



single

Every Girl's  
Guide to...

# Her Future Husband's Last Divorce

by Adryenn Ashley

“Adryenn’s insightful knowledge helps you to easily navigate through the potential obstacles and pitfalls so that marrying a divorced man can be all that you hoped it would be and more.”

-from the Foreword by **Janet Attwood**, Best-Selling Author of *The Passion Test*



## What People Are Saying about Every Single Girl's Guide to Her Future Husband's Last Divorce

"Adryenn keeps you laughing while guiding you through several serious topics every woman about to marry a divorced man must know, understand and, most importantly, apply."

—Margrit Harris, MSSW  
and Wendy Bridger, MSSW  
Creators of the "Is He Right for Me" Virtual Test Drive

"If you plan on marrying someone who is divorced, you should read this before registering for china."

—Paula Sirois  
divorceU.com

"The 1950s are so yesterday. Since we live in complicated times, this book is a must-read for any woman entering the modern "happily ever after" agreement. Definitely pick this one up before walking down the aisle."

—Alicia Dunams  
Author of *Goal Digger: Lessons Learned from the Rich Men I Dated*  
Founder of the Wealthy Girl Summit

"Adryenn tells you things I've never heard from attorneys. It's more important than your wedding gown, favors or reception."

—Kelly Hammett  
Host of *Living in Luxury For Less*  
and *Author of The Better Business Card*



Single  
Every^Girl's Guide to ...  
Her Future Husband's  
Last Divorce

**by Adryenn Ashley**

*Every Single Girl's Guide to Her Future Husband's Last Divorce*

Copyright © 2008 by Adryenn Ashley

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage or retrieval system, without written permission except for the inclusion of brief quotations in a review.

Published by ChickLit Media Group  
925 Lakeville Street, Suite 304  
Petaluma, CA 94952

ISBN 13: 978-0-9715679-2-4

Cover Design: Claire Fontana, PitchAgent, [www.pitchagent.com](http://www.pitchagent.com)  
Illustrations: Juan Costa, SF360, [www.sf360.com.ar](http://www.sf360.com.ar)  
Interior Book Design: Lisa Liddy, The Printed Page, [www.theprintedpage.com](http://www.theprintedpage.com)  
Author Photo: Aryn Nasser, [www.amynnasser.com](http://www.amynnasser.com)

Disclaimer: This book provides information about the law designed to help readers understand how the law works and identify their own legal needs. But legal information is not the same as legal advice – the application of law to an individual's specific circumstances. Although I went to great lengths to make sure the information in this book is accurate and useful, it is meant to educate you so you understand what questions to ask. I strongly recommend you consult a lawyer if you want professional assurance that the information, and your interpretation of it, is appropriate to your particular situation. As always, the law of the land varies from state to state and county to county, and before implementing any advice I offer in this book, it is your responsibility to consult the appropriate licensed professional.



## Acknowledgments

I have been blessed with a wonderful family, great friends, advisors, and mentors. You know who you are, and without your support and effort this book would not have been possible. I will forever be grateful to you!

A special thank you to my husband who encouraged me to conquer the task of translating my knowledge and passion to paper and who has picked up the slack while I traveled the nation doing research, who tirelessly read and re-read the book a dozen times.

Thank you to my mother Suzi, for always believing in me, supporting me, and being the right arm that I needed while I launched this new venture.

Thank you Claire, my rock, for motivating me in all the right ways (be it carrot or stick) to get this project done, including driving me to the city every week to our Ladies Who Launch meetings because you knew I wouldn't leave the house otherwise.

Thank you Allie for your unstoppable enthusiasm, confidence, and energy. It was just what I needed.

Thank you AJ for vanquishing my inner zealot and seeing the diamond in the rough.

Thank you Arianna for inspiring and encouraging me to be fearless.

Thank you Kelly for editing, tightening, and slimming.

Thank you Jennifer for traveling the world with me and keeping me safe.

Thank you Beverly for getting me started.

Thank you Claudia and Andy for showing me the way.

Thank you Lisa L. for understanding my insane deadlines and meeting them.

Thank you Lisa Z. for revealing my future and giving me the confidence to speak freely and from the heart.

Thank you Juan for the beautiful illustrations, for reading my mind to get the right look and feel, and finishing the job despite a natural disaster.

Thank you to the women of Ladies Who Launch San Francisco for your never ending support and belief in me. Your vision for me was right on target!

To all of you, and the many others who have made this book possible, my undying gratitude and love.

# Contents

Acknowledgments . . . . .	v
Foreword . . . . .	xi
One. Introduction . . . . .	1
Two. Kicking the Tires. . . . .	9
Evaluate Your Future Husband's (and Your) Financial Vulnerability . . . . .	9
The Marriage Application. . . . .	10
Paper Up! The Documents You Need to Ensure Your Financial Success! . . . . .	13
Three. Old Dogs, New Tricks . . . . .	21
Four. Yours, Mine, Ours...and <b>HERS???</b> . . . . .	37
Commingling Is for Cocktail Parties. . . . .	41
When He Wants to "Keep It Separate" . . . . .	42
Why You Might Want to Keep It Separate . . . . .	44
Credit Rules the World . . . . .	47
Joint Checking = Double Trouble . . . . .	52
The Nitty Gritty: Where's My Tax Refund?. . . . .	55
Take My Ex-Wife...Please! . . . . .	58

Five. Divorce 101. . . . .	63
How to Read a Divorce Judgment . . . . .	68
The Great Divide: How Assets and Liabilities Are Divided in Most Divorces . . . . .	71
Frozen Assets . . . . .	79
Six. The Other Relationship . . . . .	93
You and Your Future Hubby's Ex-Wife . . . . .	93
What Kind of Ex-Wife Is She? . . . . .	97
We Get Along Great . . . . .	100
Seven. The Ex Files. . . . .	111
Attack of the Exes: What to Do if the Ex Comes Back for More. . . . .	112
The Dreaded A-Word: Alimony . . . . .	113
How Courts Determine Alimony/Spousal Support . . . . .	114
Do I Smell Tax Fraud? Or Is that Alimony? . . . . .	121
Is there Life after Death? . . . . .	126
What about My Estate? . . . . .	128
Eight. Beauty and the Beast . . . . .	135
Hefty Penalties for Nonpayment . . . . .	138
How Courts Determine Child Support Orders . . . . .	141
Garnishment Is Not for Salads . . . . .	144
What about My Kids? . . . . .	146
A Change in Circumstance: What to Do When His Income – or Hers – Changes . . . . .	148
The Nitty Gritty: Goodbye Child Support, Hello College Expenses . . . . .	150

Nine. *When Winning Isn't Worth It* . . . . . 159  
     Paying the Price . . . . . 160  
     Money Changes Everything . . . . . 163

Ten. *Protecting Your Assets* . . . . . 167  
     Staying Out of It: How to Limit Your Liability . . . . . 168  
     Married, Filing Separately . . . . . 172  
     The Low Down on Being Low Down: . . . . . 175  
     If You're a High Net Worth Second Wife (or Want to Be) . . . 179  
     Prenups: Not Just for the Rich and Famous . . . . . 183  
     The Nitty Gritty: Prenup Basics . . . . . 186  
     Keeping What's Yours. . . . . 189

*Parting Thoughts* . . . . . 195

*Appendix A. State Contacts* . . . . . 197

*Glossary* . . . . . 211

*The secret of all victory lies in the organization of the non-obvious.*

—Oswald Spengler





# Foreword

## By Janet Attwood

Many people are fascinated with the story of my divorce. In this culture of tabloids and litigation, it seems almost impossible that two people can remain friends after divorce, let alone *best friends*. But my life proves that it is possible.

When my former husband and I made the decision to build a new relationship after divorce, we kept our attention on what we felt really mattered. We worked hard at creating our new relationship, and in the process, his new wife became one of my closest friends. In fact, I am the Godmother of their first child. It wasn't luck; it was intent. When I set the intention that love in any form was what my life would be about, everything in my life began to mirror that intention.

Engaged, married, or just dating, reading this book will ease your concerns, fill in your unanswered questions, and ultimately lead you to a place of confidence and peace.

Adryenn's insightful knowledge helps you to easily navigate through the potential obstacles and pitfalls so that marrying a divorced man can be all that you hoped it would be and more. In this book she guides you through the tough and often complicated subjects of divorce, family court, and ongoing obligations. Her personal experience as a second wife and stepmother, combined with years of working with divorced families on financial issues, gives you an insider's view with an expert's eye.

Adryenn helps you to educate yourself about divorce, namely your future husband's divorce, and how that may affect your marriage, your finances, and your future. She helps you to have awareness about what could come your way, and gives you the tools you need to keep your

dreams alive. She teaches you how to navigate potentially treacherous waters, how to focus on your needs and what matters most to you: Happiness.

No matter what the odds, no matter what the statistics say, I'm living proof that anything is possible. With love, intent, and the profound wisdom is this book, your *own* happiness is a given. Happy reading!

—Janet Attwood

# One

## Introduction

When you met your future hubby, you weren't thinking about anything except his dreamy eyes and the way he held your hand in a crowd. As you fell in love, you thought only of his voice on the other end of the phone line, that daily email just before you left the office, and what you should wear to meet his parents. Thoughts about his ex-wife and their divorce settlement rarely, if ever, entered your mind.

Ah, the magic days.

The fact that you are reading this book tells me you are savvier than most of the brides who will walk down the aisle this year. Like so many successful single girls, you probably postponed getting serious with your guy – or any guy – until you had a career or business in place, and a stronger sense of self. Your 14-hour days navigating the perils and pitfalls of corporate America, combined with a social calendar jam packed with parties, grand openings and weekend jaunts, kept you happily busy for years.

The urge to merge is a powerful one, and when you finally started looking at men as marriage material, you found out somebody already beat you to the punch. Trust me, you're not the only girl settling down with a man who already smiled his way through the receiving line with another girl. The truth is, many of the most eligible bachelors are divorced. But

*If you don't get real and get educated about their divorce, it could haunt you for the rest of your marriage.*

that doesn't make them any less eligible. It just means you have to approach planning for your marriage differently than you would if your guy had never been hitched.

*The number one cause of divorce is stress from financial conflict.*

Notice how I use the term "marriage," not "wedding." So many smart women revert to schoolgirl fantasies once the ring goes on their finger. Faster than their guy can get up from bended knee, these girls are pulling out the bridal mags and obsessing over napkins and cake flavors. Addressing your future hubby's last divorce is the one thing missing from most wedding planning checklists. You may want to pretend your fiancé's ex-wife doesn't exist. But she's not going to vanish because you want her to. Not paying attention could break your bank account, break up your marriage, and it might even end up breaking you. If you don't get real and get educated about their divorce, it could haunt you for the rest of your marriage. Combining two well-lived lives requires as much attention – more in fact – as planning your fairytale wedding.

I didn't write this book to discourage you from getting married. I married my dream guy, and haven't regretted it for a second. But trust me, I was grateful I had put most of my ducks in a row *before* I said, "I do."



I wrote this book because you need to know what you're getting into. The number one cause of divorce is stress from financial conflict. You need a map, guidebook and compass to plot a course through the often-stormy waters of marrying a divorced man. This book is all that and more.

The “more” part is the insight you gain from learning how your future hubby handled his last divorce. After all, a guy who hid his money and cheated his ex is likely to repeat the same behavior. On the flip side, a guy who gave his ex everything in order to avoid conflict may have a tendency to avoid conflict when he might do better to stand up during tough times. Using even a few of the tips in my book will help you determine what kind of ex you’re tying the knot with.

There is no reason to give up your dreams or your man... all you have to do is plan! This book is your all-access pass to the world of second marriages. By the time you finish it, you will know what to ask, where to look for information, and whenever possible, how to right the wrongs perpetrated by the ex-wife’s divorce lawyer. We’ll get down to the “nitty gritty,” with practical steps you can take to protect yourself and your new family.

So set that seating chart aside for a moment, postpone the meeting with your wedding planner, and put your financial security at the top of your to-do list. When it’s time to carry that bouquet, you can walk that aisle with more confidence than a runway model at fashion week!

*When it’s time to carry that bouquet, you can walk that aisle with more confidence than a runway model at fashion week!*

## How to Use this Book

If you're just putting your toe in the water with respect to your future hubby's last divorce, this book will blow your mind. Because it can get pretty complicated, I separated the really head spinning technical stuff into its own section, "The Nitty Gritty." You will find this section at the end of most chapters, followed by a to-do list or a worksheet to help you take action on what you've learned.

If you are already married and swimming in the deep end of your husband's last divorce, take a moment to read the first chapter, "Kicking the Tires: How to Evaluate Your Future Husband's (and Your) Financial Vulnerability." You will find a document checklist that will help you stay organized.

At the end of the book I provide a list of resources, sources, and a glossary of terms. If you want additional information, please visit my website at [www.everygirlsguides.com](http://www.everygirlsguides.com) where I have oodles of updated information that I am sure you will find useful.

*Being in love is  
enough to stay true  
to your guy, but it  
is not enough to  
build a life.*

## Before We Get Started: Values over Valentines

Divorce in America has not only become acceptable, but nearly inevitable. I want to help change that! By spending more time up front planning your marriage, you reduce your risk of divorce substantially. The first question you should ask before you start planning is, "Why do I want to marry this man?" Most brides say because they are in love. Let's face it, love on its own does not seem like a good reason at 2:00 a.m. when you get up to feed the baby. Nor does it seem like a good reason when you spend months, sometimes years, of your life dealing with an ex-wife from hell. And marrying because you are in love most definitely does not seem like a good reason when you realize the guy you married does not share your values.

*She often asserts that if she had been his first wife, there would not have been a divorce.*

There's a reason why people used to have long engagements, and why some religions require months of marriage counseling before the invitations go out. Being in love is enough to stay true to your guy, but it is not enough to build a life.

Shared values, common goals, mutual respect and friendship will carry you through the tough times, when other marriages are crumbling all around you. So, it stands to reason that you would benefit from learning *why* your guy's marriage ended, not just how the divorce was handled. How he conducted himself in the trenches reveals quite a lot about his values and attitude toward marriage.

Most people are quick to place blame on their estranged spouse, rather than take an honest look at what really went wrong. Instead, they assume they did not have the right partner, and go about trying to find their "perfect match." The second wife, who believes she is his missing piece,

usually supports this line of thinking. She often asserts that if she had been his first wife, there would not have been a divorce.

The truth is, there is no “perfect match.” But there is an adorable, hunky guy out there who shares your same values and aspirations. Of this I am certain. Is he the man who put that gorgeous ring on your finger? Only *you* can know for sure. And you will not know unless you start talking about your values. One way to begin that discussion is to ask him why his first marriage bit the dust.

*If the first wife dumped him, find out why.*

Second-wives-to-be almost never look at why their fiancé’s marriage ended, assuming it was “all her” and he was a perfect angel. Even in divorces where both parties were happy to split, the reason *why* they split is worth knowing. If the first wife dumped him, find out why.

It’s true that love is blind; it’s by design. After all, why on earth would we sign up for a lifetime without hesitation if we were not completely gone on a guy? But love does not have to be stupid. It was right and good that you fell hard, but now that you are color-coding RSVPs, I believe you are ready to get real about your guy and his previous marriage.

*A woman is like a tea bag—  
only in hot water do you realize  
how strong she is.*

—Nancy Reagan





# TWO

## Kicking the Tires

### Evaluate Your Future Husband's (and Your) Financial Vulnerability

Marrying a guy who has been married before is a bit like buying a used car. The salesperson tells you it's in "mint condition," but how do you know for sure? If it's a practically brand new car that was returned, you'd want to know why before you fork over the cash, right? Does the car have flaws, or did the previous buyer simply return it for a model that better suits their lifestyle as the salesman said? At least with a car you can get a CARFAX™ report!

Without the history of the car, you may end up with a real lemon. Armed with enough facts, however, you can write that check for your dream car, prepared for any possible servicing or repairs that may have to be made in the future.

Unfortunately, there is no such website or monitoring agency that condenses all those important financial facts about your future hubby – at least not yet. So, you have to do some good old-fashioned recon on your own.

It's time to find out if that vintage Aston Martin is as cherry as it looks. In the area of financial vulnerability, ignorance is most certainly not bliss. To protect you and your future husband's financial health, it is absolutely vital that you put on your "girl detective" hat and assess just how weak, or

strong, his defenses are. Use the tips on the following pages to dig up the dirt and lay your doubts to rest. Come on, every woman has a little Nancy Drew in her.

## The Marriage Application

Whether the proposal was a spontaneous moment after a perfect day of canoodling, or an elaborate production your fiancé planned for months, there just never seems to be an appropriate time to ask him about his financial stability.

While you may not want to hand him a 40-page Q & A, a marriage application is not such a bad idea. Think of it as an application for marriage readiness, not to decide *if* you will marry him.

Too many brides put off the tough discussions, afraid of ruffling his feathers. While I can't promise you won't uncover something that impacts your feelings, not knowing about possible issues will certainly cause stress in the future. Nothing kills the romance more than an unforeseen financial disaster.

## What to Do if He Won't Share the Info

Convincing your guy to answer your questions and give you access to his documents can be challenging. If he is fresh off his divorce, handing over financial records and legal documents is probably the last thing he wants to do. He may feel embarrassed about how he handled his divorce, or he may worry that once you realize just how many obligations he has to his ex-wife; you may change your mind about marrying him.

*Too many brides put off the tough discussions, afraid of ruffling his feathers.*

Frankly, he may not be able to articulate it to you. Your first instinct may be to take this personally when he hesitates, but remember *he wants to marry you*, and probably doesn't want anything to get in the way of that.

Sure, some dreamboats turn out to be more like a dinghy with holes, but most do not. If your sweetie is stalling, or downright says, "no," when asked for information, try this approach:

**1. Express the Love**

Start off by reminding your guy how much you love him, reassuring him that you won't yell, judge, or give him the silent treatment when you get his full financial story. And mean it. Your guy doesn't need to be told he made mistakes, even if he did make them. He already knows. Just get the facts, and then use them to work toward a solution, if needed.

**2. I Will if You Will**

Put him at ease by offering to share your own financial story with him. When you approach it as a team exercise, rather than singling him out, he may be more willing to let you in on the details. Together, you can assess your mutual vulnerability and create a plan to help you reach your financial goals.

**3. Appeal to His Inner Pocketbook**

Your investigations may turn up some real issues he knows nothing about, which could cost him a great deal of money. When you explain how perusing his financial documents could save him a whole lot of cash, he may be more forthright.

#### 4. Hire Out

It may be that your guy doesn't mind if you know what's up with his money, but he may not want *you* to do the searching. Suggest hiring a qualified party to review his documents to assess his vulnerability, and report back to you as a couple. If you go this route, find someone with experience in divorce and accounting and have them offer solutions to any potential problems he or she may uncover.

#### 5. Take the Prenup Workshop Together

We fill out applications for credit, bank accounts, heck, we even fill out applications to rent DVDs. Thousands of strangers have access to your future hubby's credit information, so why shouldn't *you* know how protected – or vulnerable – your marital finances will be? Suggest that the two of you take the Prenup Workshop where you'll be guided through the steps to analyze and protect yourselves as a couple. Remember, you aren't protecting yourself from your future hubby, you are protecting yourself *for* him.

You didn't get where you are today by handing over your financial security every time you dated someone new. Just because you are in this for the long haul doesn't mean you should give up your savvy, single girl ways. The next section gives you some idea of what to look for, and the type of questions to ask, so you can assess your future hubby's financial vulnerability. After all, even knights get a few chinks in their armor from time to time.

## Paper Up! The Documents You Need to Ensure *Your* Financial Success!

In crime investigation dramas, you know things are not always what they seem. You also know that knowing what to look for is key to solving the mystery. What looks like a textbook case, may turn out to be something else entirely. The only way to learn the truth is to examine the evidence.

In the case of your future hubby's past divorce, the evidence is all on paper. Besides the divorce judgment, numerous contracts and documents are drawn up in a marriage, and you want to get your hands on them. In the old days, your *father* asked any suitor about his prospects. These days, *you* have to be the one to ask.

### Step 1:

This first step of gathering documents is not just about *his* divorce and financial stability. In order to protect what you have worked so hard to achieve and acquire, you also need to organize your own papers.

Untold amounts of time and money are lost every day because this document could not be found, or that receipt is lost forever. In dealings with creditors, family courts, child support enforcement agencies, and the IRS, the burden of proof is always on your guy. And that inevitably trickles down to you. It could be more like a tidal wave, actually!

### Step 2:

So, gather up the following documents, a file box and some folders, and set your iPod to random shuffle. You're about to get a crash course in forensic accounting.

## Documents to Have on Hand:

- ④ **Insurance policies:** life, auto, homeowner's, disability, health, etc.
- ④ **Powers of attorney:** both health and property
- ④ **Wills:** Both Living Trust and Will, and any codicils
- ④ **Trust and deed documents:** including vehicle and boat titles
- ④ **Certificates:** marriage, birth, name-change, and adoption
- ④ **Marriage contracts:** pre- and post-nuptial
- ④ **Investments:** stocks, bonds, mutual funds, CDs, etc.
- ④ **Bank accounts:** account information, bank statements, copy of application, and checkbooks
- ④ **Retirement accounts:** pension, IRA, 401K, 403B, etc., as well as any profit sharing documents
- ④ **Veteran's benefits:** military discharge paperwork (DD-214) and any documents pertaining to benefits
- ④ **Business documents:** articles of incorporation, partnership agreements, employment contracts, deferred compensation agreements, recent appraisals of business, buy-sell agreements for corporation or partnership, and business insurance
- ④ **Funeral arrangements:** burial instructions, cemetery plot deeds, pre-paid funeral contracts, etc.
- ④ **Identification:** social security card, and copies of driver's license or state-issued photo I.D.

- ❧ **Asset inventory:** list of investments, stocks, real estate, art and collectibles
- ❧ **Safe deposit box:** location of box, list of items in the box, spare key and copy of signature card
- ❧ **Accounts payable:** list of debts, including credit cards, loans, and liens
- ❧ **Accounts receivable:** list of people/vendors who owe you money and payment agreements
- ❧ **Divorce decree or separation agreements:** include any settlement agreement
- ❧ **Support orders:** child support and alimony, or family support
- ❧ **Audited report:** child support payments (if applicable)
- ❧ **Credit reports:** each of the three bureaus
- ❧ **Mortgage and lease documents:** including payment schedules
- ❧ **Recent income**
- ❧ **Annual budget**
- ❧ **Seven years tax returns**

### Step 3:

*You need to know what's there, and what's not.*

Whew! You're going to spend a lot of time on the living room floor and a bit of cash at the Container Store to get this in order. Once you do, you will be amazed how you feel...it's a bit like weightlessness, with a surge of power thrown in.

If you really can't face it on your own, invest in a professional organizer to help you bang it out one weekend. But don't just hand over your shopping bags and shoeboxes; get in there and get dirty right along with your organizer. You need to know what's there, and what's not. You also want to make sure the system makes sense to *you*, or the whole purpose is defeated.

The list is a great way to get organized, because your purpose is to find the items on the list, rather than just a vague goal of "getting things in order." It's like a scavenger hunt! Just not quite as much fun. Of course you could give yourself little prizes when you find ten items on the list! Just don't turn it into a drinking game, or you'll wake up with cancelled checks stuck to your forehead and *no desire* to look at documents ever again!

### Step 4:

Although last on the document checklist, your future hubby's tax returns should be among the first documents you read. Errors in filing can send your guy – and you – swiftly down the road to ruin.

Ask him a few questions about his taxes ("Talk dirty to me, baby!") to get the story behind the numbers.

## Here are a few questions you might ask:

### ☞ **Was he paying attention?**

Did your guy routinely sign tax returns without reading or understanding them? If money is “not his thing,” he may very well have just signed on the dotted line, cut the check, and stuck a copy in a drawer.

### ☞ **Who prepared the tax returns?**

If his ex handled the taxes, is there a chance that she may not have done them properly? The same goes for him. You need to find out if he and his ex dotted all of the “i’s” and crossed all of the “t’s,” to discern whether an audit may be on the horizon.

One common “error” is writing off everything as an expense in order to lower the tax bill. It’s so common the IRS will go to great lengths to sniff it out. If there is an error, your hubby will have to pay the taxes owed, plus interest and penalties. And once your guy gets audited, he is more likely to be flagged for future audits, *and so are you.*

### ☞ **Where are the records?**

If an audit is a possibility, the only chance he has to pass the audit is if he has all the records to support the tax return. If your guy left the filing up to his ex-wife, chances are she still has all of the copies (hopefully someone does).

Even if you have no reason to believe he might be audited, your guy can be flagged randomly, and he would still have to come up with documentation to support the return. The burden of proof is on him, so you know what you have to do. Get those records! His ex could destroy them (jealous rage or accident; what’s the difference, they’re gone!), or lose track of them.

It is also possible that no one kept any records, in which case, start gathering what you can. Copies of bank records, credit card statements, and other documents can all be requested from the institutions.

For the most part, a guy who doesn't understand his taxes, never did his taxes, and can't explain why his CPA did what he did, is in for a rude awakening if the IRS comes calling. Despite the facts that the ex did the taxes, a CPA prepared them, and he completely trusted both, *he* is the one who is liable, especially if those taxes pertain to his business or community property deductions. A little training and full and complete disclosure to you in the future are definitely on the "to-do" list.

As you pore over the documented evidence of your husband's former life, do not be discouraged. Knowledge is a powerful tool. Even if it appears that your guy may be vulnerable financially, you can probably fix most of it. This book is meant to alert you to possibilities, not scare you off. So take heart, there are always solutions!

*This book is  
meant to alert you  
to possibilities,  
not scare you off.*

## Take Action!

Right now, you're circling the wagons. Or, if you don't mind a mixed metaphor, this is the hunting and gathering phase. It could take you some time to locate and organize all the documents on my checklist, so don't let the list get in the way of your investigations. Work with what you have. Even if you only have a few documents on hand, just get started.

- ☺ Have that all-important talk with your guy about sharing information, and agree to a plan for reviewing his last divorce in order to evaluate your mutual financial vulnerability.
- ☺ Print out the checklist and keep it in your Blackberry® or organizer so you can keep track of what you need to find, and check off the documents you already have.
- ☺ Make a list of places you need to call or write to get copies of any documents you do not have.
- ☺ Purchase a fireproof safe with enough room to store the documents. If you have electronic documents or notes, back them up to disc or tape and store them in the safe as well.



# Three

## Old Dogs, New Tricks

The fact that your guy has an ex-wife gives you at least one advantage over other brides marrying first timers. You get to find out what kind of husband your guy might be by learning what kind of ex he is now. Knowing how your guy treated his ex during the divorce gives you a clue to what kind of man he really is. Did he take his wife to the cleaners, with no regard for her well-being? Perhaps he gave her everything with no thought to his own financial security.

Whatever happened, you need to find out. This knowledge will show you how he handled himself under stress; prove what an amazing catch he really is; indicate whether he tends to avoid confrontation; or reveal his dark, merciless side hiding under that Hugo Boss suit. Learning about how he handled his last divorce also gives you a preview of how things might go if he is forced to deal with his ex-wife in the future.

*Did he take his wife to the cleaners, with no regard for her well-being?*

You may think you already have a pretty good idea of how he handled things with the ex. You overhear a conversation with his divorce attorney, or catch a not-so-clever sideways comment from his best friend. You may even know of assets he hid from her, or of a few tricks he played to come out on top. And you let it go, never mentioning it, because *she's the ex* and you are his *true love*. No matter what you believe now, or how solid your relationship is, what happened to her can happen to you.

## Quick Quiz: What Kind of Divorcé Is Your Fiancé?

This quiz is designed to get you thinking about how your guy behaved in his last divorce, and what that may mean for you, now, and in the future. No guy will fit perfectly into each possible answer, so pick the one that fits best.

*When your guy or his ex filed for divorce, how did he react?*

- A. He packed a suitcase and waited for word about what to do next.
- B. He stole her diaries and drained the joint bank account.
- C. He gave her two weeks to leave the house and went to Aruba.
- D. He leased an apartment and packed up the basic necessities.

*What was your guy's approach to his divorce?*

- A. Appease the ex at all costs.
- B. Take no prisoners.
- C. Nonchalance bordering on indifference.
- D. Strained attempts at civility.

*How were their marital assets divided?*

- A. She got everything.
- B. She got nothing.
- C. She got a little something for her trouble.
- D. She got some, and he got some too.

*Describe how your guy feels about his ex today?*

- A. He doesn't resent her, really he doesn't.
- B. Am I allowed to use profanity?
- C. What ex?
- D. He doesn't talk about her that much, but I know he has his regrets.

If you asked your guy if he felt he got a fair settlement in his divorce, what would he say?

- A. Yes. No. Maybe. Yes. What was the question?
- B. No. She still has the clothes on her back.
- C. Of course not. Why should she be entitled to any of the money I earned while we were married?
- D. *Is there a fair divorce settlement?*

If a movie were made about the divorce, which actor and his role would fit your guy best?

- A. Jimmy Stewart in *It's A Wonderful Life*
- B. Michael Douglas in *Wall Street*
- C. Marlon Brando in *A Streetcar Named Desire*
- D. Tom Hanks in *You've Got Mail*

For each letter (A), add one, for each letter (B), add two, for each letter (C), add three, and for each letter (D), add four. Total up the value of your answers, and let the truth be revealed!

### A (6-11) Fight Phobic

If your guy is fight phobic, it could spell trouble for you in both your own relationship, and in dealings with others. If he abdicated to his ex to avoid confrontation, chances are he will react in the same way if she returns with a new request. A fight phobic guy may also have difficulty engaging in any important discussions, which may have contributed to the dissolution of his marriage in the first place.

### B (12-17) A Bit of an A\$\$

When your guy's idea of rising to the occasion is to get mean and nasty, it speaks to a larger problem. Whether he needs anger management therapy or a trip to a Buddhist monastery, a dreamboat who treated his wife like dirt is not a dreamboat after all. We all act out in uncharacteristic ways under extreme stress, but if your guy acted like a jerk to exact revenge or inflict pain, you need to know about it before you sign up to be the next Mrs. A\$\$.

### C (18-23) Center of the Universe

Downplaying his divorce and the impact it had on his ex is a sure sign that your guy was not very engaged – pardon the pun – in his marriage in the first place. When you're in love, you may not notice your guy thinks he is the only person in the room. As long as you make him feel good, the two of you will most likely be happy as clams. But a guy who acts like he is the center of all things may not view marriage the same way you do. It's worth thinking about for more than five minutes.

### D (24-30) Mostly Sane

Notice how there is no type that is 100% perfect? That's because divorce is hard, and no one is without reproach. Breaking up a marriage is messy, painful business, made harder by starting a brand new life from scratch. It can make even the nicest guys act a little crazy from time to time. If your guy ranks as "mostly sane," count your many blessings one by one. He probably did the best he could, and who can ask for more than that?

## What if Your Guy Did Screw Her Over?

As you read through this book and start implementing my advice, you may discover that your future hubby perpetrated a huge whammy against his former bed buddy. Heck, you may already know he screwed her over, because he, a) told you, or b) someone else told you, or c) you figured it out through a series of eavesdropping sessions and random briefcase inspections.

Okay, I know this is tricky stuff. You don't want to jeopardize your pre-wedded bliss by confronting him with your knowledge. But my dear, is he really the man you thought he was when you agreed to marry him? You may have convinced yourself that his ex deserved what she got, but you only know one side of the story.

Please consider two facts:

### Fact #1:

He pulled it off once, and he knows he can do it again. Despite your conviction and his assurances that he would “never do that” to you, you know he is capable of it. You know the saying, “first time, shame on him; second time, shame on me.” Lucky for you, the first time was with someone else.

### Fact #2:

If he did pull a fast one on his ex, it may come back and haunt him. These things rarely stay secret for very long. Do you really want to be standing next to him when he gets served?

Even if you have looked past all of the above, can you continue to live with keeping the secret for him? This is a question only you can answer, but do give it some serious thought. A marriage built on lies – even if they are not between the two of you – has a shaky foundation at best.

### Case Study:

One example of a hubby who didn't want to share is the case of *Arteena Rubenstein vs. Alan Douglas Rubenstein*. Married and divorced in the state of California, the division of the Rubensteins' assets was subject to community property laws (see the chapter, Divorce 101 for more information about community property).

After a series of appeals and legal maneuvering from both parties, it was found that Mr. Rubenstein lied about his assets to keep his former wife from her fair share. At the time of their divorce in 1986, he stated there were no community assets, and gave a list of assets such as furniture, a used Jaguar, and some jewelry and art, none with a high value attached. He also asserted his business had a \$1,000 fair market value. So what did he hide from the courts?

Are you ready for this? He hid his ownership of various music artists' song rights, including Jimi Hendrix! So while he is paying Mrs. Rubenstein \$3,000 per month (and subsequently \$1,500 per month) in alimony, he is cashing in on *millions* in royalties. The Statute of Limitations doesn't start to run until *proof* is discovered, so Arteena Rubenstein eventually managed to get the original divorce judgment overturned, but it took several years. She did not give up, because she knew he had lied, and she knew what was at stake.

The Rubenstein case was sent to family court after the judgment was overturned, but Mr. Rubenstein was ordered to pay his ex-wife's court costs immediately. After years in and out of court, that can add up to a small fortune!

Your guy may not have pulled off a steal of that magnitude, but do you think his ex would be any less tenacious than Mrs. Rubenstein? Unless she ditches civilization and heads to a remote convent in Spain, she could come after your man.

Once more, if the court determines that your sneaky sweetheart hid assets, the penalty in most states is usually an award to the deceived spouse of 100% of the asset. So, if he tried to keep her from getting half, or an equitable share of the asset, he winds up with nothing but a mountain of legal bills.

This is heavy stuff for a bride who just wants to toss a bouquet over her head, even a smart girl like you. This big secret you are “sharing” with your guy isn’t just about him, or his ex-wife. It’s also about you and your future. Are you prepared to be the supportive spouse while he spends years defending his illegal actions? How would you react if you had to bail him out of jail after he is arrested for perjury?

A list of ways your better half may have cheated his ex out of a fair settlement follows this section. You can also use this list to determine if the former Mrs. managed to hide assets that were acquired during their marriage. The following page has a juicy example of this potential issue as well.

As you search for the tricks your “old dog” may have played on his ex-wife for financial gain (or revenge), consider that she may have done the same thing. And if his ex *did* carry out a massive deception, will he be able to trust you, knowing his ex turned out to be a schemer?

*This big secret you are “sharing” with your guy isn’t just about him, or his ex-wife. It’s also about you and your future.*

It's no secret that men are creatures of habit, so remember to follow your gut feelings. If you start to see a pattern that makes you want to tighten your grip on your pocketbook, trust your instincts. In this book are countless strategies to insulate your money and assets from his liabilities. But if your guy ends up having a risk factor that is just too big to work around, cutting him loose is the surest way to protect your financial wellness.

### Case Study:

Another California divorce: this case involves Denise and Thomas Rossi, who were unhappily married at the time Mrs. Rossi's lottery pool won the jackpot. Contemplating divorce, she took steps to prevent her estranged husband from receiving any portion of her share of the winnings, which amounted to about \$1.3 million (Mrs. Rossi would receive \$66,800 every year from 1996 through 2015).

Mrs. Rossi made no mention of the lottery winnings during her divorce proceedings, which were quite informal and completed very quickly. Mr. Rossi only found out about the lottery win after he received a letter addressed to his former wife, asking if she would like to cash out her winnings in the form of a lump sum.

Of course Mr. Rossi, who previously did not have legal representation, got a lawyer. Eventually, the court determined that Mrs. Rossi had committed fraud, and granted Mr. Rossi 100% of the winnings. That's right — all of it! In this case, she had gone to great lengths to conceal the winnings and keep her husband from getting any of the money, directing the Lottery Commission to send her payment checks sent to her mother's address, and withholding information about the asset in the mandatory financial disclosures required in all divorce proceedings.

## The Nitty Gritty: Sniffing Out Hidden Assets

Hidden assets are assets that were not declared during a divorce. They could have been an inheritance, and therefore are not subject to community property or division but were kept hidden for other reasons. They could also be assets that one spouse knows belong to both spouses but kept for themselves. Naughty, naughty!

Tax returns, especially at the time of divorce, tell you a lot about assets, hidden and otherwise. Since most people don't understand them, they don't know how much information one can glean from a single form. For example, mortgage interest and real estate taxes are a routine deduction, but what if they did not declare the property when making asset declarations? What happened to it? And were the proceeds marital property? (Or, if State Use Tax was paid on the return, you should look for a boat or aircraft.) Tax returns tell a lot, you just have to know what to look for.

*If you start to see a pattern that makes you want to tighten your grip on your pocketbook, trust your instincts.*

My other favorite clue is interest earned. If the interest earned from a bank account is substantial, that means the average balance was also substantial. Is the money there now, or was it moved just before the asset declarations?



My investment advisor, F. Bill Billimoria (author of *On Golden Pond... Or Up the Creek*) just happens to be a CPA as well, and while I'm a forensic accountant and sniff out the bad stuff, he identified some juicy *forget-me-nots* that could actually save you money! I picked his brain for a the breakdown of what to look for on a tax return. Here's what we came up with:

<p><b>Authenticity</b></p>	<p><input type="checkbox"/> Make sure you are dealing with the copy of the tax return that was mailed to the IRS. In this age of Turbo Tax, anyone can create returns with falsified information to give to someone, while not mailing it to the IRS. Best way is to get his signature on the request form for copies directly from the IRS.</p>
<p><b>Form 1040</b></p>	<p><input type="checkbox"/> Taxable amount for IRA, Pension and Social Security may not be the same as the amount actually received.</p>
<p><b>Schedule A</b></p>	<p><input type="checkbox"/> Property tax on assets you don't recognize</p> <p><input type="checkbox"/> Prepaid high amount of estimated state income tax to get deduction could involve a refund.</p> <p><input type="checkbox"/> Mortgage interest on property you don't recognize</p> <p><input type="checkbox"/> Any carry-forward of disallowed charitable contributions?</p> <p><input type="checkbox"/> Safe deposit box listed under Misc. deductions – do you know of its existence/contents?</p> <p><input type="checkbox"/> Investment interest? On what investment? Also look at Form 4952</p>
<p><b>Schedule B</b></p>	<p><input type="checkbox"/> Interest and Dividends – do you recognize all sources?</p> <p><input type="checkbox"/> Foreign Accounts &amp; Trusts – is there a “yes” checked off. If so, details please.</p> <p><input type="checkbox"/> Remember Muni Bond interest is not listed here. For that, go back to Form 1040, line 8b. If an amount is listed, are the bonds accounted for?</p>
<p><b>Schedule C</b></p>	<p><input type="checkbox"/> Sources of income, details of expenses</p> <p><input type="checkbox"/> Bank account statements reconciled with reported income/expenses</p> <p><input type="checkbox"/> Remember tax on recapture of Accumulated Depreciation (reported on Form 4562) is a debt that has to be repaid.</p> <p><input type="checkbox"/> Do you recognize the assets and liabilities (balance sheet, if there is one)</p>

<b>Schedule D</b>	<input type="checkbox"/> Do you recognize all the assets that were sold during the year? (realized gains/losses) <input type="checkbox"/> Do you have net unrealized gains on assets? If so, tax liability.
<b>Schedule E</b>	<input type="checkbox"/> Shows details of all investments that involve K-1's (partnerships, sub-S corps, etc.). Recognize all of them? Only the net of all such investments is reported on Line 17 of Form 1040 so you have to examine Sched E in detail. <input type="checkbox"/> If you suspect fraud, get copies of the business' tax returns and books as well.
<b>Form 5498</b>	<input type="checkbox"/> Sent by the IRS every year in April or May that shows the total value of all of the recipient's IRA accounts. Does it match the amounts reported?
<b>Refund Due</b>	<input type="checkbox"/> Does the IRS or your state owe a refund? If so, has it been reported?
<b>Taxes</b>	<input type="checkbox"/> Have estimated taxes been paid timely?
<b>QRDO</b>	<input type="checkbox"/> If Form 8606 were filed (non-deductible contributions to IRA) in previous years, it means that part/all of the amount received by QDRO may be tax-free.

If he hid anything from her, or if she thinks he might have, there is a good chance she will file a post dissolution action to recover. If the once-hidden assets have become part of your new family's assets, losing that money could have a serious impact on your life.

Here are a few other ways to check for assets that weren't disclosed or divided in the divorce:

- ④ Look at loan applications or appraisals for property that was divided. It is not uncommon at the time of the divorce for one party to say a house is worth \$250,000 when it's really worth \$400,000. Usually if one party keeps the house, they will refinance it. The appraisal will tell you what it was really worth, and the loan application will show income earned and assets held by that party. Do they match what was stated on the divorce papers? Remember, *both* the loan application and the divorce papers were signed under penalty of perjury. It's one thing if she got the house, but if he did, remember these papers can be used against him later.
- ④ Does he have a bank account in his child's name with high balances that is being used for his personal expenses? Check the date it was opened. If it was created prior to the divorce, either he's raiding his kids' college fund, or he socked the money away and didn't declare it. I'd ask!
- ④ Does he have other bank accounts not listed in the settlement? Perhaps it's an old account, but is all the money in it his separate property? I know one wife who kept her savings account in her maiden name and deposited a little bit out of the family pot into it every month. Definitely naughty!
- ④ Were there any property transfers to a good friend or family member before the divorce that were returned at a later date? If he owned a houseboat, and transferred it to his brother when things got dicey, and then got it back later or never really stopped "owning" it, that my dear is called a Fraudulent Transfer. The same goes for letting Dad hang on to bearer bonds.

- ④ Does he pay cash for day-to-day expenses and large purchases? If so, find out where he stashes it – in a safe, under the mattress, or at an undisclosed location? Or does he just like having a few hundred on him at all times to make him feel secure?
- ④ Does his office showcase expensive items? Were they purchased with marital funds or were his business earnings lowered due to the purchases? Are they unnecessary or were they made just before the divorce? Any of these scenarios could spell trouble if she wants to go back for an adjustment.
- ④ Did he make any large cash payments to friends or family either as a “gift” or “debt repayment,” which were then returned once the divorce was final?
- ④ Did he get a fat bonus from work that was delayed until after the divorce was final? This is more common than you know. The same goes for lowering salary. If his salary or bonus schedule increased significantly after the divorce, he might be a target.
- ④ Did he enjoy sudden business or employment success after the divorce was final, such as a promotion or big contracts? Alimony is awarded based on income and need and also on how much the ex contributed to his success. Can he prove that the success was due to post marital effort? If so, you might want to help him make notes on that so it doesn’t seem the delay was intentional.
- ④ Did his business make large payments to vendors that appear to be inflated or lack proper documentation? This method of depreciating company income is called “asset stripping.” It’s fairly easy, so check whether the vendor company is actually owned by him or a friend. If so, he might be hiding something.

## Take Action!

I think most of us would prefer to skim this chapter rather than read it, believing our sweetie to be a perfect angel. Let me tell you a quick story about that. When I was in the final stages of editing this book, I gave it to one of my friends to get her feedback. Using just some of my tips, she began her own investigation into the truth of her future hubby's divorce and his subsequent risk factor to her financial health. What she found out was enough for her to call off her engagement – a very painful decision to say the least. So, if you only skimmed the chapter, here is your first action step:

- Step 1:** *Really* read the chapter, “Old Dogs, New Tricks.”
- Step 2:** Take the pop quiz at the beginning the chapter.
- Step 3:** Get to know your future hubby's tax returns. Look for sales or use tax, tax paid on interest earned, and mortgage or real estate tax deductions, for starters.
- Step 4:** Make a list of his bank accounts. Do you know about all of them? Are any located at a different bank than the one he uses regularly? Do any of them have conspicuously high balances? Are any in the name of his children or ailing parent? Why ailing?
- Step 5:** If you suspect he may have cheated his ex in their divorce, dig deeper by looking at some of the other tip-offs in the previous section, “The Nitty Gritty: Sniffing Out Hidden Assets.”

*When you have eliminated the impossible, whatever remains, however improbable, must be the truth.*

—Sir Arthur Conan Doyle

