



## GENERAL INSTRUCTIONS FOR DISSOLUTION CASES

1. **Joint Tenancy Assets.** If you hold property in joint tenancy with your spouse, your spouse will automatically succeed to your interest in that property if you die first. You may wish to convert such joint tenancy assets into tenancy in common ownership (upon proper notice and procedures). This will destroy the automatic right to succeed to your interest in that property on your death, and will ensure that the property passes under your will or to those entitled by law if you died without a will. You should also be aware that there may be state and federal tax consequences involved in determining whether or not to change an asset from joint tenancy to tenancy in common.

2. **Estate Planning.** If you have a will or trust, it may not be affected by any action in the dissolution of your marriage. Further, any such will or trust will not necessarily be affected by any judgment entered by the court in this matter. You may wish to consider making a new will, or at least revoking the current will.

3. **Creditors.** You should be aware that you will continue to be liable to third persons from whom you and your spouse have obtained credit for all sums now outstanding. This holds true even if the court later orders your spouse to make all payments due to that creditor, for the court cannot in this proceeding cut off or materially affect the rights of existing creditors nor force the creditor to look exclusively to your spouse for payment.

This applies to those creditors you have lines of credit with, for example, (1) Charge card companies, (2) banks at which you have lines of credit or to whom you have given continuing guarantees, and (3) others whom you or your spouse have dealt within the past in such manner as to give them the impression that either spouse can commit the other to a transaction. An example of this group would be landlords and suppliers of goods and services. All such persons or firms will usually have the right to assume until they are informed to the contrary that each of you continues to be responsible for all debts incurred by the other. For example, your spouse may continue to charge on accounts, even if restrained from doing so by the court, and you will still be bound and required to pay the creditor. Therefore, you should take action immediately to notify all creditors by both telephone and then in writing that you will not be responsible for future charges or debts incurred by your spouse. Keep a record of the communications with your creditors, including the date and to whom you have directed your communications. Please note all applicable account numbers on your correspondence to creditors and use certified mail, return receipt requested when possible. If you need assistance, please notify an attorney immediately.

4. **Beneficiaries.** It is advisable to change the beneficiaries on your life insurance before you are restrained by the court (when you file your divorce or are served with divorce papers). You may wish to consider checking the beneficiaries on your life insurance policies at this time to determine the present status. This also applies to retirement plans or other "fringe benefits" at your place of employment.

5. **Closing Accounts.** To avoid possible embarrassment to your spouse and

increased friction in your relations with your spouse, you should let him or her know what accounts and credit lines you are closing. Also, prior to separation, if you have not yet separated, secure your account records, notes, stocks and bonds and all other important documents which relate to your case. If you close accounts or have a large sum of cash, be safe and put such money in personal traveler's cheques.

6. **Separate Monies.** It is important that separate property monies you receive in the future be kept separate and identifiable. If you receive monies from earnings after separation, or from another separate property source (e.g., from the sale of an asset you owned before marriage, or from a gift or inheritance), keep them in a new account in your name only. The reason for this is that when separate property is mixed with community property the entire fund may be deemed community property. Certain monies or property received after separation may also be community property.

7. **Separate Property.** To the greatest extent possible, pay all debts on separate property from separate property sources. For example, if you own a separate property piece of real estate with a mortgage thereon, make the payments from post separation earnings. This will assist in maintaining the position that the asset is, and remains separate property.