

Women and Financial Independence

IN ORDER TO ACHIEVE FINANCIAL INDEPENDENCE, WOMEN NEED TO TAKE AN ACTIVE ROLE IN MANAGING THEIR FINANCES. HERE'S HOW TO GET STARTED.

Get Educated

This step is twofold—if you're not already involved, you need to learn about both personal finance in general and how your own household finances are organized. The odds are that either you or your husband will outlive the other and will have to become financially independent in the aftermath. Statistically, it's more likely to be you who will be on your own, and statistically, it's an uphill battle: 80 percent of widows living in poverty were not poor before their husbands died.

The odds are that either you or your husband will outlive the other and will have to become financially independent in the aftermath, and, statistically, it's more likely to be you who will be on your own.

Familiarize yourself with basic concepts in insurance, find out what policies you have and read through the fine print. Look at your retirement savings and any other investments you may have and set up your own retirement savings, if you don't already have it. Make sure you have an estate plan in place and take time to

In the past, generations of women were raised to think of financial tasks as their husband's domain. Earning income, saving for retirement and even paying bills were all "men's work," and many women would have been lost without their husbands' help. Unfortunately, many women did experience this financial disorientation firsthand through divorce or widowhood, and their lack of financial literacy only added to the trauma.

Today, women can take charge of their finances and run their households alongside their husbands, giving them a leg up if they ever find themselves on their own. Divorce is common and often unanticipated, and even in the happiest of marriages, widowhood is always a possibility. Women are four times more likely to become widowed than men are. In fact, nine out of 10 women will handle their own finances at some point in their lives. Here's what you need to do to create your own financial plan.



Busine LLC

858.255.4274

www.businewealth.com

4225 Executive Square
La Jolla, CA 92037

This article was written by Advicent Solutions, an entity unrelated to Busine LLC. The information contained in this article is not intended to be tax, investment, or legal advice, and it may not be relied on for the purpose of avoiding any tax penalties. Busine LLC does not provide tax or legal advice. You are encouraged to consult with your tax advisor or attorney regarding specific tax issues.

© 2013 Advicent Solutions. All rights reserved.

understand the various documents involved. Check bank statements and learn how much money is coming in and going out each month. Take an active role in bill paying so you know what your financial obligations are, should you ever need to take them on yourself.

It's a good idea to sit down with your spouse and organize your financial paperwork together so you're both on the same page in case one of you were to die or become incapacitated. Make sure you know how to access:

- Your birth certificates and marriage certificate
- All bank and brokerage accounts
- Deeds and titles to property
- Insurance policies
- Debts and monthly bills
- Your will, living will, powers of attorney, etc.

You should organize passwords, contact information and important paperwork so either spouse would be able to carry on without the other. The best time to share knowledge with your husband is before he dies or becomes incapacitated.

Hedge Against Divorce

Even though you probably don't plan to get a divorce now, the truth is that many marriages do end in divorce, and there are things you can do now to make that worst case scenario more tolerable. The first step, again, is to educate yourself. Find out what you'd be entitled to in a divorce and, if you don't like the answer, change it. For instance, many divorced women find themselves with no credit because all of their household bills and credit cards were in their husband's name. If this is the case, sign up for your own

credit card and start building a credit history now.

Talking to your husband about money and managing the household finances together provides two benefits: first, you are more likely to land on both feet if you do get a divorce, and second, talking about money together can strengthen your relationship, further hedging against divorce. You'll feel more secure, and your husband will feel less burdened if you both understand the household budget.

Talking about money together can strengthen your relationship. You'll feel more secure, and your husband will feel less burdened if you both understand the household budget.

Maintain Your Earning Potential

If you're not working and earning income currently, make a plan for how you might return to the workplace. You may need to go back to work if you become divorced or widowed. Even if you have to stay home right now to take care of your children, do what you can to earn money on the side, either from freelancing, temping, working from home or even turning a passion into a business. At the very least, keep your skills sharp, maintain your professional contacts and consider taking work-related classes.

If you're thinking about leaving your job, consider that couples where both spouses work report greater marital satisfaction, and stay-at-home moms are more likely to become depressed than working moms. Leaving your job can put a strain on your relationship,

even making you feel as if you've lost spending power. Plus, it can be tough to return to the workplace after an absence, and the longer you're gone, the harder it is to get back in the saddle.

Today, women have the option to take a more active role in their own finances. As much as you may not want to imagine your life without your husband, the possibility is real, and planning ahead is all you can do to lessen the blow if you do find yourself forced to take financial responsibility in the future.

This information is provided to you solely as a complimentary service, and is believed to be accurate, but is not guaranteed or warranted by Busine LLC. The material is intended only as general information for your convenience, and should not in any way be construed as investment or tax advice, or projections of performance. © 2015 Busine LLC. All rights reserved.