



SUMMER UPDATES FROM HEMINGTON

August 24, 2017

As the summer season comes to an end, we are sending an important estate planning note for those of you with adult children headed off to school. We are also delighted to announce the launch of our third Women of Wealth study – Breadwinner Women Part II, focusing on the unique issues faced by women lawyers. Finally, we are honored by the recognition Hemington has received in recent months as a leader in the RIA industry. Please read on for more information.

Two Documents Every 18-Year-Old Should Sign

When we think about who will act on behalf of our adult children when health or other emergencies arise in their lives, we tend to automatically assume that as parents we can always step in for our kids when they can't fend for themselves. Right? Wrong!

On a child's 18th birthday, he or she becomes an adult in the eyes of the law and parents no longer have any authority over their adult children's finances or health care decisions without proper legal documentation. This is true even if you are still paying for his or her college tuition, housing, cell phone and car insurance, and it's even true if you still carry the adult child on your health insurance plan and claim him or her as a dependent on your income tax return.

It could be a parent's worst nightmare to find out the hard way that the law has cut some valuable and deep ties when your child needs you the most. And as the average age of marriage for young people creeps up into the late 20's, it's likely there could be a ten-year or more window of risk where there is no spouse to assume the role of advocate and you as the parent must act during times of crisis.

Fortunately, a simple solution exists. When your children turn 18 years of age, **ask them to sign both a Durable Power of Attorney and a Health Care Directive**, documents which will allow you to make decisions regarding emergency health care or step in and manage your adult children's financial affairs should they be unable to do so

themselves. Be sure the documents are valid not only in the state where you reside but also in your children's states of residence.

The **Health Care Directive** consists of three parts: a health care *power of attorney*, which authorizes an agent to make medical decisions on someone's behalf; a *HIPPA* release that will provide the agent full access to medical records; and a *living will*, which expresses a person's preference regarding end-of-life care.

While the health care directive gives authority over medical decisions, a **Durable Power of Attorney** appoints an agent to act on the adult child's behalf in a wider range of financial and legal matters. A power of attorney may become effective from the moment it is signed or it may be activated by a specific event—for instance, if he or she becomes incompetent. The problem with this approach, known as "springing power," is that someone must decide when an individual has reached that state. For that reason we recommend a durable power of attorney that takes effect immediately.

Certainly these situations are not fun to ponder. But an ounce of prevention is worth a pound of cure when it comes to the health and well-being of our adult children. For additional information or discussion, please contact your Hemington advisor.



Hemington's New Women Lawyer Study

Please share this information with the women lawyers in your life.

As you may know, in 2012 and 2015, Eileen O'Connor completed two studies on Women of Wealth that were the largest research efforts ever undertaken on affluent female investors. Eileen compiled insights from the studies and published white papers that have been cited in the Wall Street Journal, Barron's, REAL SIMPLE, The Financial Times, The Street, TIME, Bloomberg, MONEY, Investment News, and hundreds of other publications over the past five years – you can download a copy of the papers here: www.hemingtonwm.com/women-of-wealth/.

Eileen and Hemington forever advanced the financial industry's understanding of female investors. "One size does not fit all" and "women are not a niche market" are now ubiquitous phrases among advisors and the media as a direct result of the work. Now financial advisors are better informed to address the issues surrounding Breadwinner Women:

- » Social Tension
- » Under-Confidence
- » Stress / Too Busy
- » Sandwich Generation
- » Single Breadwinners
- » Workplace Environment
- » Marital Crises
- » Charitable Giving

With the recent hire of Jen Dawson, a lawyer-loving wealth advisor in Chicago, Hemington is proud to announce the launch of our newest study expanding our Breadwinner Women data. **We are asking: How are Women Lawyers the same or different than "typical" Women Breadwinners? What are their unique challenges?** As financial advocates for the Women Lawyers in our life, we seek to deepen our understanding of the challenges they face and help raise the bar for advisors serving them.

We ask this - if you are, or have been at some point, a female lawyer who has contributed significantly to your household income, please weigh in on this important topic by completing the short, 100% anonymous survey at www.hemingtonwm.com/women-of-wealth/. As with our prior studies, we will be happy to provide you with a copy of the white paper for participating. The information gathered will be completely confidential and will not be used for any other purpose whatsoever. It should only take about 10 minutes.

Thank you in advance for your help!

We are proud to share a few highlights from Hemington's busy summer. Thank you for being a part of our growth and mission to serve our clients with excellence.

- » Hemington was recognized by The Financial Times as one of the nation's 300 Top RIA Firms. The methodology for this honor is quantifiable and objective, based on assets under management, asset growth, the company's age, industry certification of key employees, SEC compliance record and online accessibility.
- » Hemington was ranked #32 in Financial Advisor's 2017 Top 50 Fastest-Growing Firms.
- » Eileen O'Connor was featured in a panel discussion and rings the Nasdaq closing bell with the winners of TD Ameritrade Institutional's NextGen Scholarships & Grant award winners.



About Hemington Wealth Management

Hemington Wealth Management provides high net worth individuals and families with a broad range of wealth management services including portfolio management. We are collaborative, accessible and responsive, making it easy for clients to work with our team.

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