some property. Your extended family members would not know about your wishes unless you communicated them in some fashion, preferably by writing a will. And by naming the person you want to act as the “executor” (or administrator—the person in charge of making sure your wishes are carried out) of your will, you give a certain amount of discretion to someone you trust to sort out issues that might come up. Finally, a will is a document in which you may leave instructions regarding the raising of your children, should anything happen to you and your spouse.

REVOCABLE LIVING TRUST

Other documents are available to accomplish similar objectives regarding your property and the care of your children, or even yourself. A revocable living trust allows you to name your heirs in the same way that a will does. However, it also allows you to name a trustee to manage your assets for you during your life, as well as after your death. This person acts in much the same way an administrator would after your

continued on page 90

death, but during your life this person can also step in and manage your assets if you become incapacitated and cannot do so yourself.

DURABLE POWERS OF ATTORNEY

Two additional documents can become important at specific points in your life. A durable power of attorney for financial matters allows you to name someone to help manage your financial affairs for you. Because you are giving this person the ability to sign checks and contracts on your behalf during your lifetime, you must, of course, select a trustworthy person. A durable power of attorney for health care is a legal document in which you name someone who is authorized to make medical decisions for you, should you become incapacitated. This is sometimes referred to as a "living will." Whatever it is called, it is important to remember that you are giving someone else the ability to literally make life-or-death decisions for you in what will obviously be extraordinary circumstances. Thus, it is important not only that the person you choose be trustworthy and have your best interests (not his or her own) at heart, but also that this person shares your beliefs and values about end-of-life situations. Moreover, it is certainly wise for you to sit down with that person face-to-face when drafting and signing such a document, to discuss the principles by which you want him or her to be guided in making decisions for you when you are unable to do so.

Each of these documents must be custom-made to your own wishes and circumstances. Given life's many uncertainties, it's never too early to start thinking about these issues. ☺

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