

7 WAYS TO PROTECT YOUR ASSETS DURING YOUR DIVORCE

Divorce is a stressful and life-changing event. Although you may feel you have little control over the process, there are some things you can do to safeguard your interests and ensure you come out of the process in a financially stable position.

- (1) Do not confuse “protecting” your assets with “hiding” your assets.** You can protect your assets from being dissipated, but you cannot hide your assets to keep them from your spouse. Any “hidden” assets will not stay hidden for long. A savvy private investigator will find them, and the court will punish you for your deception.
- (2) Know what you have.** Create a record—a detailed list or a video inventory—of the contents of your home on a particular day. Note the location and the condition of each item.
- (3) Make copies of important financial records.** Make three copies of your important records—financial statements, tax returns, deeds, etc. Give one copy to your spouse; give one copy to your attorney; and store the third copy in a safe deposit box or other secure location away from your home.
- (4) Begin to establish financial independence.** Open a separate checking account, in your name only, if you do not already have one. Talk with your spouse and your divorce attorney about closing joint bank accounts and canceling joint credit cards; as a group, determine how best to share the funds and apportion the debt.
- (5) Be vigilant.** Check your credit report regularly so that you will not be caught off guard by a loan application, or charges to a new credit card, or other activity. Put a freeze on any joint savings or investment accounts; obtain and review regular statements for these accounts.
- (6) Don’t overlook retirement plans and life insurance.** If your spouse has a pension plan, retirement account, or life insurance in his or her own name, obtain a current statement and a copy of the plan.
- (7) Don’t make emotional decisions.** You can be emotional about your divorce, but not about your financial decisions. Decisions of this magnitude are best made with the advice of knowledgeable and experienced professionals—a divorce attorney, a tax attorney, a financial planner.

Seek professional advice before making any major financial decisions during your divorce.