

I hope this letter finds all is well with your practice and clients. In my endeavor to help divorce professionals with their client's financial planning needs, many have asked me to give them an example of how, exactly, I can help their clients. The long answer is there are many ways but here is a situation that represents how we can help.

Retirement assets being cashed in

Mrs. Smith was referred to a financial advisor by her family law attorney after her divorce was final because she was having problems with the assets being transferred over to her name. Mrs. Smith had previously contacted the brokerage firm where the accounts were being held in her husband's name. After many phone calls and letters, she finally had them send her a check for \$200,000.

When Mrs. Smith came to the financial advisor, through the normal discovery of asking her questions, it was discovered this \$200,000 was from an IRA account of her ex-husband. She had just received the check 10 days previous. Mrs. Smith was going to the bank to cash the check and could have owed almost \$90,000 in taxes. She had not yet deposited the check, so the financial advisor immediately sent her home to bring the check in and open up an IRA account so that she would not be taxed by depositing it in her checking account. Mrs. Smith didn't understand that she had to re-deposit the check into a retirement account verses a taxable account to avoid paying taxes.

Conclusion

Clients need active financial help during a divorce and post divorce to help them make the right financial decisions. This is just one scenario that I have found is quite common among divorcing couples. The situation could have gotten worse if the client in this scenario had not worked with a financial advisor. This is a very common problem that happens during many divorces.

Clients can receive the most equitable settlement in a divorce whereby the attorney has helped negotiate the best settlement possible. It can be completely unwound because of a lack of follow through to make sure the financial details are completed correctly. This is where there is a big disconnect between the end of the divorce, as it pertains to a settlement, and the actual end of having all the paperwork processed post divorce. This is my job to facilitate helping a client to make sure this follow through is done correctly.

Remedy

Let us help your clients navigate through this financial process. They do need this help. Give me a call to go over any particular client that would benefit from our services or in the next week, let's get together for 15 minutes for coffee or maybe lunch. Let me know what possible 2 times that you would have available to fit your schedule.

If you have any questions, please feel free to e-mail me at rich.hendry@raymondjames.com or call us at 678-578-2430 or toll free at 877-811-9090. Visit us at www.richardhendry.net.

Sincerely,



Richard P Hendry, CDFA
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