From: Lili Vasileff <lili@divorcematters.com>
Subject: Protecting Yourself
Reply: lili@divorcematters.com

Dear Lili,

"Don't comprimise yourself, you're all you've got"

- Janis Joplin

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Testimonials, Endorsements, Client's Satisfied Stories, and Advertisements: Oh MY!!

As President Emeritus of the national Association of Divorce Financial Planners, a NAPFA member (fee only CFP), and an independent Registered Investment Advisor, it is with mild disbelief that I see so many websites and social media sites chock full of testimonials, endorsements, advertisements and other hype from professionals.

Among the alphabet soup of financial designations, few people can discern real credentials from the invented for sale ones. This allows for a public launch pad of ads from unlicensed, unregulated, unaudited, phony credentialed professionals who engage in glorious story telling without risk of being impugned.

Does it work to get the public's attention and business? Does it make a difference if I cannot offer the same in any of my materials? How safe are you from fraud, lies, malpractice and larceny?

Professional standards, ethics, and experience are hallmarks I aspire to. I choose to answer to a higher authority: The Investment Advisor's Act of 1940, which explicitly forbids all testimonials, endorsements or stories from my clients, even if they were my former divorce financial planning clients and not investment clients.

I chose this ***Hippocratic Oath*** to become a Registered Investment Advisor and to act as your Fiduciary. Fiduciary is the highest standard of care which means my clients' interests come first.   I chose to be regulated as an independent , fee only Certified Financial Planner® so you could hold the highest confidence in my pure, objective and ethical advice.

I offer for **free a one half hour consultation** to allow you to get to know me and to see if we are a good match. I welcome you to inquire about my divorce financial planning and investment advisory services.

Check out this commentary by Bob Veres for Financial Planning Magazine:
7 Dirty Words for an RIA To Avoid

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It's Bad and You Know it When...

It's your Estate Versus the IRS or

Your Ex-spouse!

We all held our breath to find out if the unmarried girlfriend of Philip Seymour Hoffman and mother of his children would be left out in the dark by his sudden death. Being unmarried creates headaches both small and large, whether you cohabitate or live physically separated.

Laura Weintraub Beck, Esq. from Cummings & Lockwood, states: "Some federal and state laws protect a surviving spouse in various ways from being accidentally or intentionally disinherited entirely. Although the rights of a surviving spouse to receive a portion of a deceased spouse's estate differ state to state, almost all states offer protection. The surviving unmarried partner has NO such protection and has no legal rights to any of the deceased partner's estate or assets if he or she was not named as a beneficiary of the estate or of assets in the estate."

Fortunately, Mr. Hoffman made a will that named his girlfriend as a beneficiary as well as one of his three children. He also put the title to her apartment in her name. As a result, she can stay there without fear of being thrown out or having to leave the apartment if it was contested and subject to probate. Not all issues are settled, however, particularly his estate taxes.

Estate taxes can be managed with proper planning. Without it, look at Michael Jackson's estate. A bitter court battle between his estate and the IRS spotlights a major problem for clients who are rich and famous: placing a value on intangible assets (their likeness). The chief problem at hand is the valuation of his estate, which his executors valued at about $7 million but the IRS contends is worth about $1.1 billion. The difference? Mr. Jackson's image which executors value at $2,105 and the IRS claims should be $434 million.

Unexpected events, ambiguities, and lack of forward estate planning vastly complicate the settling of a decedent's estate. Assets in question that lack beneficiary designations, qualify as intangibles, or, are improperly valued to begin with, cry out risk and danger. In the best of scenarios, clients should bring in lawyers, accountants, and financial planners to determine how to account for unusual assets and marital lifestyles.

"If you don't have a will, the laws of the state where you live will determine who gets your property. Most people would rather choose their beneficiaries themselves and not let the state decide who gets their assets. But this requires putting a Will in place before it's too late", says Laura Weintraub Beck.

Remember, divorcing couples need to revamp and update all such documents once they are divorced. Otherwise, the situation is ripe for contested rights, IRS claims, and a battle over intent of the decedent v. state laws.

ObamaHealth Care: Does it Complicate your Choices in Divorce?

Employee spouses usually have the benefit to facilitate continued coverage of health insurance for their non-employee ex-spouse at an individual rate for up to 36 months under COBRA. What happens to COBRA with Obamacare?

COBRA still remains in effect and will usually cost more than coverage obtained through an exchange. If you purchase coverage through an exchange, you may be entitled to a subsidy based on your income during the year the policy is in force. The exchange will ask for your 2013 income as an estimate of your expected earnings in 2014. Regardless of the amount you estimate, it will be reconciled with your actual 2014 income after the year ends, so you may qualify for a subsidy retroactively. Remember alimony is income and taxable to you!

It is not likely that a policy you buy on an exchange would cost more than your COBRA coverage. Exchanges also offer the ability to select among policies for different levels of coverage you desire and can afford. You can no longer afford to be uninsured.

How to Get Income from a Stone: What's a

Realistic Rate of Return for Invested Money?

With 10 year Treasuries still below 3% and Money Market yields at less than 0.5%, how can you make enough income off your investments to live? How long will your assets last if you have to use principal to meet needs?

As the **go to expert** for attorneys, **I testify** in court on issues of: how long will a person's assets last and what rate of return is reasonable for imputing income? These answers vary depending on any one of several variables that include mortality, probability, inflation, risk and return. As appropriate, I will hone in too on the context of the specific case: such subjective factors may include the client's lifestyle, spending, age, health status, risk tolerance, existing portfolio, and taxes.

No matter what assumptions are made, current investment income is more of a challenge to achieve because of today's low interest rate environment. Investments choices must involve taking on risk for greater returns, not the usual fare for late baby boomers divorcees who have low tolerance for risk and desperate needs for secure and consistent cash flow.

As your divorce financial planner, I am asked more often than not: **Will I End Up a Bag Lady?** The answer depends largely on your preparedness and action plan. Not only are current income needs difficult to produce, but they may conflict with longer term wealth management goals. As a Registered Investment Advisor who is independent and fee only, with over 30 years of experience, I offer my clients an informative and comforting approach to meeting their needs while planning for long term wealth preservation. Your money should be working for you!

Warm Regards,

Lili

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