



8 FINANCIAL MISTAKES TO AVOID BEFORE, DURING AND AFTER DIVORCE

FROM BEST-SELLING AUTHOR®
**COACH PETE
D'ARRUDA**



COACH PETE D'ARRUDA HAS BEEN SEEN IN AND ON:

THE WALL STREET JOURNAL.

SmartMoney

YAHOO!
FINANCE

CNNMoney

FOX
BUSINESS

Bankrate.com
Comprehensive. Objective. Free.

The Street

Forbes

MSNBC

I hear from a lot of my female clients who are going through a divorce tell me that they feel like a financial victim because they weren't the ones managing the money during their marriage.

The emotional struggle of divorce is challenging enough to deal with on its own. Unfortunately, that struggle increases exponentially when you're forced to add up your marriage in dollars and cents. If your former spouse managed the finances during your marriage, they could use that knowledge and experience to box you out and take what's rightfully yours.

You deserve better. You deserve to be taken care of, not cast aside. You deserve to live your life without the fear of wondering how you're going to pay your bills today, and when you retire.

Here at Capital Financial & Insurance, LLC, we fight to make sure you keep your rightful share of all assets without leaving anything on the table.

I've prepared this special report to help you do just that. In this report, I break down the biggest financial mistakes you can make before, during and after a divorce...and how to avoid them.

Read it. Take it to heart. Protect yourself. After you've done so, do yourself a favor, call my office at (919) 657-4201 and set up your free, no-obligation Financial Strategy Session. You'll be glad you did.

I look forward to hearing from you.



Peter J. D'Arruda, RFC, IAR
President & Founding Principal
Capital Financial & Insurance, LLC



8 FINANCIAL MISTAKES TO AVOID BEFORE, DURING AND AFTER DIVORCE

1. DON'T RELY ON GETTING YOUR "EQUAL HALF"

Only 9 states have community property, which means you keep half of your accumulated wealth. If you live in Alaska, you can "opt-in" to community property. In the other 41 states, however, the judge has the power to divide assets as he or she deems "fair or equitable" based on the details of your specific marriage.

2. DON'T STAY ATTACHED TO YOUR HOUSE

You may still have an emotional – as well as financial – attachment to your house. While I can't speak to your emotional bond, I can tell you this: your house's value is not the same as real money. It's only the potential for money, and that potential can fall dramatically based on the market (remember 2008!). So, don't let your ex try to use this as a bargaining chip against your rightful claim to assets with real value, like stocks, bonds or cash.

3. DON'T OFFER UP YOUR PRE-MARITAL ASSETS

Anything you earned BEFORE you walked down the aisle is yours, and that includes things like savings and checking accounts, retirement accounts and even your house (IF you owned the property in full before the marriage). The only portion your ex-spouse is entitled to is that which accumulated after you tied the knot. Of course, the laws change based on where you live, so check with a trusted legal counsel.

4. SPELL EVERYTHING OUT IN PERCENTAGES

When you and your ex are signing the separation agreement, pay special attention to the Qualified Domestic Relations Order (QDRO). This part deals with how much of the retirement assets you're entitled to. It's crucial for you to spell things out in percentages rather than dollar amounts. Make it clear you want 50% of the total (or 25% or 30%, depending on your situation). If your ex tries to get you to agree to a dollar amount, claiming it's the same, don't trust it. I'd love to talk to you more about this when you call my office.

5. DON'T PAY A PENALTY ON EARLY RETIREMENT WITHDRAWAL

You wouldn't normally withdraw retirement assets before age 59^{1/2} or you would suffer a 10% penalty. Fortunately, the IRS understands some exceptions must be made in a divorce to bridge the financial gap, and they offer an exception to this rule. Here's another important point we should discuss when you come to my office.

6. DON'T FORGET ABOUT SOCIAL SECURITY BENEFITS

Simply put, if your marriage lasted for at least 10 years, you are entitled to half of your ex-spouse's anticipated benefit, even if they have remarried. If you will get Social Security as well, that does NOT mean you automatically forfeit your ex-spouse's benefit. If half of your ex-spouse's benefit is still more than what you will collect, then you're entitled to the difference.

7. START YOUR OWN ACCOUNTS, AND CLOSE SHARED ACCOUNTS

Close any joint accounts and replace them with those in your name only. You don't want to allow your ex access to your money. This includes all bank accounts, brokerages, as well as all credit and debit cards. You should check your credit report for any items of concern as well.

8. DON'T USE YOUR EX'S FRIENDS AS YOUR ALLIES:

When you divorce your husband, do NOT rely on the same advisors as your former husband. They are HIS advisors, and you can't trust them to provide you with safe, honest, unbiased counsel. Just as you were selective about your divorce attorney, now you must choose a new financial advisor for yourself.

How many of the 8 points in the report were you able to check off? Every single point that you didn't check off should concern you. It means that you could be losing money for both the present... and more importantly your future. Don't become a financial victim.

Call my office at (919) 657-4201 or visit me online at capitalfinancialusa.com to set up your free, no-obligation Financial Strategy Session with me and my team.

I created this special report in an effort to help you regain something you may have lost during your divorce: peace of mind. Regardless of how your proceedings concluded, there's a chance you were not awarded your rightful share of the assets.

I know the emotional challenges you are facing right now. It's tough.

It's also tough to think about things like retirement, or if you are going to have to go back to work...or how you are going to make ends meet.

But sweeping it under the rug won't make things better. It often makes it worse.

Today can be the day you stop living with the fear, confusion, and uncertainty about not only where your income will come from, but how long it will last.

We can show you how.

Call my office at (919) 657-4201 or visit me online at capitalfinancialusa.com to set up your free, no-obligation Financial Strategy Session with me and my team.. If you feel like we're a good fit, then I'll join your team, and we'll secure your financial future together.

Coach Pete D'arruda is the host of the "Financial Safari" Radio Program.
He has been seen in and on:

THE WALL STREET JOURNAL. SmartMoney YAHOO! FINANCE CNNMoney FOX BUSINESS Bankrate.com Comprehensive. Objective. Free. The Street Forbes MSNBC

