

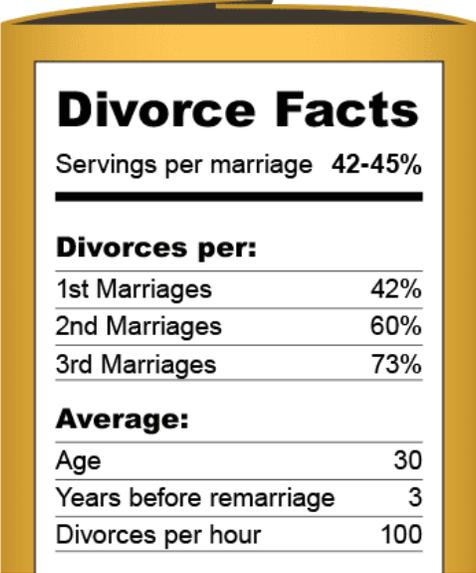


FIVE THINGS TO DO **BEFORE**
YOU DECIDE ON DIVORCE



If you are considering divorce, let us help you ensure your financial position now and into the future.

If you are reading this, then obviously you are thinking about ending your marriage. You are not alone. After all, 42% of first marriages, 60% of second marriages and 73% of third marriages end in divorce.



Divorce Facts	
Servings per marriage	42-45%
Divorces per:	
1st Marriages	42%
2nd Marriages	60%
3rd Marriages	73%
Average:	
Age	30
Years before remarriage	3
Divorces per hour	100

Here are some warning signs that you may be headed for a divorce:

- You are not happy...
- Most of your interactions with your spouse are not positive...
- You find reasons to avoid your spouse...
- Your friends and family urge you to end the relationship...
- Your instincts are telling you to get out...
- You live like roommates...
- Everything is hard...
- One or both have changed values or priorities.

I believe that life is short and that everyone is entitled to happiness. If you are not happy in your marriage, there is a good chance your spouse is not happy either. If you can, I urge you to try to communicate with your spouse in hopes of saving your relationship. You will feel better knowing that you tried everything you could to save your marriage.



Before you make your final decision, there are 5 things you should do to ensure the best outcome for you and your family. This is not a decision to be taken lightly and a little preparation can go a long way. The reality for a lot of couples, especially ones that have been together for 10 years or more, is that you need to start thinking financially instead of emotionally.

1) Evaluate What You Know About Your Finances

Unless you are the CFO of the household and know exactly what your income and expenses are, then you have work to do. If you have been out of touch with your family finances for more than 5 years, don't even try to get caught up. Get yourself to a CDFA[®], Certified Divorce Financial Analyst, ASAP! You can find one in your area by going to www.instituteDFA.com. Do this first, before you tell your spouse that you want a divorce. A CDFA[®] will help you do a little digging to get some information before the information mysteriously disappears. They will also help put together financial projections so that you can see what life after divorce might look like.

2) Gather Documents

You can save yourself a lot of money in the divorce process if you take the time up-front to gather your documents. Anything that you can gather before you meet with either an attorney, a mediator, or a CDFA[®], like myself, will reduce the amount you will have to spend out-of-pocket. Here is a quick list of the must have documents:

- 3 years of tax returns
- 6 months of bank statement for all accounts
- 6 months of statements on any and all investment accounts, including 401ks, deferred compensation, ESPP, ESOP, 403Bs, 529s, IRAs, etc. If you are don't know what these accounts are or if your spouse has a retirement plan, GET TO A CDFA[®] NOW
- Last 4 paystubs for each of you
- Most recent mortgage statement on any properties owned
- Copies of all insurance policies and annuities, the policy not the statements

- VIN numbers and mileage on all vehicles owned
- Most recent statements on any debts, credit cards, car loans etc.
- Details of any business interests like LLCs or Partnerships



3) Get Organized

Once you have gathered all the documents, find a way to keep it all organized. It might be as simple as using manilla folders, using a 3-ring binder with tabs for each section, using a big fan accordion file, or using portable file boxes that you can carry with a handle. If you can, scan the documents so they can be shared with your divorce team as needed. It is really up to you, but you need quick and easy access in a mobile format. Again, this will save you time and money down the road.

4) Research Alternatives

There are a lot of ways to get a divorce these days, each with its own pros and cons. Generally, the method you choose will depend on your relationship between you and your spouse.

If you are afraid for your safety or the safety of your children for any reason, or if your spouse is denying you access to cash to survive, then get a lawyer. Period.

If you believe that you and your spouse can sit down and reasonably and rationally discuss the details of your divorce and be fair and honest, then you should consider using a CDFA[®] as a financial neutral to help you craft a fair settlement and then have a legal document preparer do the rest. If you are able to work through your divorce settlement this way, couples are most likely to remain friends. It is a respectful, honest way to go through the process and will save both parties significant money by not have to pay legal fees.

If you are prepared to be in the same room with each other but are afraid it will erupt into disagreements and fighting, then perhaps mediation is the way to go. This is a great way to have

an independent 3rd party there to help you negotiate items of disagreement. Again, it helps preserve the post-divorce relationship and keeps the cost down.

Lastly if one or both parties can't manage to cooperate at any level, then hiring attorneys may be your only option. You can expect this option to start with a legal retainer for \$10,000 at a minimum.

No matter which method you choose, add a CDFA[®] to your team. You will be glad you did.



5) Tell Your Spouse

This is the tough part. No matter how sure you are, no matter how kind you try to be, this is going to be the most difficult conversation that you have ever had. This has to be done in person – face to face with your spouse. Once this is out in the open, please give your spouse some time to process. After all, chances are you have been thinking about this for a long time before you actually said it out loud to your spouse. Respect that your spouse will be going through a lot of emotion.

My hope for you is that you are able to work amicably for a mutually beneficial divorce. A little preparation will definitely go a long way.

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