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## ***Why Professional Athletes Need Estate Planning***

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As a professional athlete, you are unique in many ways. You are at or near the peak of your chosen profession, a profession you have devoted years of practice and high-level performance to. You are a role model to millions of kids and adults, and you command a salary far out of the imagination of the ordinary worker. Statistics show that in your playing career you could earn millions, most of which is earned before your 35th birthday. As a pro athlete, you also face unique challenges, such as:

- An active schedule including constant travel
- Opportunity to accumulate considerable wealth in a short time span
- Growing complexity of your financial and family needs
- Potential frequent relocation during your career
- Risk of injury

These challenges are some of the reasons why the core delivery at ONE Sports (as outlined in The Pro's Process written by ONE Sports Managing Director, Chris Moynes) includes a solid overarching financial plan as well as estate planning.

### **Key Benefits to having an Estate Plan**

A good estate plan, including wills and powers of attorney, holds immense value and importance for the pro athlete. It can ensure you've named a guardian for your children; your healthcare preferences are followed should you be unable to represent yourself; and you've named people you trust to handle your affairs both during your lifetime and after. Here are some of the key benefits of having a complete, updated, and valid estate plan:

1. Assets are kept safe and distributed in accordance with your wishes

Professional athletes often accumulate substantial wealth in the form of assets that can also be multi-jurisdictional. Without an estate plan, you may lose control of how those assets are distributed in accordance with your wishes or the needs of your loved ones.

2. Guardians are named for minor children

Many athletes have families or dependents who rely on them financially. A comprehensive estate plan makes allowances for your dependent children, including naming guardians to ensure your children's well-being and care in the event of your premature death.

### 3. Management of estate is identified

Without an estate plan, you may find that income taxes, probate, and estate finalization can prove burdensome. Professional athletes may have complex estates that include investments, endorsement deals, online and social media content, and other non-traditional assets that need special attention, particularly when dealing with laws that may differ between various states, provinces, and countries.

### 4. Healthcare decision-makers are named

A complete plan includes not only a power of attorney for finances but also for medical situations. It allows you to appoint someone you trust to make decisions on property or healthcare matters should you become incapacitated. It also allows you to be the administrator in areas such as medical preferences, so that your best interests are always front and center.

### 5. Plans for the unexpected are considered

Athletes face unique risks due to the physical demands of a professional sports career. A complete estate plan is designed to help you be proactive in deciding a certain course of action, especially if something unforeseen happens.

## Estate Planning Misconceptions

In working with younger athletes, we often hear common misconceptions about estate planning, including:

*"I am too young to need an estate plan."*

In previous generations, it was common to initiate estate planning generally closer to the end of life as opposed to the beginning. Today, that's changing. We are seeing millennials create estate plans because of significant life events, such as the birth of a child or the purchase of a new home.

Estate planning is essential for parents of young children. The choosing of a guardian for minor children is vitally important if you wish to remain the person making the decisions for your children, as opposed to someone appointed by the court.

*"I don't need an estate plan or a will. My family will sort it out."*

If you do not have an estate plan or will, then someone else will make serious long-term decisions about your family, house, money, assets, etc., that may not be according to your own wishes. Dying intestate (without a valid will) can create many issues for the loved ones you leave behind.

*"It's too expensive and inconvenient to do an estate plan."*

Depending on the complexity of your assets, where you live, and what you are trying to accomplish, completing a comprehensive estate plan with professional assistance can be costly. Yet, a solid estate plan can save you and your family time, money, and headaches. At ONE Sports, we consider estate planning an investment in mental and financial health for you, your partner, and your loved ones.

*"I don't make enough money or have enough assets to need a will."*

Estate planning is not only about a will and wealth distribution, but also about naming guardians for minor children, ensuring your healthcare wishes are followed, and guaranteeing that you've designated beneficiaries for your retirement accounts, pensions, and life insurance. Having that holistic estate plan, properly conceived and drafted, is designed to give you peace of mind, knowing that in many capacities your final wishes and the needs of your loved ones are considered.

## **Estate Planning When You Are on the Move**

Professional athletes may experience several moves between states, provinces, and even countries within the span of one career. If you move to another jurisdiction, we strongly recommend that you seek out the guidance of legal and tax professionals licensed in your new state, province, or country. Different jurisdictions can have their own laws around estates and estate plans, so it is important to consider how this might impact you and your plan.

ONE Sports can assist you with this, given our extensive network locally, across North America, and in many other countries around the world. We work with our professional athlete clients to ensure all these important items receive the appropriate attention and that the wishes of our clients are followed.

## **Estate Plan Storage & Safekeeping**

You have followed our advice and have a comprehensive estate plan, including a will and all relevant powers of attorney. Now, what should you do with the documents? You need to consider where and in what format you would like to store your estate plan for safekeeping, and you should ensure that whoever you have named as a trustee or executor has legal access to wherever you have stored your documents. If the original will be kept in a safe deposit box in your local bank, for example, the executor (or those named to assist in preparing the assets for distribution) may need to go through some extensive paperwork just to get it.

Other options for storing and safekeeping your will and power of attorney documents include keeping them in your home, arranging for offsite storage in a vault (your lawyer can sometimes arrange this), or storing them as digital assets in the cloud. ONE Sports is here to walk through all the possibilities with you, so you can choose the one that is right for your situation.

*The opinions expressed herein are those of the ONE Sports + Entertainment Group. ONE Sports does not provide tax, legal, or accounting advice. You should discuss your individual circumstances with professionals in those areas.  
ONE Sports Power Play*

## **Let's Get Started**

If you have been hesitant to start your estate plan, consider the consequences that may become reality when faced with an untimely death or incapacitation. A recent survey indicates the key factors that motivate North Americans to create a will are affordability, convenience, and accessibility—all factors that ONE Sports will help you navigate. If you have been putting this off, then consider this a gentle nudge to get started in the planning. Contact your ONE Sports team, and we will get things moving.

For the sake of your loved ones and their best interests, we recommend you move this planning to the top of your to-do list. It truly is an act of wisdom, responsibility, and love.