

**Divorce**

Divorce can be an extremely trying time and, if not properly managed, can be very devastating financially. It is imperative to understand your complete financial situation. While you may not always expect a divorce, having knowledge of your financial picture and being prepared will enable you to create a sound financial agreement.

**What I Need to Know**

1. Create a centralized location to reference financial information. This book will serve as that location and should be kept in a secure place at all times to protect your personal information. In the event of divorce your attorney will want any information pertaining to your finances. Collecting the documents stated in this book will make you more prepared.
2. Take a comprehensive inventory of all of your current assets. In particular, keep records of any property or assets owned prior to marriage or gifted/inherited during the marriage. This should include real estate, retirement plans, bank accounts, insurance policies and physical property such as jewelry and collectibles. Document location of assets as well as how to access your assets. Include any website information along with login credentials.
3. Understand cash flow by creating a list of all current liabilities that require ongoing payment. It is important to fully understand the current list of liabilities. You should know the frequency of payment, how to pay and how much.
4. Obtain your credit report annually. Knowing what is contained in your credit report prior to a divorce will give you a better idea of your liabilities so that you can limit any negative impacts to your credit score. The Fair Credit Reporting Act (FCRA) requires each of the nationwide credit reporting agencies – Equifax, Experian and Transunion – to provide you with a free copy of your credit report, at your request, once every 12 months. Request your free credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com).
5. Make sure you have access to funds independent of your spouse and have at least one credit card in your own name, rather than being an authorized user on your spouse's account or a joint account holder. Often, one spouse in particular may be the credit-responsible party on their accounts and, in the event of a divorce, the other spouse's credit report could be negatively impacted.
6. Tax returns are a great resource in the event of a divorce. Compile the most recent year's return for a better understanding of how money flows into your family.

**In the Event of Divorce**

1. Contact your attorney. Your attorney will review the process of the divorce and help you plan the next steps you need to take. After the divorce is finalized you should meet with your attorney again to establish new wills, trusts, power of attorney and other legal documents if necessary.
2. Contact Truepoint. You will need to update current accounts, establish separate accounts and update beneficiaries. Once the divorce is finalized and a budget is created, new financial plans will need to be established so that we can continue to help you meet your financial goals.
3. Review all sources of income and develop a budget. This is important to know where you stand financially as well as explaining a need rather than a want when it comes to spousal and child support.
4. Take control of the bills. Ask for help from close friends or your financial advisor/accountant to help gather, understand and pay all bills pending.
5. Wait to make important financial decisions both during the divorce process and after. This will ensure that your emotions do not have an impact on your decisions.
6. Seek counseling for yourself or your children to assist in managing through the stressful process.