



# KLF Legal Briefs

## SPECIAL POINTS OF INTEREST:

- An experienced business attorney can save a small business both time and money.
- Changes to PA's Power of Attorney Statute went into effect January 1, 2015.
- Brian Koeberle negotiates numerous athlete endorsement agreements.

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## The Perils of Do-It-Yourself Legal Services!

Online legal services such as LegalZoom have been running advertisements offering an easier, less expensive option to a traditional lawyer - going so far as to claim to provide personalized services for your family and business. But is it really that simple?

In the March–April 2015 edition of *The Pennsylvania Lawyer*, Pittsburgh attorney Heidi Rae Stewart writes about the danger of treating the practice of law as a commodity. Her excellent article warns of the “cheaper is better” mentality with regard to legal services. As Ms. Stewart goes on to

state, a *“fill-in-the blank document program simply cannot address the possible eventualities that a skilled attorney will bring to the client’s attention.”*

I can’t tell you the number of times a business owner has come to me to help them straighten out their corporate documents after using LegalZoom or another online service. Usually it ends up costing them more than had they hired me in the first place to organize their business structure. So the claim of offering an easier and less expensive option to a traditional lawyer tends to ring false in many cases.

Most consumers are more than likely unaware that LegalZoom has been sued in a number of jurisdictions for the unauthorized practice of law. And several of my clients have complained to me recently about the high pressure tactics of pre-paid legal services provider LegalShield. Even more disconcerting is the fact that LegalShield’s executive team consists of career marketing, public relations, accounting, and finance professionals, but not one attorney.

Consumers considering a DIY approach to legal services should remember the old Latin phrase, **“Caveat Emptor”**.

## Changes to PA’s Power of Attorney Statute!

On January 1, 2015 sweeping changes to Pennsylvania’s Durable Power of Attorney (POA) statute went into effect. Known as Act 95, the intent of the changes appears to be to curb abuses of POA’s by agents. This point is driven home as we continue to read about high profile agents facing both criminal and civil lawsuits over alleged abuses of POA’s. The purpose of this article is not to give an exhaustive summary of all of the changes that went into effect this year, but to highlight some of the more sweeping changes.

One of the most important changes involves certain powers granted to an agent that may have been presumed under the old law, but now must be expressly authorized in the POA, such as the power to make gifts to third parties; the power to add names of others to the principal’s assets; the power to select and change beneficiaries; the power to delegate authority; the power to create, amend and revoke lifetime trusts; the power to waive certain beneficiary or survivor rights of the principal; the power to exercise the principal’s fiduciary powers; and the power to disclaim property.

The principal’s “reasonable expectations” must now also be taken into account and carried out by the agent so long as the agent has actual knowledge of such expectations. In addition, the principal can now specify in the POA when records of the agent’s transactions should be disclosed and to whom such records should be disclosed.

What was once considered a “one size fits all” document is now a complicated but important part of every estate plan that requires the careful drafting skills of an experienced attorney.



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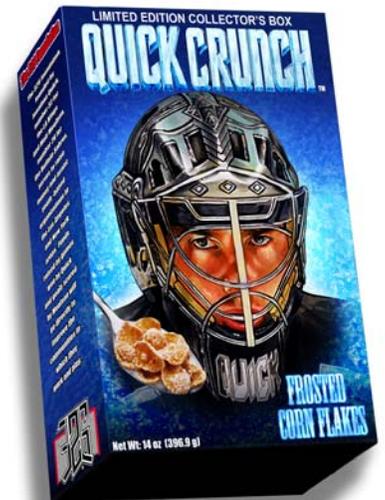
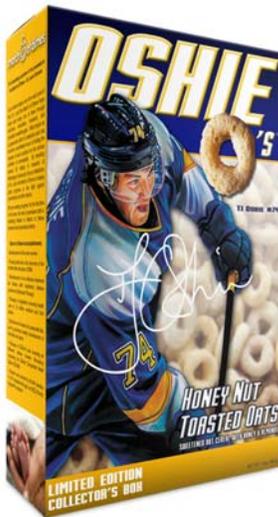
The Koeberle Law firm is a boutique firm catering to the legal needs of both small businesses and individuals. We concentrate our practice in the following areas:

- Small Business Representation
- Estate Planning/Wills & Trusts
- Real Estate Law/Community Association Law
- Sports & Entertainment Law

For further information, please contact Brian Koeberle at 412-788-9554 or email me at [brian@koeberlelaw.com](mailto:brian@koeberlelaw.com).

## Recent Endorsement Agreements negotiated by KLF!

Attorney Brian Koeberle has been busy negotiating a number of sports related endorsement agreements this hockey season.



This newsletter is intended for general informational purposes only and is not intended to provide specific legal advice. If you have a specific legal issue or question, you should consult with an attorney licensed to practice law in your state or jurisdiction.