

COLLABORATIVE LAW PROCESS

FINANCIAL PROCESS

Considerations for Settlement

Consider the importance to you of the following things, while keeping in mind that all divorce settlements involve inevitable compromise and division of assets. If you had to prioritize, which of these things would be most crucial for you? Can you quantify what you would need in these areas to feel comfortable signing a settlement agreement?

- Retirement funds / benefit
- Housing stability / equity
- Cash on hand / investments
- Emergency funds
- Future large purchases / expenses
- Anticipated medical expenses
- Funds for education or vocational training

Do you or your spouse have assets that one of you brought into the marriage or property you received during the marriage (e.g. from an inheritance)? How has this been held or what was it used for?

What are your career plans? Do you intend to continue with your current employment status/position? For how long? Do you anticipate needing to do certain things to advance your career or change your employment situation?

Typically, similar lifestyles of each spouse extend after a divorce. How long do you feel that you and your spouse should have similar lifestyles after your divorce? Do you have ideas about your kids' standard of living after divorce, both at your home and at their other parent's home?

How important to you is financial independence from your spouse after divorce? How comfortable will you feel if you and your spouse remain financially connected / dependent after divorce? Are there ways that being financially connected or not, will affect other areas of your lives?

How do you feel about monthly spousal maintenance as compared to a lump sum if one spouse needs a financial cushion? Why?

Is there more information you feel you need before we can talk specifics of settlement options? Creating scenarios costs time and money, and it's important for both spouses to be ready (from an information stand point and also an emotional stand point) before we invest in this phase of the collaborative process. Do you feel ready to move forward in this way?

Are there other factors at play when you think about what settlement would feel comfortable for you? How can those things be addressed in a way that feels satisfactory to you? Some things to consider are the following:

- Sense of fairness / equitable (not equal) in the financial settlement
- The idea that both parties should get what they need
- Property that you consider "separate"
- Acknowledgement for your contributions during your marriage
- Particular values during your marriage: equal partnership, division of labor, compromises by one party, etc.

Financial Meetings

You can anticipate approximately 4 to 5 meetings to review and discuss the elements of a financial settlement. Roughly, they will be structured as follows:

Meeting # 1

- Confirm assets and liabilities
- Confirm income and potential sources of income
- Confirm budgets
- Concept of temporary budget
- List of homework

Meeting # 2

- Homework check in
- Changes to net worth statement
- Discuss temporary budget items and pre-distributions to fund budget for how many months
- List of homework

Meeting # 3

- Homework check in
- Changes to net worth statement
- Temporary budget check in
- Set up discussion for next meeting – Key Elements To Settlement
- List of homework

Meeting # 4

- Financial concerns and key elements
- Brainstorming
 - Assets and liabilities
 - Sources of income
 - Spousal Maintenance and duration
 - Child support and extracurricular expenses
- Discuss scenario building and assumptions

Meeting # 5

- Review financial scenarios
- Changes to scenarios and/or agreements