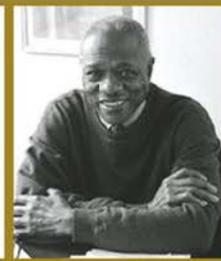


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TOP 10 LEGAL CHECKLIST

As you prepare for your later years, planning is crucial. To guide you in this process, Grimaldi & Yeung has compiled a checklist of important legal documents and areas you and your family need to consider to retire and age successfully:

- 1 **Health Care Proxy**
A “Health Care Agent” under the NYS Health Care Proxy will be able to make medical decisions on your behalf if and when you are unable to make decisions on your own.
- 2 **Living Will**
This is your statement of your health care choices when you are terminally ill, particularly with a focus on end-of-life issues.
- 3 **Power of Attorney**
When you sign a Power of Attorney, you appoint a person known as your “agent”, whom you trust to handle your legal and financial affairs should you become incapacitated. This form should be reviewed every three years. The standard form, which must be used, is the New York State Statutory Short Form Power of Attorney. This form includes a Statutory Major Gifts Rider which contains important powers necessary for making lifetime gifts, as well as implementing tax & Medicaid planning.
- 4 **Gift & Estate Tax Planning**
Your wealth passing after death may be subject to federal and state estate taxes. Estate Planning can reduce this tax burden for your beneficiaries and ensure your family receives the assets you worked so hard to acquire. In 2010, the federal estate tax has been repealed, but it will resume in 2011.
- 5 **Medicare, Medicare Part D + Choice and Medigap Policies**
Almost everyone over 65 or disabled will have Medicare and therefore, must make an election as to which type of coverage will be best. Because these plans change on a yearly basis and because your health condition may change over the time, your Medicare coverage should be reviewed yearly. Medigap policies may be needed to off-set or help you pay the hospital and medical costs and co-payments not covered by Medicare. Medicare Part D covers prescription drugs. Individuals must select coverage during the set enrollment period. The new Health Care Reform Act of 2010 improves this coverage and provides a rebate for 2010.

- 6 **Long Term Care Insurance**
If you have a concern about the cost of long term care, this is the time to shop and determine whether or not long term care insurance makes sense for you. You may need insurance to specifically cover long-term health costs such as nursing home, home care and assisted living care. It gives you the ability to meet the expensive costs of long-term care.
- 7 **Joint Assets & Designated Beneficiaries**
Joint assets are useful to avoid the probate process. When two people jointly hold title to an asset, the person who survives becomes the sole owner thus avoiding any need to probate the estate.
- 8 **Last Will & Testament**
A Will provides instructions on the distribution of your assets upon your death. A Will needs to be reviewed and updated every few years to adapt to changes in your family situation, your asset holdings or the state laws. A Will must go through probate in the Surrogate's Court of the County in which the decedent resided. If you have property in multiple states such as a vacation or second home, this can result in two probate proceedings.
- 9 **Living Trust**
If you have substantial resources or complicated assets held in multiple states or you anticipate a challenge to the validity of your Will, a living trust can avoid the cost and delay of probate. A living trust can shelter your assets from creditors and can provide for special needs or disabled heirs. There are several types of Living Trusts: Revocable, Irrevocable, Medicaid & Special Needs Trust are to be considered in developing a proper estate plan.
- 10 **Retirement Funds, IRA's & Income Tax**
You need to regularly review your retirement fund portfolio, which includes such plans as IRA's, 401(k)'s, tax deferred annuities and other qualified retirement assets. Update your investments and your beneficiary designations. Retirement savings are a central part of the financial security of the later years as an important source of your income. Distributions from these types of accounts have income tax liability as tax deferred assets.