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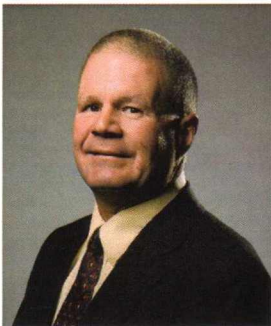
BUSINESS,
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WHAT WIDOWS NEED TO KNOW

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NO ONE WANTS TO THINK of what life would be like without our spouses. Unfortunately, every day someone loses a loved one. Here are valuable answers to questions many have after a spouse dies.

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What are three financial tips you would give to a surviving spouse?

"Establish final arrangements, contact the family attorney and read the deceased's last will and testament, and meet with your financial planner.

"Review Social Security records. See if you are eligible for benefits, review all past employment records, looking for pension benefits and medical coverage. Create a balance sheet, listing all assets and liabilities, and an income statement, listing sources of income and monthly expenses, and review all life insurance plans.

"Contact all lenders: mortgage company, consumer loans, car loans and credit cards. Avoid making any life-changing decisions, such as selling your home, making any large gifts to family or charities, buying large-ticket items or paying medical expenses before they are audited."

"Meeting with the appropriate professionals, such as the attorney, accountant and financial adviser, in order to get a handle on any need to probate the estate and the accompanying matters dealing with that.

"Contact Social Security. Process life-insurance claims, IRA rollovers, pension benefits. Look into continuation of health insurance benefits, if still employed.

"Review whether the mortgage is covered by life insurance and how and when each bill is paid."

"While both spouses are alive and of sound mind, be sure to see an attorney to create a will. The state has a plan to deal with intestacy (when someone dies without having a will), but not everything goes entirely to the surviving spouse. Don't just assume that it does. The biggest fights can occur over the smallest objects of sentimental value. Write a codicil (an amendment to a will) to list who gets what heirloom.

"Be sure to verify the beneficiary designations on all IRA and 401(k) accounts. If possible, try to consolidate as many as possible beforehand. If you have a desire to give to charity, do so from a traditional IRA or 401(k) rather than with after-tax dollars.

"Help your executor by being organized. Being an executor is a time-consuming and stressful job."

"Many couples are not comfortable talking about a future without their partner. However, being prepared for an unexpected loss is one of the most important steps in a family's financial plan.

"If you do not have a plan in place before losing your spouse, I suggest talking to friends, family and co-workers to find a trusted professional — certified public accountant, attorney, financial adviser — to help you organize and prioritize your tasks so you are not overwhelmed by the process.

"If you had a plan, hopefully you attended meetings regularly and already know the team members who will be helping you.

"Evaluate how you will pay the bills for the next three to six months. Will you have life-insurance proceeds or other assets that can provide liquidity for supporting yourself and your family?"

"Reach out to your trusted advisers and immediate family for support. Your financial advisor, certified public accountant and estate attorney may be able to offer the best objective advice regarding your future tax picture, income needs, current estate objectives and how it all will relate to your overall financial situation.

"Be realistic about your income needs and how much will be needed to continue your comfortable lifestyle.

"Update your will to reflect any changes needed to be addressed."

What are some of the tasks that need to be taken care of and which can be put off until someone is in a better state of mind?

"Final expenses and ongoing bills (mortgage, loans, etc.) must be kept current. In addition, the survivor must continue to take care of his own health.

"Also, decisions regarding medical coverage, Social Security and survivor benefits from pension plans typically require a timely response. Issues of how the survivor reinvests insurance proceeds, lump-sum payments or portfolio reallocation will often take longer to establish."

"Most of these things can be put off for a short period of time if proper prior planning has been done. A well thought-out plan created together can provide a road map that will help reduce fear and stress, reduce the time needed during the time of loss and, more importantly, save money."

"Obtain plenty of death certificates and short forms as soon as possible. All financial institutions will require at least a death certificate in order to process a change of ownership or a life insurance claim.

"Notify Social Security and all banks/investment firms of the death. Some assets such as CDs and certain corporate bonds may be redeemed at face value without penalty at the death of one of the account owners.

"Make an inventory of all assets and liabilities. Do not disburse money from the estate without being absolutely certain that all bills can be paid.

"Avoid drastic lifestyle changes including extreme 'retail therapy.' Buying material things does not make up for the loss of a loved one."

"Within three to six months, if you had a financial plan that included you and your spouse, revisit the plan and make the necessary adjustments to suit your individual needs. If you had an investment portfolio, reevaluate the allocation between stocks and bonds and make changes necessary for your future. Understand that the plan you establish immediately following the loss of your spouse may need to change five, 10 years in the future.

"The federal estate return needs to be filed within nine months of the date of death. The standard federal and state income tax returns also need to be filed by the normal tax filing deadline, April 15, unless you have requested an extension."

"Processing the proper beneficiary paperwork in order to receive spousal benefits from possible IRAs, life insurance policies, employee spousal benefits such as pension or medical benefits and potential Social Security benefits. Also, you likely will need to retitle various joint assets accordingly."