

OUR SERVICES

We SIMPLYFY Your Life



The Premarital Preparedness Checklist

Congratulations! You're getting married! In addition to planning your ceremony and guest list, you may want to take this time do some advance work for financial planning.

We often think of marriage as being all about romance, but at the same time, marriage is also a contract between two people to form a household, potentially to start a family, start businesses, or buy property. As we know that disputes over money are the #1 reason why marriages end in divorce, we have prepared this Premarital Preparedness Checklist to help betrothed couples start their new life on a sound footing.

Some couples may simply need to have a discussion of current assets and liabilities as well as short-term and long-term goals. For other couples, especially those who come to the union with unequal wealth, or those who are providing for children of a previous marriage, you may need to consider preparing a prenuptial agreement.

As an experienced and neutral third party, Judith Heft & Associates will be delighted to guide you through this process. Here are the elements of a good Premarital Financial Plan.

PREMARITAL FINANCIAL PLAN

- Discovery of short and long-term financial goals
- Consultation on clarifying values and financial decision-making
- Cash-flow and budget analysis

INSURANCE REVIEW: perform a comprehensive beneficiary review of all policies

- Homeowners' insurance
- Automobile insurance
- Life insurance: Are there employment benefits?
- Health insurance: Are there employment benefits?
- Disability insurance: Are there employment benefits?
- Umbrella liability insurance
- Which policies need to be canceled?
- Which need to be updated?
- Which need to be acquired?
- What coverages need to be changed?

INFORMATION CHANGES

- Insurance policies: review terms and beneficiaries
 - Wills and trust agreements (self/parents/others)
 - Social Security status
 - Powers of attorney
 - Advance medical directives
 - Bank accounts: define survivorship
 - Investment accounts: define survivorship
 - Credit card accounts: define survivorship
 - Health savings accounts (HSA)
-
- Consultation on financial boundaries: Will the couple blend personal finances, maintain separate financial lives or create a hybrid structure?
-
- Prenuptial agreement (to ensure that, in the event of a divorce, both parties' interests are protected)

- Review of held-away assets (for consideration as part of the larger financial plan)
-

- Portfolio review: What refinements need to be made in the asset-management model based on the pending change in marital status?
-

- Review of outstanding debts/liabilities
-

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
- Formal medical diagnosis regarding mental illness and/or substance abuse
- Safe deposit box access and inventory
- Home safe access and inventory
- Original marriage license
- Details about significant unspecified assets that have potential value (such as software programs and manuscripts)
- Property owned and/or acquired by gift or inheritance prior to marriage (both parties)
- Social media accounts and passwords

- Define the wealth-transfer strategy if there are children from previous marriages
-

DOCUMENTATION/FINANCIAL RELATIONSHIPS REVIEW

- Impact of marriage on previous divorce settlements
- Status of previous marital partners: define and clarify awareness of all entitlements
- Loans and contractual agreements (both obligations and benefits)
- Annuity contracts
- Investment account statements
- Pension plans: review beneficiaries and wealth-transfer strategies
- Retirement accounts: review beneficiaries and wealth-transfer strategies for 401(k) and IRA
- Children's financial accounts: review wealth-transfer strategy
- Titles of all hard assets (such as real estate, jewelry and investment-grade art): review if retitling or change in survivorship benefit is needed
- Business ownership/partnership agreements: review survivorship and wealth-transfer strategy
- Deferred compensation agreements and account balances: review survivorship and wealth-transfer strategy
- Stock option plans: review survivorship and wealth-transfer strategy

For more information, contact:

Judy Heft, CEO

Direct: (203) 989-9034 x101

Judy@JudithHeft.com

Liz Levy, CFO

Direct: (203) 989-9034 x102

Liz@JudithHeft.com