



Starting the Divorce Process? Avoid These 10 Common Pitfalls

Divorce is a difficult life transition. In fact, very few events are as complicated or overwhelming as divorce. Don't let these important things fall through the cracks.

1. Not knowing your entire financial picture including the family monthly expenses, debts and sources of income.
2. Allowing your spouse to secretly remove your access to financial accounts and resources such as credit cards and home equity lines of credit.
3. Neglecting to gather statements or detail on all financial information and assets while you are able to do so. This information includes listing bank accounts, stocks, bonds, the names of all businesses, insurance policies with cash value, retirement accounts, trusts to which either party or the children may be a beneficiary, intellectual property (i.e., patents, trademarks, copyrights), real property, other property of significant value (e.g., jewelry, antiques, art, etc.).
4. Forgetting to update the beneficiaries and terms of your will and/or estate plan.
5. Not transferring retirement funds per your divorce judgment once divorce is complete.
6. Securing heirlooms and irreplaceable personal items.
7. Changing your passwords to your email accounts, social media and other online accounts.
8. Failing to change your address to a trusted relative or getting a P.O. box until you've secured a new residence.
9. Oversight of necessity of setting aside funds or obtaining a credit card in your name only. In divorce we often see marital funds cut off, frozen or access to accounts removed by one spouse.
10. Failing to work with a financial planner during and following the completion of your divorce.

Turn over for **The Divorce Checklist** which may help you stay organized and keep you from making potentially expensive mistakes.



The Divorce Checklist

- Obtain Your credit report
- Gather and make copies of financial information that provides a clear picture of your marital holdings.
 - Bank, investment, retirement and pension account statements
 - Employment benefits must be disclosed such as stock options, company expense account, or employee retirement matching
 - All insurance policy information and statements such a whole life policies, which are particularly important as they typically have a cash value.
 - Mortgage information and statements
 - Tax documents – business and personal
 - W-2's or W-9s for both spouses
 - Estate planning documents such as will and trusts
 - Loan applications which provide a snapshot in time of your assets and income
 - Business Balance Sheets and Profit and Loss Statements
- Meet with your estate planning attorney
 - Update healthcare directives
 - Make a new will
 - Revise your trust
- Meet with your insurance broker and any human resources
 - Change beneficiary designations on all insurance policies
- Discuss retirement and pension accounts with your attorney and/or financial advisor.
 - The court will require a document called a QDRO (Qualified Domestic Relations Order) in order for retirement accounts to be divided.
- Make a list of all valuables and heirlooms. Secure anything that you are concerned might go missing.
- Change the passwords to your email, social media and other online accounts to secure them from cyber-spying.
- During a pending divorce consider changing the title from joint financial, trust accounts and real property from Joint Title with Right of Survivorship, to Tenancy In Common, with no right of survivorship. In the event you pass away before your divorce is completed this assures that your share of the community property does not go to your spouse.