

## THE EMERGENCY KIT

Just think of the worst happening, a fire or an earthquake. What if you lost it all? The following items would be among the hardest to replace. For any number of emergencies, have all or part of the following in a secured and/or secret place.

- Bank account numbers and PIN or password hint;
- Insurance information, policy numbers—life, auto and medical, copies of I.D. cards;
- A notarized will;
- Names and numbers of families and friends, attorneys and insurance agents;
- Copies of birth certificate, passport, driver's license, and social security card;
- Tax Returns (1-5 years);
- Credit card account numbers and extra cards;
- A little stash of cold hard cash.

## Suddenly Single: A Financial Survivor Guide

Ending a marriage or relationship changes important aspects of your life. You need to take stock and take steps to secure finances for yourself and your family. Marriage is a binding contract, and this very legal and complicated contract will affect every aspect of your life, including money. You may need to completely restructure your financial picture, but don't let yourself get overwhelmed. This can be worked out one step at a time.

### Step #1: Obtain your credit report.

A credit report from one of the major credit bureaus (Experian, TransUnion and Equifax) will give you a clear picture of where you stand financially. Check carefully for any potential errors, and if you do spot a mistake, rest assured that it can usually be cleared up with a letter and a phone call.

### Step #2: Protect your good credit.

The split does not relieve you from joint debts you incurred while married. You are responsible for all joint

accounts (credit cards, car loan, home mortgage, etc). Even when a judge orders your ex-spouse to pay a certain bill, you are still legally responsible for that account. You signed to pay an account as a couple and as individuals. The credit grantor has the legal right to report negative information to a credit bureau if your ex-spouse pays late on a joint account. If your ex-spouse doesn't pay at all, you will be responsible for the account and the grantor can take legal action against you.

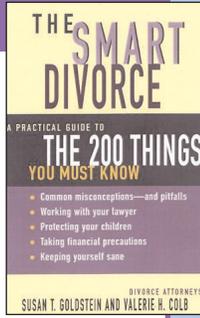
### Step #3: Establish your own credit history.

If you have not established a significant credit history you may run into problems trying to open a bank account, buy a car, or even set up utilities. Start small and build up. Get a credit card that has a small credit limit, perhaps from a local department store or credit union and always pay your bills on time. The key is to be consistent and to keep it manageable.

*(continued on the next page)*

# Book Views

## Smart Divorce: A Practical Guide to the 200 Things You Must Know By Susan T. Goldstein and Valerie H. Colb



While some of the self-help books talk down to the reader, here's a book that helps you from the get-go by accentuating the positive. Smart Divorce is a guidebook written by two attorneys, Susan T. Goldstein and Valerie H. Colb.

Functioning more as a workbook, Smart Divorce goes down the middle of the road one step at a time. It's not geared toward one gender or the other, upper, middle or whatever class and kids and/or no kids. It takes a common sense approach to separation and divorce that starts with your basic sanity but doesn't dwell in the emotional realm.

Unfortunately, some lessons are learned the hard way. A book like this can help you past the 'first you cry' stage and quickly move on to the rebuilding stage. Two hundred sounds like a long list of Things You Must Know, but it's broken down to approachable size. Using tools like Q&A lists, lists of "do's" and "don'ts" and checklists this book can genuinely help you navigate though rough and unfamiliar waters.

They include a translation of legalese and address issues with children. Overall, the authors take a bipartisan approach to protecting yourself and doing what's fair financially with respect to bank accounts, insurance and taxes.

*(continued from the first page)*

If you cannot obtain credit on your own, consider asking a family member or friend with an established credit history to cosign on your loan or credit application. Remember that any transaction on your new account will also show up on the co-signer's credit profile. After a few months, try again to get credit on your own. Creditors will look at recent history and may give a new card to a person with one year of good standing.

Another alternative is applying for a secured credit card. You must open and maintain a savings account as security for your line of credit. Your credit line is a percentage of your deposit. Sometimes you may have to pay extra fees for secured credit.

### **Step # 4: Rebuild a positive credit history**

No matter how muddled things are today, make a good clean start. By spending within your means you can start a positive pattern. Your payment history during the next 18-24 months is most important in deciding whether you're a good risk. Even one late payment can affect your ability to get a mortgage.

### **Step #5: Consider mediation.**

Everyone has a different idea of what is "fair." Professional mediators have clear perspectives and can help you and your ex-spouse work out a reasonable and equitable divorce agreement. If you would like help finding a mediator, contact the American Arbitration Association by visiting their website at <http://www.adr.org>. To locate an attorney, check with the American Bar Association in your state.

On a final note, remember these three basic tasks:

- **Close or separate joint accounts.** Analyze all your debts and decide who will be responsible for each. Call your creditors and ask them how to transfer your joint accounts to the person who is solely responsible for payments. However, you still will have legal responsibility to pay existing balances unless the creditor agrees to release you from the debt.
- **Take stock of your property.** You may have to refinance your home to get one name off the mortgage, or you might need to sell your home and divide the proceeds.
- **Keep paying all the bills.** Until accounts are divided, neither side can afford a missed payment so send in at least the minimum payment due on all joint bills. A missed payment can end up as a negative on your credit report for up to seven years. You are in the process of rebuilding your life and good credit is key.