

HELPING FEMALE CLIENTS THROUGH GRAY DIVORCE



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HER UNCERTAIN FUTURE AS A SINGLE WOMAN IS IN YOUR HANDS

Divorce over 50, also known as gray divorce, is becoming more common, with women mostly making the decision to separate. When a woman is going through a gray divorce, her standard of living plunges 45%, meanwhile her male counterpart sees his standard of living drop by a mere 21%.¹

**“ About two-thirds of divorces
are initiated by women.”²**

The rate of divorce after age 50 doubled in the U.S. after 1990, and more than one in three people who divorce in the United States are older than 50.³

The end of a decades-long relationship can create a financial and emotional strain, with complex issues coming to light. It's important to note that the longer a couple was together, the more time they had to amass complicated assets which are going from being a nest egg to needing to support two separate retirements, creating a grim outlook.

While the financial impact on your client is likely extensive, the emotional impact of what she's going through is also pivotal to understand as she's experiencing one of the most difficult times in her life right now.

With proper guidance, you can help take some of the fear out of this process for your client. In the following pages, you'll find information about what she's going through, how your empathy can result in a long-lasting relationship built on trust, and a framework to help you guide her.

¹“Gray Divorces’ Can Upend Your Retirement Plans,” Kipling Personal Finance, April 19, 2023

²“Revealing Divorce Statistics In 2023,” Forbes Advisor, updated August 8, 2023

³“Why More Couples Are Divorcing at Older Ages,” Everyday Health, June 2, 2023.

START YOUR JOURNEY TOGETHER

No two client experiences are going to be the same, however, there will be common themes that you'll see as you work more with women who are going through gray divorce. Use the scenario demonstrated below featuring your client, Diane, as your jumping off point. Adjust the conversation as necessary to appropriately suit your client's situation.

Diane's story

Diane and John have decided to end their marriage after 39 years together. The two were high school sweethearts, married at 20, and have two adult children.

This is where you step in as her financial partner and guide. You may have met with John and Diane over the years, however this is a new chapter of her life, and you'll need to help her understand her new independence and how to meet her financial goals.

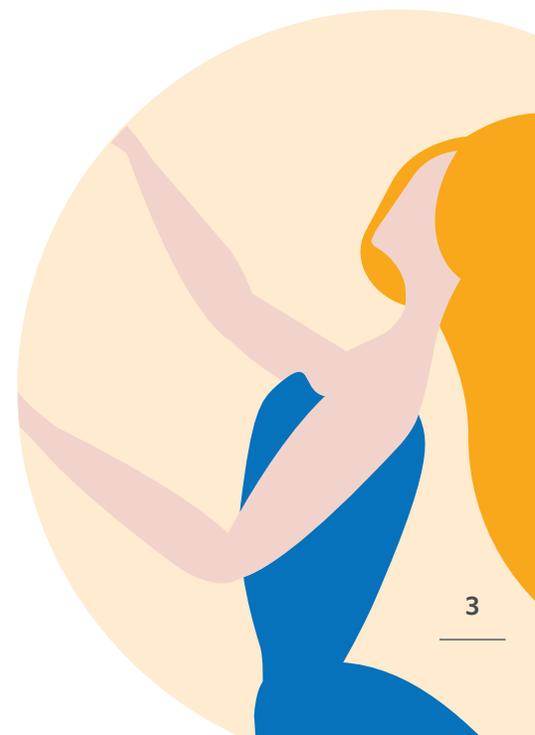
As you open the conversation up, you'll be doing more listening than talking. Divorce at any age can be a very emotional time, so it's more important than ever to seriously consider Diane's thoughts and concerns. There's a chance you'll need to help her take the emotion out of the situation, and guide her toward remaining objective.

When the conversation shifts more toward finances, you'll need to gauge where Diane is currently. By taking the initiative to sit down with you, she's already starting the next phase of her life on her terms. Now, she's expecting you to be her coach to help her build her financial knowledge, while making sure she has the right tools to tackle her future. This is your opportunity to assure her that this isn't an end, but the beginning of something new.

The two of you should work together to get everything in order, at a pace that she's comfortable with. This way, the fear of rushing and making a mistake is one less thing for Diane to worry about.

Still, helping her navigate her finances may not be the only thing she needs right now. Not every client will be experiencing the same thing. However, if you feel she could benefit from additional contacts, you can fill out the last page in this toolkit to give to her toward the end of your session. If you feel she could use more than that, you could invite her to attend a workshop you're hosting where she can meet other women going through similar experiences.

Gestures such as these, as well as approaching conversations with patience and empathy, will create a life-long professional relationship.



YOUR CONVERSATION GUIDE



You know what information to give her, but first you need to establish a strong relationship. Start with some of these questions and conversation starters to get to know your client.

While discussing these questions, it's important for both of you to remember that she'll likely need to rethink her retirement timeline and plan because her joint assets will now be supporting two separate retirements.

- How can I make this difficult process easier for you?**
- Are you willing to share your greatest financial concerns with me?**
- How do you envision your financial best-case scenario?**
- Would you mind sharing your retirement priorities with me, so we can craft a plan within your means?**
- Will you have access to healthcare post divorce?**
- Do you have a complete inventory of your assets, debts, and expenses as a couple?**
- Do you have individual assets, debts, and/or expenses?**
- On a scale of 1–5, with 5 being very healthy, how would you rate the financial health of your household prior to divorce proceedings?**
 - Why would you say you gave the rating that you did?**
- On a scale of 1 to 5, with 5 being very knowledgeable, how would you rate your knowledge level and comfort in dealing with your finances?**
 - Can you share with me why you gave this?**
 - What can I do to increase your comfort level and knowledge?**
- Are there specific areas or topics on which you would like more information and help in increasing your financial knowledge base?**
- As we put together a timeline for decision making and a pre- and post-divorce financial plan, what items are most important to you?**
- Are there people in your life that you help financially, such as a child, grandchild, or elder relative?**

Note: If your client lives in a community property state, ask her if she understands what that means and the implications. If not, explain it to her. Boosting her financial education is essential right now.

THE TRANSITION TO SEPARATE HOUSEHOLDS

Determining where she will live is one of the most difficult decisions your client must make. There are often strong emotions surrounding the home she and her spouse shared together. However, keeping it may not be a good financial decision for either party.

Helping her make this decision by providing resources and financial guidance is essential to the process, as well as to the health of her financial future. Go through the situations below with her as she considers her options.

Are her plans for her home to: keep, sell, downsize, rent, or move in with family?

IF SHE'S PLANNING ON KEEPING THE HOME ...

If she's not already the head of the household, she may need to:

- Change utilities to only her name
- Update the homeowner's insurance policy and potentially shop for cheaper rates
- Change the title of the home once the divorce is final
- If she hasn't already, see if homestead tax deduction is available through the county tax office
- Review services that she has: Is she happy with them? Is there an opportunity for cost reduction?
- Obtain, or make, a list of contractors she's used for her home
- Agree on division of personal property as part of her divorce settlement
- Explore supplemental insurance options if she becomes ill and cannot pay the mortgage

IF SHE'S NOT SURE ABOUT WHAT TO DO ...

Begin by letting her know that not selling could tie up a significant amount of assets.

Here are some questions for her to consider:

- Based on the size and age of the home, what is the cost of upkeep?
- What is the property tax liability?
- Is there a mortgage on the house?
- Is there any equity or liquidity in the home?
- What is the cost of homeowner's insurance?
- What are the homeowner's association dues, if any?

IF SHE'S DECIDED TO MOVE ...

Begin by letting her know that not selling could tie up a significant amount of assets.

- Go through the pros and cons of renting vs. buying
- Should she consider a temporary living arrangement before making a final decision?
- Help her understand the following about moving:
 - Packing and hiring movers
 - Going through her possessions
 - Setting up her utility bills
 - Evaluating whether she needs a storage unit

YOUR QUICK REFERENCE SHEET

STEP 1: UNDERSTAND HOW SHE'S FEELING

- **Your client is the most vulnerable she's ever been.** You need to establish an honest, open relationship with her based on trust.
- **It's important to listen more than talk.** Once you start working together, don't shut her down or shy away from her emotions.
- **She might be feeling overwhelmed and emotional.** Considering the volume of decisions she needs to make, she may procrastinate out of fear of making a mistake. Help her build a plan to make things more manageable.
- **She's making decisions in all aspects of her life right now.** Segmenting what decisions need to be made, and by when, can make this process more manageable for her while boosting her comfort levels.

STEP 2: KNOW THE OTHER HALF OF THE EQUATION

- **If you did not know her significant other:** Ask her to share a story or characteristics about them so that you can get to know them.
- **If you did work with her significant other previously:** Ask her to share a memory so you can get to know her better as well.

STEP 3: FRAME HOW THE CONVERSATION SHOULD GO

- **Ask open-ended questions** and encourage her to open up ([see pg. 4](#)).
- **Maintain eye contact**, and find out what she is most concerned about right now.
- **Encourage her to ask questions.** Reaffirm that there are no stupid questions, and that you'll answer anything she asks until she's comfortable with moving forward.
- **Ask her if she minds you taking notes**, and don't be shy about reading information back to her to ensure you haven't missed anything.
- **When appropriate**, share stories of other clients who have gone through similar experiences, and how you helped them.
- **Don't be dismissive** — resist the urge to tell her not to worry, or that you'll take care of everything. She likely wants to be involved in the process so she has a line-of-sight into her finances.

STEP 4: UNDERSTAND WAYS YOU CAN SUPPORT HER

- **Build your referral network** of family lawyers, estate tax attorneys, CPAs, nutritionists, and more. Schedule meetings with these professionals so they understand your practice and experience.
- **Host divorce workshops** in financial education for your recently separated or recently divorced female clients. Invite other professionals in your network as well as a nutritionist and/or stress management professional.
- **Brand your practice** and make your brand known with clients, on marketing materials, business cards, and more.

FOR YOU, MY CLIENT



Additional resources can help you during this difficult time. Whether you're looking for personal recommendations or want to do additional research on your own, check out this list below.

CPA OR ACCOUNTANT

NAME: _____

COMPANY: _____

EMAIL: _____

PHONE NUMBER: _____

DIVORCE ATTORNEY

NAME: _____

COMPANY: _____

EMAIL: _____

PHONE NUMBER: _____

FORENSIC ACCOUNTANT

NAME: _____

COMPANY: _____

EMAIL: _____

PHONE NUMBER: _____

COUNSELOR OR THERAPIST

NAME: _____

COMPANY: _____

EMAIL: _____

PHONE NUMBER: _____

If you plan to go back to work after a period of not working, explore these connections to start your search:

- [Experteer](#)
- [LinkedIn](#)
- [JobLeads](#)
- [Indeed](#)
- Local employment agencies

OTHER RESOURCES

Below are general resources that can help you gain a better understanding of what to expect from your finances during this time. Boost your financial education to help expand your comfort zone.

Websites:

www.wiserwomen.org

www.investopedia.com

www.moneyclubs.com

Books:

Love Your Life, Not Theirs, 7 Money Habits
by Rachel Cruze

Women's Worth
by Eleanor Blayney, CFP

A Woman's Road Map to Financial Well-Being
by Olivia Mellan and Sherry Christie



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