



Money Issues That Concern



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Geeta K. Brana provides comprehensive wealth management and asset management advisory services to women in transition.

Geeta has over twenty years of experience in the international capital markets. Her career started in London in 1995 with Lloyds Capital Markets, where she trained in all aspects of international finance and credit analysis. She joined Sumitomo Mitsui Banking Corporation in 2000, where she gained extensive experience of structuring and trading debt packages for multinational corporations throughout the United Kingdom, Eastern Europe, US and Japan.

In 2003, Geeta began her career in the U.S. with Smith Barney's Wealth Management Division (Citigroup), turning her extensive knowledge to helping individuals. In a primarily male-dominated environment, she was able to build a successful wealth management practice in Washington, DC and later New York City, working with high net worth individuals and institutions.

After a career break while her children were young, Geeta has returned to wealth management through Freedom Capital Management (FCM), a boutique independent advisory firm with deep roots in Monmouth County, NJ. Geeta is also the Founder of WHEEL (Women Helping Educate & Enhance Life). Currently, the focus of Geeta's practice is on "Women In Transition"; assisting women in all phases of their lives.



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Never before in U.S. history have so many adults been unmarried. There are now 109 million Americans, 18 and older, who are divorced, widowed or have always been single. That's 45 percent of the adult population!

Young adults are delaying marriage for many reasons, including a challenging job market, falling wages, and growing debt. Others are forsaking it altogether.

Handling personal finances—separately or as a couple

As unmarried partners, you need to decide whether to handle your finances separately, together, or in some combination. If you decide to combine finances, you should proceed with caution. You should realize that your relationship lacks many of the legal safeguards of marriage. If the relationship ends, no divorce courts or uniform guidelines exist to separate your shared assets. If you incur joint debt, you are each fully responsible for the entire amount (as is true of a married couple). Also, it's possible that your partner could drain the funds from a joint account.

Have a frank discussion of goals

Have a frank discussion of your financial values, priorities, and goals before deciding whether to handle your finances separately or as a couple. Estimate your net worth separately, and also as a couple, if you plan on pooling your financial resources. Decide whether you'll handle household finances through joint or separate bank accounts. Prepare a budget, identifying which expenses you'll pay separately and which expenses you'll share. Weigh the pros and cons before obtaining joint credit cards.

Consider protecting yourself with a domestic partner agreement

A domestic partner agreement is a written contract between you and your partner that primarily addresses the sharing of income, expenses, and property. It supports your ownership rights and clarifies your intentions for the distribution of your property if you die or your relationship ends. Few, if any, laws specifically govern the rights and responsibilities of unmarried partners regarding the sharing of property and finances. If your relationship ends, there are no uniform guidelines for sorting commingled finances and dividing shared property. By setting clear ground rules up front, a domestic partner agreement can help your relationship run more smoothly and ease the handling of disputes in case of separation or death.

Estimating your net worth—separately and together

Your net worth is simply your assets minus your liabilities. Put another way, it is all that you own, less all that you owe. A net worth statement measures your financial position. You can use it as the basis for determining how much you'll each contribute to your common expenses, such as household expenses. With periodic updating, your net worth statement presents a picture of your progress in meeting your long-

term financial goals. It provides information you can use to formulate a sound investment strategy and to plan for your insurance, retirement, and estate needs.

You should consider calculating your net worth separately and also jointly if you're planning to pool financial resources. In calculating your net worth separately, account for only your individual portion of jointly owned assets and shared liabilities. If you prepare a joint net worth statement, put both your names on it and don't include any separately owned assets.

Developing a budget

The thought of developing a budget intimidates many people. Don't let that happen to you. A mutually agreed-upon budget helps to keep finances straight and avoid arguments over money and bills. Begin by agreeing on which expenses you'll share and which you'll keep separate. For shared expenses, decide whether you'll split them equally or in proportion to your income or net worth. Include your share of household expenses as a fixed cost in your budget so you don't forget to set aside funds to cover it.

Credit cards—separate or joint

You can open a joint credit card account, or you can add your partner to your existing credit card as an authorized user.

- If you apply for a joint credit card, you each fill out a separate credit application and each must pass a separate credit review. If you receive joint cards, you are each fully responsible for all charges on the account—your partner's as well as your own. You must both faithfully record your charges. An unexpected bill due to a forgotten charge or a lost receipt can derail your budget. If these surprises result in late payments or leave you unable to pay the bill, they can damage your credit rating.

Tip: If your relationship ends, request each creditor to close each joint credit card account. Don't split the cards with your partner, taking some while he or she takes others. You are each still fully responsible for all charges on any joint account.

Tip: You can add your partner to your existing credit card as an "authorized user" simply by requesting this of your credit card company. In this case, your credit application is based solely on your own credit rating, and you are solely responsible for all payments on the account.

Tip: Even if you establish joint credit card accounts, you should consider the importance of establishing or maintaining a separate credit history.

Handling household finances—Separately or jointly

One of the first issues you face when living together is how to handle your household expenses. Will you manage your finances separately? Will you share some costs, paying others individually? Or will you pool income and expenses? There are probably as many arrangements as there are couples. The cleanest approach is to keep your finances