The New York Times

MANAGING YOUR MONEY, WORK AND SUCCESS

Spending Well

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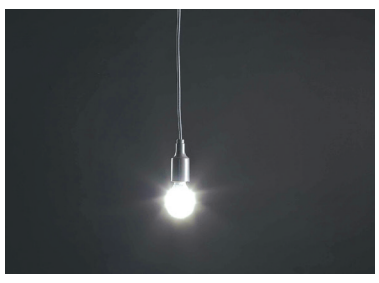
Talking Points



Turn Out the Lights And Stay Stronger

New research in animals shows that excessive exposure to "light pollution" — from computers, video games, office lights — takes a toll on muscle and bone strength. Researchers at Leiden University Medical Center in the Netherlands tracked rats exposed to six months of continuous light and found they had less muscle strength and developed early-stage osteoporosis. They also got fatter and had higher blood glucose levels. The good news is the effects of artificial light exposure appear to be reversible. One concern is the health of patients in hospital intensive care units, elderly people in nursing homes and babies in neonatal units — places where artificial lights are always kept on.

Pinterest Offers Video Ads

Pinterest is taking the plunge that many tech companies have: It has started selling video advertising. Video ads from brands like Kate Spade and bareMinerals started appearing in the Pinterest feed on Wednesday. Users can click images, or pins, of featured products , bringing them to a brand's website or allowing them to buy the product without leaving Pinterest. The move puts the social-bookmarking site in competition with Facebook, Twitter and Snapchat.

LIONEL BONAVENTURE/ AGENCE FRANCE-PRESSE — GETTY IMAGES

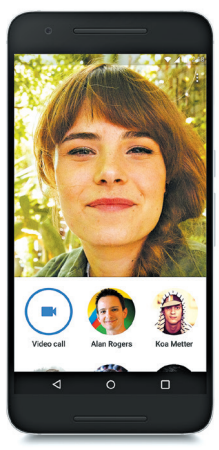
FORD

Ford to Go Driverless

Mark Fields, Ford's chief executive, said on Tuesday that the company planned to mass produce driverless cars and have them in commercial operation in a ride-hailing service by 2021. The vehicles would be very different from those on American roads now. "That means there's going to be no steering wheel. There's going to be no gas pedal. There's going to be no brake pedal," he said.

Google Takes on FaceTime

In the latest foray in its long-running battle with Apple, Google has release d a mobile video-calling app called Duo that is a direct alternative to Apple's FaceTime. People can only use FaceTime to call others who have Apple devices. But Duo lets you place video calls between Android and iPhone users, and sizably increases increasing the universe of people with whom you can hold a video conversation. This is part of Google's strategy to attract iPhone users to Android devices, where Google's apps perform better.



GOOGLE, VIA ASSOCIATED PRESS

DANNY MOLOSHOK/REUTERS

A COMPLICATED FAMILY **Rupert Murdoch with Grace, far left, and Chloe, his daughters by his third wife. His six children received equal economic interests in a trust.**

In the Will, Fairness vs. Equality

WEALTH
PAUL SULLIVAN

Children crave equal attention from their parents. So when it comes to inheritance, which can seem like a final accounting of that love, anything but an equal split can be tough to grasp.

But is there ever a time when inheritance should be uneven? And if so, can uneven still be fair?

The answer to both questions is yes. But how parents leave inheritances that are unequal but fair, or at least understandable, to their children and how those children deal with it can be challenging — and may require some difficult and open conversations.

"When you think about how parents treat children, they don't treat each child equally," said Suzanne L. Shier, chief wealth planning and tax strategist at Northern Trust. "They try to treat them fairly and equitably." But, "unequal can be hard and challenging," she added. "It has to be thoughtful."

Consider this situation, from a reader who asked that her name be withheld. She's the middle of three children, with over 15 years separating the oldest and the youngest. She said she worried that decisions she made might end up getting her disinherited — or at least receiving an inheritance radically unequal from her siblings'. What did she do? She got a good job at a technology company, met a man who had worked there longer, married him and had a baby.

Through marriage, her financial life has improved markedly, even though she signed a prenuptial agreement that separated the assets her husband had before they married. Her family doesn't know about the agreement. They just see their multimillion-dollar home and think she's secure for life. "My mom made some comment to me that we need to know what your financial situation is so we can make a decision to divide the estate," she said. "I said I didn't think it should matter. Then, I went to my dad and said, 'Mom has given me indication that she's going to divvy things up differently.' Then, the whole thing dropped."

More recently, her older sibling said she should prepare herself to receive less because she is so much better off. "Just because I married someone with money doesn't mean I should get cut out," the reader said. "My husband's money isn't my money. I can't spend it the way an inheritance could be spent."

And while she is doing well, both of her siblings live comfortably.

Jonathan S. Forster, a partner at the law firm Weinstock Manion in Los Angeles, said the reader's feelings were not uncommon. But neither is the way her mother has thought through the situation.

He recently suggested a client talk to her children about her plan to leave everything to her daughter, a teacher, and nothing to her son, a successful doctor. While she loved both children equally, she told him, she reasoned that her daughter needed the money more.

"She came back two weeks later very upset," Mr. Forster said. "Her son said, 'I've done everything you told me to do. I got into a good school, became a doctor and now you've disinherited me?' She ended up not disinheriting her son but left more to her daughter."

Lawyers and advisers said that in most cases where no malice is intended, a conversation can solve a lot of problems.

An early conversation about an inheritance can head off problems.

Leaving money unequally on purpose requires more foresight. A usual case where siblings agree is if one child has special needs that require continuous funding. Another instance is when there is a family business, and one child is running it. In other cases, not all children are good with financial decision-making, so their share might be left in trust. "It's logical but difficult emotionally for children to be treated differently in inheritances," Ms. Shier said.

Then there are the instances of children from multiple marriages. More money, for example, might be left to the younger children to get them to where the older ones are in life.

"It's rough justice," said William D. Zabel, a founding partner of the law firm Schulte Roth & Zabel. "The 30-year-old child went to Harvard and Yale Law School. Then they have a 10-year-old. How much do they favor him?"

In divorces, he said, the wife from the earlier marriage "wants to make sure that her child isn't mistreated by later children."

And if the last spouse is similar in age or younger than the oldest children, a poorly drafted estate plan could disinherit the older children if the current spouse gets all the money and outlives them. These problems can be minimized with a conversation. "My rule is the sooner the better and tell them as much as they need to understand what the family wealth is about," Mr. Zabel said.

The downsides of not getting this right are huge. "Our litigation group is thriving because kids are feeling more and more entitled," Mr. Forster said.

Parents can't go wrong with treating their children equally, though Ms. Shier makes sure parents understand what that means.

"When parents say, 'We want to treat our children equally,' we say, 'Do you want to treat them equally or fairly?' " she said. "It's not a cop-out to leave it equally. That's a logical approach."

The Art of 401(k) Maintenance: Stop Looking

YOUR MONEY
RON LIEBER

Here's how to get better returns in your retirement account: Pay as little attention to it as possible.

That was the conclusion of a study by the investment giant Fidelity, according to a 2014 article on Business Insider. The article relayed the transcript of a Bloomberg program in which the money manager Jim O'Shaughnessy said that people who had forgotten that they had accounts outperformed everyone else.

Fidelity, which has received inquiries about the study ever since, told me recently that it had never produced such a study. How disappointing, given how tantalizingly counterintuitive the supposed conclusion was: Perhaps chasing headlines and darting in and out of stocks and bonds as hedge fund managers do wasn't necessary after all.

But when the Standard & Poor's 500-stock index hits a record high, as it did recently, we ought to be reminding ourselves of the near certainty of stock market declines. The apocryphal Fidelity study still suggests two questions that we should be asking ourselves: How often should we look? And how often should we make changes?

Michaela Pagel, an assistant professor at Columbia Business School, advised checking your account statements as seldom as possible, especially when markets are falling. "If you're watching as the markets go down, you are twice as unhappy as you would be happy if they went up by the same amount," Professor Pagel said. "So looking at the market is, on average, painful."

Consider turning off paper statements and email notifications for accounts that you won't need to draw on for several years. The less we look, the less tempted we'll be to act to try to alleviate that pain.

So should we touch our investments the next time markets take a dive? This is something Fidelity actually has studied. After the stock market collapse in 2008 and early 2009, the company noticed that 61,200 401(k) account holders had sold all of their stock. Since then, 16,900 had not bought stocks in their retirement accounts through the end of 2015. Through the end of 2015, their account balances rose by 27.2 percent, including new contributions.

ROBERT NEUBECKER

People who had at least some stock exposure, however, saw their accounts jump 157.7 percent. That left them with an average balance of $176,500, $82,000 more than the people who got rid of all their stock.

This is an extreme example but an important one. According to Morningstar data examining 1,930 stock mutual funds over 15 years ending in June, the difference between what the funds would have delivered to steadfast investors and what the average investor (who did not hang around for that long) actually earned was 0.99 percentage points. That doesn't seem like much, but a 1 percentage point difference in returns can mean missing out on many hundreds of thousands of dollars in returns over the decades.

But when I told Professor Pagel that Mr. Shaughnessy's interviewer, Barry Ritholtz, had wondered whether the most successful Fidelity account holders were the dead ones, she thought it was possible.

"Even if it's not true, it's actually true," she said, "Dead people can't get upset from seeing the market go down."