

# Morgan Stanley

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## Pre-Divorce Preparedness Checklist

### The Perspective Group at Morgan Stanley

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Life is about change. As you progress through different stages of your personal and professional life, you will face a succession of financial opportunities and challenges. Your financial goals and priorities may shift or evolve, and your wealth management strategies will need to adapt to keep pace.

Throughout your life, you will move through four stages of wealth: Accumulation, Preservation, Utilization and Transfer. These stages overlap, and the transition between stages may be gradual. Your path through the wealth management cycle is rarely linear and transitions can be abrupt. Given these intricacies, you need comprehensive, customized wealth management strategies that match your lifestyle and your career trajectory.

Here is an approach to thinking about – and planning for – your future and family during every chapter of your personal and professional journey.

To get started, review the Pre-Divorce Preparedness Checklist. The checklist is organized into 7 categories centered on helping you preserve your wealth against future market disruptions.

#### PRE-DIVORCE PREPAREDNESS CHECKLIST

- 1. Portfolio Review:** What refinements need to be made in the asset-management model based on the pending change in marital status?
- 2. Divorce Settlement Analysis:** calculate the best configuration for the future financial settlement

### **3. Insurance Review:** perform a comprehensive beneficiary review of all policies

- Homeowners' insurance
- Automobile insurance
- Life insurance
- Health insurance
- Disability insurance
- Umbrella liability insurance
- Which policies need to be canceled?
- Which need to be updated?
- Which need to be acquired?

### **4. Post-Divorce Cash-Flow and Income Plan:** calculate how expected cash flows and income are likely to be generated

### **5. Information Changes**

- Insurance policies: review terms and beneficiaries
- Wills and trust agreements (self/parents/others)
- Powers of attorney
- Advance medical directives
- Bank accounts
- Investment accounts
- Credit card accounts
- Health savings accounts (HSA): review accumulated assets and change documentation

### **6. Documentation** (acquire copies of all current documents)

- Pre- and postnuptial agreements
- Powers of attorney
- Three to five years of income tax returns (federal, state and local)
- Three years of bank statements (checking, savings and CDs)
- Three years of credit card statements
- Annuity contracts
- Investment account statements
- Pension plans
- Retirement accounts: 401(k) and IRA
- Children's financial accounts
- Monthly expenses (such as utilities)
- Wills and trust agreements
- Social Security statements
- Loan agreements
- Inventory of art and other significant assets
- Receipts for major purchases during marriage
- Titles of all hard assets (such as real estate, jewelry and investment-grade art)
- Titles of vehicles
- Personal property
- Business ownership/partnership agreements
- Deferred compensation agreements and account balances
- Stock option plans
- Contractual agreements (obligations and/or received value)
- Legal judgments involving either spouse
- Judgments and settlement information from other legal actions

- Frequent flyer/hotel points inventories

## 7. To Keep on File

- Social Security numbers for all parties (adults and children)
- Birthdates (adults and children)
- Birth certificates (adults and children)
- Account numbers and passwords
- Current employment and benefits
- Safe deposit box access and inventory
- Home safe access and inventory
- Original marriage license
- Formal medical diagnosis regarding mental illness and/or substance abuse
- Details about significant unspecified assets that have potential value (such as software programs and manuscripts)
- Property owned and/or acquired by gift or inheritance during marriage (both parties)
- Social media accounts and passwords

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