

In class #2, we reviewed Maria’s Personal Financial Statement, and the answer sheets were sent to those who had completed the assignment.

**ASSIGNMENT from\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. **PREPARE YOUR Personal Financial Statement**

* If you have not already done it – please prepare your own PFS on form 4.01
* If you are married, make sure to include the assets and liabilities of your spouse (at least to the extent you know about them!).
* See if you can arrive at your current NET WORTH.
* Repeat the exercise as of 12/31 – and SAVE YOUR PFS to compare from year to year. I keep mine in one Excel file and add a new worksheet every year.

Email me if you have any questions on whether an item should be included or excluded.

If you schedule a private session, we can review your information, do a deeper dive into your allocation, and discuss your next steps to improve your finances.

1. **READ – regarding Prenuptial** **Agreements**:

|  |  |  |
| --- | --- | --- |
|  |  | Check when read |
| 10.33 | Introduction to Prenuptial Agreements |  |
| 10.34 | A Prenup Saved Me When My Husband Left – *INTERESTING ARTICLE* |  |
| 10.36 | SAMPLE NYS Pre-Nuptial for a couple with a specific circumstance – however sent in word format so you could edit to facts to meet your needs |  |
| 10.37 | Pre-Nuptial Agreement filed by a couple with the Court to protect their interests – appears to be for an older couple – Washington State |  |
| 10.38 | Post Nuptial Agreement filed by a couple with the Court to protect their future interests – Texas |  |
| 10.39 | Complain filed with the Court whereby a wife is trying to get the Court to deem a post-nuptial agreement invalid – Definitely interesting |  |

1. **READ – regarding Divorce:**

|  |  |  |
| --- | --- | --- |
|  |  | Check when read |
| 10.41 | Introduction to Divorce |  |
| 10.42 | NYS Court Form – Statement of Net Work |  |

Every state has a form for divorcing couples to report their income, expenses, assets, and liabilities. They want to see a 3.01 Cash Flow Statement and a 4.01 Personal Financial Statement. 10.42 is for New York. To find the form for your state, google “Family Case Information Statement for (state).”

1. **REVIEW the agenda below for Class #3 –** we did not cover everything, but you might want to use it as a guide to discuss financial topics with your partner and see if you are on the same page.
2. **READ in preparation for class #4**

|  |  |  |
| --- | --- | --- |
|  |  | Check when done |
| 7.01 | Retirement Accounts – an overview – this is a long handout |  |

RETURN THIS FORM INDICATING WHICH HANDOUTS YOU READ and write your questions on the material below:

QUESTIONS:

**The AGENDA for the third class:**

**Session # 3 ADULTHOOD – BUILDING AND PROTECTING YOUR WEALTH**

**REVIEW HOMEWORK - PERSONAL FINANCIAL STATEMENTS**

1. **DATING, ENGAGEMENT & MARRIAGE**

* Knowing Yourself
  + Do you think of yourself as a spender or a saver?
  + Given $100,000, what would you do with it?
  + How did your parents handle money? What were some of their challenges?
  + What are your career aspirations? And how much do finances tie into your outlook?
  + Have you ever declared bankruptcy?
  + Do you manage your Credit and watch your Credit Score?
* Knowing your Partner - Relationships
  + How will your life partner impact your financial future?
  + Transparency is critical – putting all your cards on the table
  + Credit History, including Debt obligations (credit cards, student loans, car loans)
* Marriage or Combining Households
  + **Pre-Marital Assets & Liabilities** – will prior debt be shared
  + **Pre-Nuptial agreements -** Do you want a Pre-nuptial Agreement to protect Pre-marital assets, gifts to one individual, inheritance, and potentially decide on Alimony? – What is commingling?
  + **Finances (co-mingled, separate, etc.)** How will finances be maintained (co-mingled, separate whereby each person pays for specific items, individual accounts, but one account for joint expenses)
  + **How will you share expenses 50/50, based on income?** - What happens with windfalls, such as bonuses or inheritances? (spend or save) Share or not
  + **Wedding expenses/budget** - What wedding budget do you think is appropriate? How will we fund/handle wedding expenses? (especially if families have unequal resources)
  + **Life Plans & Discussion of lifestyle priorities** and creating a joint budget and five-year plan. Do you expect to help any other people in your family financially? (parents, siblings, etc.)
  + **Home Ownership Plans** Do you want to become a homeowner? And what will you sacrifice to have a house?
  + **Plans for Having Children: What is the attitude** towards wanting children, what is the time frame, and will one of us stop working to attend to their needs, or will we outsource childcare?
  + **Savings plans** – including attitude towards retirement savings and how a retirement account will be set up for a non-working spouse.

Session 3 ends here