
Sherwood Investment Services
Financial Planning & Investment Management

Eric Linger, RIA
Registered Investment Advisor

425-898-8989
Sherwood-Investments.com
elinger@Sherwood-Investments.com

23705 NE 61st Street
Redmond, WA 98053

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.

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 was not settled for years. It was contested by his family and was 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.

Specific Suggestions for You

- **Your will:** Make sure your 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.
- **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.

***We work with an excellent team of estate attorneys to help assure
that your estate plans meet your wishes.***