



Life after divorce

Establish financial independence

When life brings unforeseen challenges, such as spousal separation or divorce, making decisions can feel overwhelming. Your financial professional can help you establish financial independence, regardless of your prior role in managing household finances. Hiring the right team of professionals is critical to protecting your wealth during this difficult period and for years to come. This worksheet can serve as a discussion guide or checklist as you work through important personal and financial matters.

Take the first steps

- ☐ Ask for help from friends and outsource tasks that don't feel manageable right now.
- ☐ Consider copying hard drives and other storage drives. Your spouse may do the same.
- ☐ Consider changing passwords on computers, cell phones and internet accounts.

Build the right team of experts

- ☐ Consult a **marital/family law attorney** in your state of residence. Do not rely on advice of your friends, your real estate attorney or an attorney from another state/the internet.
- ☐ Meet with an **estate-planning attorney** to review and revise your will, medical directive, power of attorney, beneficiary designations and trusts.
- ☐ Consider other members for your core team: **mediator, accountant, business valuation expert, appraiser, therapist** and **trusted friends and family**.

Organize your finances

- ☐ Gather important documents to help you understand your cash flow and your net worth, including tax returns (at least the last three years), bank/brokerage statements, property titles, insurance policies, 401(k) plans/IRAs and mortgages/promissory notes.
- ☐ Explore the impact of critical choices with your tax professional, such as alimony, child support, selling your home or liquidating investment accounts.
- ☐ Check your credit report and monitor closely.
- ☐ Consider hiring a consultant to preform a valuation of any companies privately held by you or your spouse.
- ☐ Write a description of your time and monetary contributions to the marriage.
- ☐ Obtain a health insurance quote if your current health insurance is under your spouse's plan. If applicable, speak with your company's HR department to discuss your options.

Make key choices

Career

Discuss whether changes to your current employment situation are needed or desired (e.g., training for a new career, taking a leave of absence).

Child support and care

Research state child-support guidelines and formulate your parenting plan.

House

Consider what to do with your house. Couples typically have three choices:

- Sell the house and split the proceeds
- Agree to have one spouse buy out the other's interest as part of the overall settlement
- Continue to own the house jointly

Create your new budget

- ☐ Determine sources of income potentially including salary, investments, alimony and child support.
 - If you are close to retirement, discuss applicable Social Security rules with your financial professional.
 - If you need to cover bills incurred during divorce, you can take a one-time, penalty-free distribution from your qualified retirement plan (e.g., 401(k)).
- ☐ Calculate housing costs.
- ☐ Get the right insurance (e.g., health, life, car, home).
- ☐ Assess how child-related expenses may change post-divorce and how they will be funded (e.g., after-school care costs, clothing expenses).
- ☐ Anticipate your personal expenses (e.g., vacations, clothing).

Action plan

Questions on my mind

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