

Enhance Your Business with Connections

Women and Finance—A Likely Pairing



Despite the fact that the great majority of women will be, at some point in their lives, in control of their household finances, some women may feel that they lack the confidence or knowledge to make wise financial decisions alone. Although patterns are changing, a woman will generally spend more time out of the workplace, earn less and live longer than her male counterpart. With less money needing to last longer, women need to be prepared to handle all of their own financial decision-making.

Getting Started

It's never too late—or too early—to start taking an active role in your finances. If you haven't been involved in your family's finances to this point, becoming organized is a good place to start. Everyone, both men and women, should keep an organized, updated record of all assets owned in their name, their spouse or partner's name and their minor children's name. This record should contain account numbers, institutions where accounts are held, approximate value and legal ownership. This information will be helpful should an unexpected event occur, such as the death of a spouse or divorce.

In addition to keeping an organized record of assets, you should begin reading financial publications and attending any meetings with financial advisors or planners. These experts can help answer any questions you might have about your individual circumstances.

When Things Do Not Work Out

A sad fact of American life is that the majority of married couples will at one point separate or divorce. With this in mind, it is important to try to keep a clear head when it comes to finances,

even during this emotionally trying time. Your organized record of family finances should help make the process of dividing property a little smoother. Some steps to consider if a divorce seems inevitable:

- Set up your own checking, savings and credit card accounts if you did not maintain these separately during your marriage. Many experts advise husbands and wives to maintain some separate accounts during their marriage.
- Close or freeze joint accounts.
- Update your will and any beneficiary designations that will change because of your divorce.

Preparing for the Unexpected

While death is an inevitable event, no one likes to think about it. Having a plan in place will make handling financial arrangements much easier should you find yourself suddenly widowed. Again, the key to a good plan is knowing what you and your husband have. An organized record of all accounts, including retirement, insurance and social security benefits, will help you quickly settle accounts and allow you to continue to receive the income to which you are entitled. For most communication with institutions that your husband had accounts with, you will need to provide a copy of his death certificate. Some important steps to take right away include:

- Keep all accounts current. Pay all of your husband's bills on time.
- Complete paperwork for multiple copies of death certificates.
- Notify the administrator of his IRA accounts, your insurance agent and his employer if he is still working or has a pension through them.
- Contact Social Security. They will

need to be notified of your status as a widow to continue receiving benefits.

- Change ownership on all accounts and real estate. Any assets that were held jointly will need to be changed to sole ownership in your name for future estate planning.

Taking an active role in your finances is an important step for many women. While preparing for the unpleasant possibility of divorce or widowhood is not something you want to do, it can help ease some of the stress should one of these events occur. If you have not established a relationship with a financial professional, you should begin working with someone you trust who can help you prepare for the unexpected and gain confidence in your financial decision-making.

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