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PASTERNAK & FIDIS REPORTER

Premarital Agreements and the Older Couple

by Marcia C. Fidis

A premarital agreement is a contract made before marriage that determines the rights of the parties upon death or in the event of divorce. Such an agreement can, of course, be entered into by people of any age who are planning to get married. This article focuses on the needs of older adults who are planning a premarital agreement.

Older adults may seek a premarital agreement to establish or waive marital rights for any number of reasons, including:

- Many couples are aware that despite best intentions approximately 50% of all marriages end in divorce. Stories of difficult and contentious divorces are common knowledge, and couples may want to plan to avoid becoming embroiled in a support or property division battle.
- People are living longer. An older adult is more likely to marry more than once and to feel a need to balance the interests of children of a prior marriage with the needs of a new spouse.
- Older adults are more likely to have acquired substantial assets, either as a result of their own labors or by way of inheritance, and to have independent means of supporting themselves.

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Collaboration: A Family-Friendly, Client-Friendly, and Pocketbook-Friendly Way to Divorce

by Anne (Jan) White

Divorce professionals and their clients are increasingly turning to the collaborative process as a family-friendly, client-friendly, and pocketbook-friendly way to divorce. The collaborative process was first envisioned in the early 1990s by Stu Webb, a Wisconsin family law attorney who had become disheartened by the damage done to families in the traditional court-based divorce process. The concept quickly spread across the country. It has taken hold in the D.C. metro area in the last five years, with increasing numbers of attorneys offering it as a possibility to their clients.

In the collaborative process, the parties and their attorneys sign a contract not to go to court. A team of professionals provides all the resources necessary to deal with the legal, financial, and emotional issues of divorce. The parties and their attorneys meet together with a jointly chosen financial expert to come up

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- An older adult may marry someone much younger and may desire to limit the assets that pass to that spouse at death or if the parties divorce after a relatively short marriage.
- An older adult may have established a successful business and may want to limit the future spouse's ability to claim part of the value of the business or income from the business in the event of divorce.
- A spouse may want to alleviate concerns of a child from a prior marriage that his/her parent's new spouse is more interested in the parent's stock portfolio than the parent, or otherwise reduce the child's concerns about the impact of the marriage on the parent's assets.

Special Considerations for the Older Couple

Although divorce considerations are a factor for an older couple, in many cases the more significant issue is about how to provide for a spouse after the death of the first spouse or in the event of ill health or incapacity. There are a number of techniques that older couples may wish to consider in order to arrive at an agreement that not only protects their assets, but also provides adequately for each spouse:

- The wealthier spouse may consider the use of a trust to provide for the other spouse in the event of death, preserve principal, protect the assets upon the subsequent remarriage of the surviving spouse, and assure that principal of the trust eventually goes to the wealthy spouse's children or other family members upon the surviving spouse's death.
- The wealthier spouse may use a trust for the surviving spouse to avoid or reduce estate taxes on assets that will eventually pass to the wealthier spouse's children.
- Rather than waiving all rights in a spouse's retirement benefits, the parties should investigate the benefit options under their retirement plans to see if survivor benefits may be a reasonable means of providing for the surviving spouse at the death of the plan participant.
- If one spouse owns a family business, the parties may consider a trust upon the owner's death to provide for the surviving spouse, with a trustee familiar with the business operations to manage the trust and vote the trust's interest in the business, so that the beneficiary spouse is not involved in the day-to-day operations of the business.
- The parties may need to provide for the situation in which the older spouse dies leaving a younger spouse with children to raise, which may limit the surviving spouse's ability to go back to work and earn a living.
- The parties may want to consider long-term care insurance to provide funds for nursing care needs and protect the assets of both spouses.
- If one spouse owns a residence that the parties intend to use as their marital residence, the agreement should provide for how long a nonowner surviving spouse can continue to use the residence, as well as who will bear the costs of maintaining the residence during this period, and whether any of the furnishings of the residence will be removed after the owner's death.

With proper planning, a premarital agreement can provide assurance to the older couple - as well as their children - that each spouse will be provided for adequately in the event of the death of one party without jeopardizing an .inheritance for children of a prior marriage.

Marcia Fidis and **Linda Ravdin** are co-authors of *Premarital and Domestic Partnership Agreements* published in 2009 by MICPEL.

Estate Planning & Administration Group associate **Oren Goldberg** gave a presentation on effective estate planning at the American Bar Association Tax Section's May meeting in Washington, D.C. The program, "Learning to Let Go: A Primer on Qualified Disclaimers," focused on the requirements for a qualified disclaimer under I.R.C. Section 2518, including drafting considerations and common challenges. Oren gave a similar presentation on June 8, "Back to Basics: Qualified Disclaimers," for the D.C. Bar Tax Section's Estate Planning Committee.

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Collaboration

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with ways to preserve the parties' assets and meet the cash flow needs of the family. The parties also use coaches from the mental health field to help them communicate and defuse emotional landmines. When there are children, a child specialist offers the children's perspective.

To illustrate how the collaborative divorce process works with a team of professionals, consider the hypothetical divorce of Lois and Fred. The couple has been married for 15 years and has a daughter, Sally, age 8. Lois, a teacher, has been secretly having an affair and has decided to leave Fred. She feels that Fred calls the shots in the marriage and she hesitates to voice her opinion for fear of his anger. Fred has noticed Lois's distance but was shocked and hurt when she asked for a divorce. Both parents are emphatic that Sally's welfare is their primary concern. Fred, an attorney, has a substantial six-figure income but doesn't think he should have to pay for a divorce caused by Lois.

Lois heard about the collaborative process from a teacher at Sally's school. When she met with her attorney, she was relieved to hear that the collaborative process is respectful and focuses on solutions that are best for the entire family. Her attorney explained that she would advocate for Lois by helping her identify and express her needs and making sure that she was fully informed about the law, finances, and all facts before making decisions. The attorney explained that Lois, Fred, their attorneys, and a financial expert would meet as a group to review the family's assets, liabilities, and cash flow to mutually arrive at a financial resolution taking both parties' needs into account.

The attorney counseled Lois about the risks of the collaborative process. Since the process requires both parties to voluntarily make full disclosure of all important information, both financial and personal, Lois would have to take the risk of disclosing her affair to Fred. The attorney reviewed with Lois how the collaborative process could help Lois tell Fred her secret and also discussed the risk that this could induce Fred to end the collaborative process and head straight to court.

After careful consideration, Lois chose the collaborative process. It was then up to Fred to decide if he wanted to participate, since the choice of the process, as well as all other decisions in the process, must be made jointly. Lois provided Fred with some written materials and websites that explained the process and listed attorneys trained in collaboration. Fred was interested and hired a collaborative attorney.

After signing the collaborative participation agreement, which committed them to be respectful, make full disclosure, and work together for a mutually acceptable out-of-court settlement that meets the needs of the entire family, Lois and Frank met with a neutral financial professional suggested by their attorneys. In these meetings, Lois and Frank voluntarily produced all their financial documents and developed budgets of their expenses. The financial professional produced cash flow and asset/liability statements which, in subsequent meetings with their attorneys and the financial professional, helped them discuss and resolve their financial issues.

Meanwhile, Lois and her attorney decided that mental health professionals, one working with Lois and one with Fred as divorce coaches, could help Lois gather the courage to tell Fred about her affair and also prepare Fred for the devastating news. Lois began to make plans to be truthful about her affair and asked that the disclosure to Fred be made in the presence of the coaches and that they be available to help both her and Fred adjust to the disclosure.

Concerned about the effect of the divorce on Sally, Lois and Fred took advantage of the professional team's offer that a mental health child specialist speak to both parents and Sally and report back to Lois and Fred on how Sally was doing. Since Lois and Fred's relationship was quite tense and both were fearful about how they would work out sharing time with Sally, they welcomed this chance to hear from a neutral professional.

Over several months, Fred and Lois met with their professional team members. They did not strategize separately with their attorneys in an attempt to gain advantage. Rather, no matter how difficult it seemed, they continued to work things out in meetings together with their attorneys and the other professionals as needed.

Lois' coach and attorney helped her speak

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P & F partner **Vicki Viramontes-LaFree** is President-Elect of the Collaborative Dispute Resolution Professionals. She becomes President of CDRP in June 2011. CDRP has approximately 72 members and is made up of a diverse group of lawyers, mental health and financial professionals primarily practicing in Montgomery County, Maryland. CDRP is committed to furthering the collaborative practice movement and educating the public on a client-centered dispute resolution process. The collaborative process is a fresh approach to resolving family disputes, such as divorces, for parties interested in a private and respectful resolution process without going to court.

Divorce & Family Law Group partner **Anne (Jan) White** will become the President of the District of Columbia Academy of Collaborative Professionals in June. The group's mission is to promote collaborative practice as a method of resolving family and civil law matters in the D.C. area. It provides training, education, and coordination for collaborative professionals in the region. Jan previously served for a year as President-Elect of the group.

P & F partner **Linda Ravdin** has been appointed to serve as Co-Advisor to represent the American Bar Association Family Law Section on the Drafting Committee on a Marital and Premarital Agreements Act of the Uniform Law Commission (formerly known as the National Conference of Commissioners on Uniform State Laws). Managing Partner, Nancy Fax, has also been named to the committee as an observer for the American College of Trust and Estate Counsel (ACTEC). The ULC was organized in 1892. Its main purpose is to propose uniform laws that can be adopted by the states in areas of law where uniformity is desirable. Its achievements include the Uniform Premarital Agreement Act, adopted in 27 states, on which Linda is an expert.

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Tax Changes Affecting Individuals Under the 2010 Health Care Legislation

by N. Alfred Pasternak

The health care legislation that was passed recently by Congress will have a major impact on the nation's health care system. Along with the better-publicized changes, the new legislation also amends the federal tax laws in ways that will affect just about every taxpayer. Below is a discussion of some of the most significant modifications that will start appearing on Form 1040 during this decade.

Higher Medicare payroll tax on wages. The Medicare payroll tax is the primary source of financing for Medicare's hospital insurance trust fund, which pays hospital bills for beneficiaries who are 65 and older or disabled. Under current law, wages are subject to a 2.9% Medicare payroll tax. Workers and employers pay 1.45% each. Self-employed people pay both halves of the tax (but are allowed to deduct half of this amount for income tax purposes). Unlike the payroll tax for Social Security, which applies to earnings up to an annual ceiling ($106,800 for 2010), the Medicare tax is levied on all of a worker's wages without limit.

Under the provisions of the new law, which takes effect in 2013, most taxpayers will continue to pay the 1.45% Medicare hospital insurance tax, but single people earning more than $200,000 and married couples earning more than $250,000 will be taxed at an additional 0.9% (2.35% in total) on the excess over those base amounts. Employers will collect the extra 0.9% on wages exceeding $200,000, just as they currently withhold Medicare taxes, and remit the funds to the IRS.

A company will not be responsible for determining whether a worker's combined income with his or her spouse makes the worker subject to the tax. Instead, some employees will have to remit additional Medicare taxes when they file income tax returns, and some will get a tax credit for amounts overpaid. Self-employed persons will pay 3.8% on earnings over the threshold. Married couples with combined incomes approaching $250,000 will have to keep tabs on both spouses' pay to avoid an unexpected tax bill. The $200,000/$250,000 thresholds are not indexed for inflation, so it is likely that more and more people will be subject to the higher taxes in coming years.

Medicare payroll tax extended to investment income. Under current law, the Medicare payroll tax only applies to wages. Beginning in 2013, a Medicare tax will, for the first time, be applied to investment income. A new 3.8% tax will be imposed on net investment income of single taxpayers with adjusted gross income (AGI) above $200,000 and joint filers with AGI over $250,000 (unindexed for inflation). Net investment income is interest, dividends, royalties, rents, gross income from a trade or business involving passive activities, and net gain from disposition of property (other than property held in a trade or business). Net investment income is reduced by properly allocable deductions to such income. However, the new tax won't apply to income tax-deferred retirement accounts such as 401(k) plans and IRAs. Also, the new tax will apply only to income in excess of the $200,000/$250,000 thresholds. So if a couple earns $200,000 in wages and $100,000 in capital gains, $50,000 will be subject to the new tax. Because the new tax on investment income won't take effect for three years, Congress and the IRS will have more time to tinker with it. So we can expect lots of refinements and "clarifications" between now and when the tax is actually rolled out in 2013.

Floor on medical expenses deduction raised from 7.5% of AGI to 10%. Under current law, taxpayers can take an itemized deduction for unreimbursed medical expenses for regular income tax purposes only to the extent that those expenses exceed 7.5% of the taxpayer's AGI. The new law raises the floor beneath itemized medical expense deductions from 7.5% of AGI to 10%, effective for tax years beginning after Dec. 31, 2012. The AGI floor for individuals age 65 and older (and their spouses) will remain unchanged at 7.5% through 2016.

Exclusion of reimbursement of over-the-counter medications from HRAs, HSAs, FSAs, and MSAs. The new law excludes the costs for over-the-counter drugs not prescribed by a doctor from being reimbursed through a health reimbursement account (HRA) or health flexible savings account (FSA) and from being reimbursed on a tax-free basis through a health savings account (HSA) or Archer Medical Savings Account (MSA), effective for tax years beginning after Dec. 31, 2010.

In March, Divorce & Family Law Group partner **Anne (Jan) White** taught a seminar on Mediation and Interest-Based Negotiation Skills. This was a four-day intensive course sponsored by Collaborative Professionals of the Northern Shenandoah Valley for legal, financial and mental health professionals to assist them in developing advanced skills for handling collaborative divorce cases. Jan and the other presenters were from the Collaborative Practice Training Institute.

Increased penalties on nonqualified distributions from HSAs and Archer MSAs. The new law increases the tax on distributions from an HSA or an Archer MSA that are not used for qualified medical expenses to 20% (from 10% for HSAs and from 15% for Archer MSAs) of the disbursed amount, effective for distributions made after Dec. 31, 2010.

Health flexible spending arrangements (FSAs) limited to $2,500. An FSA is one of a number of tax-advantaged financial accounts that can be set up through a cafeteria plan of an employer. An FSA allows an employee to set aside a portion of his or her earnings to pay for qualified expenses as established in the cafeteria plan, most commonly for medical expenses but often for dependent care or other expenses. Under current law, there is no limit on the amount of contributions to an FSA. Under the new law, however, the allowable contribution to a health FSA is capped at $2,500 per year, effective for tax years beginning after Dec. 31, 2012. The dollar amount will be indexed for inflation after 2013.

In April **Linda Ravdin**, a partner in the Divorce & Family Law Group, spoke at the Kentucky Chapter of the American Association of Matrimonial Lawyers (AAML) annual continuing legal education (CLE) seminar in Louisville. Her topic was "Premarital Agreements: Representing the Stronger Party; Representing the Weaker Party."

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Case Update - Arbitration in Maryland

By Jeremy Rachlin

Many business owners involved in a legal dispute prefer binding arbitration to going to trial. The most commonly perceived benefit of arbitration is that it offers an expedited and cost-effective alternative to protracted litigation. Many commercial contracts contain a provision requiring binding arbitration. Arbitration provisions are prevalent in home improvement contracts, but can also often be found in many other types of contracts, such as employee non-compete agreements and vendor supply contracts.

Arbitration is a means of resolving a legal dispute out of court. It is a private proceeding, meaning that there is no public record of testimony or evidence. The arbitration hearing is conducted before an arbitrator -- in essence, a private judge, selected and compensated by the parties. The arbitrator often is chosen because of his or her special expertise in the field, e.g., a construction contract dispute might be arbitrated by an expert in construction law. Arbitration has the same binding effect on the parties as a decision by a court. There is no jury, no trial, and an extraordinarily limited right of appeal of the arbitrator's ruling.

For businesses that rely on arbitration provisions in their contracts, a February 2010 opinion from Maryland's highest court, the Maryland Court of Appeals, is cause for concern. In this case, *Scheule v. Case Handyman and Remodeling Services, LLC,* homeowners sued a home improvement company that they alleged had abandoned its obligations under a contract. The contract contained a boilerplate arbitration provision: "Any controversy/claim arising out of or relating to this contract or its breach thereof shall be settled by final and binding arbitration." The home improvement company asked the court to enforce the arbitration clause by compelling the parties to participate in arbitration. The trial court judge, without explanation, denied the company's motion to compel arbitration and set the matter for trial.

There are two types of appeals from a ruling by a trial judge – an interlocutory appeal and an appeal after final judgment. An appeal after final judgment is the norm. An interlocutory appeal is an immediate appeal from an interim ruling of the court without waiting for the whole case to be over. An interlocutory appeal is an exception to the rule that a party dissatisfied with a ruling of the trial court must wait until the end of the case to appeal. It means hitting the pause button on the trial court proceeding until the appeals court issues a ruling determining whether the trial judge ruled correctly.

In *Scheule,* the company filed an interlocutory appeal of the ruling that denied it the right to arbitration. In doing so it had to convince the appeals court that it should have a right to an interlocutory appeal. After all, the company reasoned, wouldn't it defy logic to require a party to endure the cost of a trial first, before having the right to appeal the judge's decision denying it the right to enforce a contract provision that would have prevented the very same trial?

The Maryland Court of Appeals, while acknowledging the logic in the company's argument, ruled against the company. It held that a trial judge's refusal to enforce an arbitration provision is not within the narrow class of matters for which an interlocutory appeal is allowed. As a result, when a trial judge denies arbitration under a contract with a binding arbitration clause, the party who wanted to arbitrate will be forced to go to trial first and then appeal the ruling.

Many consumers sign contracts without reading them. Often, these contracts contain an arbitration provision in the fine print. When a dispute arises over the contract, a consumer who may not have paid attention to the fine print may challenge everything that he or she can, including the arbitration provision. If a judge refuses to enforce an arbitration provision, the value of the arbitration provision to the business owner is reduced to nearly nothing. The business owner will be forced to endure the very court trial the arbitration clause was designed to eliminate before having the right to challenge the court's decision on appeal.

The *Scheule* decision may force businesses to take another look at the arbitration provisions in their contracts to make sure that the provisions are fully compliant with the strictest standards of state and federal law. Even so, no business can completely protect itself from a meritless challenge or an erroneous court ruling, even if its contracts are fully compliant. The Court of Appeals decision in *Scheule* did not report why the trial judge refused to enforce the arbitration provision. What we do know is that a business can reduce its risk of an unfavorable or anomalous decision regarding the enforceability of an arbitration provision by reviewing its standard contracts to ensure that they have the best chance of surviving scrutiny by a trial judge.

Linda Ravdin, a partner in the Divorce & Family Law Group, has been named to the Board of Trustees for Round House Theatre in Bethesda. Round House Theatre produces literary adaptations and contemporary works for the stage, conducts community-based education programs, and provides a home to diverse artists and arts organizations. Pasternak & Fidis was a proud sponsor of a recent Round House production, Mark Brown's adaptation of Jules Verne's *Around the World in 80 Days*.

Three Pasternak & Fidis partners were selected in the May/June issue of *Bethesda* Magazine in a special section naming the area's top 25 divorce lawyers. **Linda Ravdin** was described as the "Queen of the pre-nup" for her ability to craft ironclad premarital agreements. **Anne (Jan) White** was highlighted as one of the pioneers of collaborative divorce, and she was quoted in a sidebar article about collaborative divorce. **Faith Dornbrand** was cited as an accomplished litigator who is the "best-prepared and most versatile" in the courtroom.

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Recognition of Same-Sex Marriage in Maryland

Under current Maryland law only a heterosexual couple may get a marriage license. In *Conaway v. Deane*, in 2007, the Maryland Court of Appeals declined to extend marriage equality to same-sex couples; rather, the court said, it is a decision for the state legislature. As a general rule, one state will recognize a marriage that was valid in the state where the marriage was celebrated. For example, most states do not permit common law marriage, but will recognize a common law marriage that was entered into in a state that permits common law marriage. The Maryland Court of Appeals has not yet decided whether Maryland law will recognize a same-sex marriage celebrated in the District of Columbia, or one of the five states where a same-sex couple can marry. On February 23, 2010, Maryland's Attorney General issued an important opinion addressing that question. The AG concluded that when the issue does come to the Maryland Court of Appeals, the Court will decide that a valid same-sex marriage is entitled to be recognized in Maryland. The 54-page AG opinion includes an extended and thorough review of Maryland law and the law of other states in support of its conclusion.

It matters a great deal whether a valid same-sex marriage will be recognized in Maryland. For example:

- Can a same-sex married couple buy a beach house in Ocean City, Maryland, and title it as tenants by the entirety, a form of ownership that is available only to a married couple?
- Will Maryland recognize the rights of a surviving spouse of a same-sex married couple in the event the deceased spouse was a resident of Maryland at his or her death?
- Will a same-sex couple be able to get a divorce and an adjudication of property or support rights in a court of Maryland, and will a Maryland court enforce a premarital agreement or other marital contract of a same-sex couple?

The law regarding recognition in Maryland remains unsettled until the Court of Appeals rules or the legislature acts. Caution is in order; for now, same-sex couples who have married in the District or elsewhere should assume their marriage will not be recognized as valid in Maryland. Therefore, they should make sure that they have created all of the important documents – contracts, wills, beneficiary designations, powers of attorney, health care directives, adoption decrees, etc. – that are needed to govern their relationship and protect their family.

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up for her interests more than she had been able to do in the past. Fred's coach advised the team that Fred, still in shock, could not meet at the pace desired by Lois, who in many ways had emotionally moved on, and urged a slower process. Lois, although impatient, was able to tolerate this decision with the help of her attorney and coach.

As Lois and Fred heard from the child specialist and observed Sally's reaction, they met with the coaches and devised a parenting plan for Sally that they felt met Sally's needs.

They concluded with a signed agreement on both parenting and financial issues. The agreement provided that, in the event of future disputes, they would return to the collaborative process or mediation, rather than to litigation. They were divorced in a 15-minute uncontested divorce hearing at which their attorneys provided their settlement agreement to the court. Like 90 percent of clients who participate in the collaborative process, they felt in the end it was the right choice for their family. They believed that they had an agreement that met their needs and that, because they had thought about it and worked it out together, it would be durable in the future.

How might this process have gone if Lois and Fred had chosen the more traditional litigation process? The secret of Lois' affair would likely have come out in court-ordered discovery, possibly in Lois' answers to interrogatories or her deposition in front of a court reporter, both of which require Lois to answer under oath. There would have been no preparation or support for Lois or Fred from mental health experts, and Fred's attorney likely would have tried to use Lois' affair to make Lois look bad or otherwise exert pressure on her. Custody would have been negotiated by the attorneys or, if the case went to trial, decided by the judge, rather than worked out by Lois and Fred with the help of the mental health experts. There would have been no opportunity for tax or financial planning with a financial professional. Child support, alimony, and property rights would have been negotiated by the attorneys or decided by the judge based on legal arguments.

While the collaborative process is not cheap, its cost is more within the control of the clients than the litigation process. In collaboration, the professional best able to support the couple does the work. For example, mental health professionals help the parents develop the parenting plan, thereby saving legal fees. Finances are worked out by voluntary exchange of documents and meetings with the financial expert, rather than by costly court-ordered discovery and decisions by attorneys or the judge.

If you are interested in hearing more about collaborative divorce, please contact one of our collaboratively trained family law attorneys, Anne (Jan) White, Linda Ravdin, or Vicki Viramontes-LaFree.

On May 15 Divorce & Family Law Group partner Anne (Jan) White was a presenter of a one-day collaborative law training class, "Creating a Deep and Durable Collaborative Parenting Plan". The training was offered by the Collaborative Practice Training Institute of which Jan is a founding member. The class was attended by mental health professionals and attorneys who handle collaborative divorces.

Nancy Fax Returns to the Board of the Community Foundation for Montgomery County

In April, Managing Partner **Nancy Fax** returned to the Board of the Community Foundation for Montgomery County. Founded in 1996, the foundation, which is a regional affiliate of the Community Foundation for the National Capital Region, houses donor-advised funds, through which individuals, families and businesses in Montgomery County do their charitable giving, and it maintains the Sharing Montgomery Fund which provides grants to dozens of local non-profit organizations each year. Nancy has a long history with the CFMC having served on the Board from 2002-2009 and as chair from 2004-2006. As she rejoins the CFMC Board, Nancy said, "The Community Foundation for Montgomery County is a critically important part of the philanthropic life of our community. It promotes and helps develop local nonprofit organizations and it makes it easy to give to those organizations. I am delighted to be back on the CFMC Board."

Collaborative Dispute Resolution Professionals has named P &F partner Anne (Jan) White as its Member of the Year. Jan was honored for her work on the development of the D.C. Metro Area Protocols for Collaborative Divorce. The CDRP is a non-profit corporation of lawyers, financial and mental health professionals organized to educate the public about a positive process to resolve family law and other civil disputes.

Faith Dornbrand Leaves Pasternak & Fidis

Pasternak & Fidis says goodbye to Divorce & Family Law Group partner **Faith Dornbrand** who is leaving the firm to explore some long-cherished personal interests. Faith, who has been called a "family law superstar" and "brilliant" by *Washingtonian* magazine, worked in her tenure here as a mediator, arbitrator, and collaborative law attorney. Faith is also known as a tenacious litigator, and she expanded the firm's capabilities to handle complex and multijurisdictional cases. We wish Faith well in her adventures!

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P&F Says Goodbye to Jason Henderson

Business, Real Estate & Litigation Group partner Jason Henderson left the firm in June to open a solo practice in Rockville. The Henderson Law Firm will concentrate on business and commerical matters, including construction contract disputes, real estate and leasing issues, creditor's rights, fiduciary concerns and general civil and commercial litigation. We wish Jason good luck in his new venture.

On April 30, 2010, **Vicki Viramontes-LaFree** and **Morriah Horani**, both of the Divorce & Family Law Group, trained seasoned and up-and-coming volunteer family-dispute mediators on divorce property issues for the Superior Court of the District of Columbia's Multi-Door Dispute Resolution Division. Vicki taught on health insurance issues in divorce and showcased her mastery of pension and retirement asset division by digesting and simplifying the notoriously complex issues in that area. Morriah spoke on recent changes in the law on same-sex marriage and discussed the mechanics of equitable distribution, debt division, and spousal support. Together, Vicki and Morriah furnished the mediators with a comprehensive overview of divorce-specific property law in the District.

Partner **Anne (Jan) White** was quoted in the June 1, 2010, issue of BNA's *Family Law Reporter*, expressing her views on a recent decision of the Maryland Court of Special Appeals. The court ruled on May 28, 2010, that money actually received by a divorcing man from his former employer upon his retirement as payment for unused annual and sick leave is marital property that is subject to division in the divorce. Ms. White pointed out that the ruling left intact a previous decision of the same court that leave that had simply been accrued but not converted into cash before the divorce was not marital property. She noted that people in the position of the husband in this case, if they choose to retire and receive their accrued leave in cash, will now "risk converting a nonmarital asset to a marital asset."

Divorce & Family Law Group partner **Vicki Viramontes-LaFree** won an important decision for her client in the Court of Appeals in *Boemio v. Boemio*, No. 57 September Term, 2009 (Md. Ct.App. May 11, 2010), 2010 Md. LEXIS 184. In this case, Maryland's highest court upheld an indefinite alimony award to Cynthia Seixas (formerly Mrs. Boemio). Congratulations to associate, **Morriah Horani**, who stepped in with less than 24 hours notice after Vicki became ill, and gave a persuasive and outstanding oral argument.

Faith Dornbrand was a faculty member this March at the Rita Rosencrantz Basic Family Law Training offered by the Montgomery County Bar Association. Faith taught fellow lawyers how to litigate custody cases.

At the annual Montgomery County Bar Association Law Day on May 14, **Faith Dornbrand** was the moderator of a panel comprised of the family law Masters of the Montgomery County Circuit Court. The presentation of the Masters was on Rules of Evidence in Family Law.

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