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# Be prepared. Be empowered.

Key questions women should be asking  
to navigate their financial futures

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# Based on the data

All women should expect to be solely responsible for their financial well-being at some point in their lifetimes.



Women's average life expectancy is longer than men's<sup>1</sup>



About half of first marriages have ended in divorce<sup>2</sup>



The median age of widowhood<sup>3</sup>



Women spend an average of 10+ years alone after the death of a spouse<sup>3</sup>



The percentage of divorces initiated by women<sup>3</sup>

<sup>1</sup> CDC.gov, 2016

<sup>2</sup> National Health Statistics Reports. "First Marriages in the United States: Data from the 2006-2010 National Survey of Family Growth."

<sup>3</sup> UBS. "Own your worth," 2018.

# But married women are not preparing themselves for this eventuality.

Although they often handle the day-to-day family finances, like paying bills and budgeting, the majority of married women defer to their spouses on matters of financial planning and investing.

In one 2017 study of approximately **1,500 heterosexual couples**:



**56%**

of women deferred to a spouse on investment and financial planning (61% of millennials)<sup>1</sup>

**43%**

of women breadwinners left major financial decisions to their spouses<sup>1</sup>

**80%**

of women were satisfied with the division of labor with respect to finances<sup>1</sup>

<sup>1</sup> UBS. "Own your worth," 2018.

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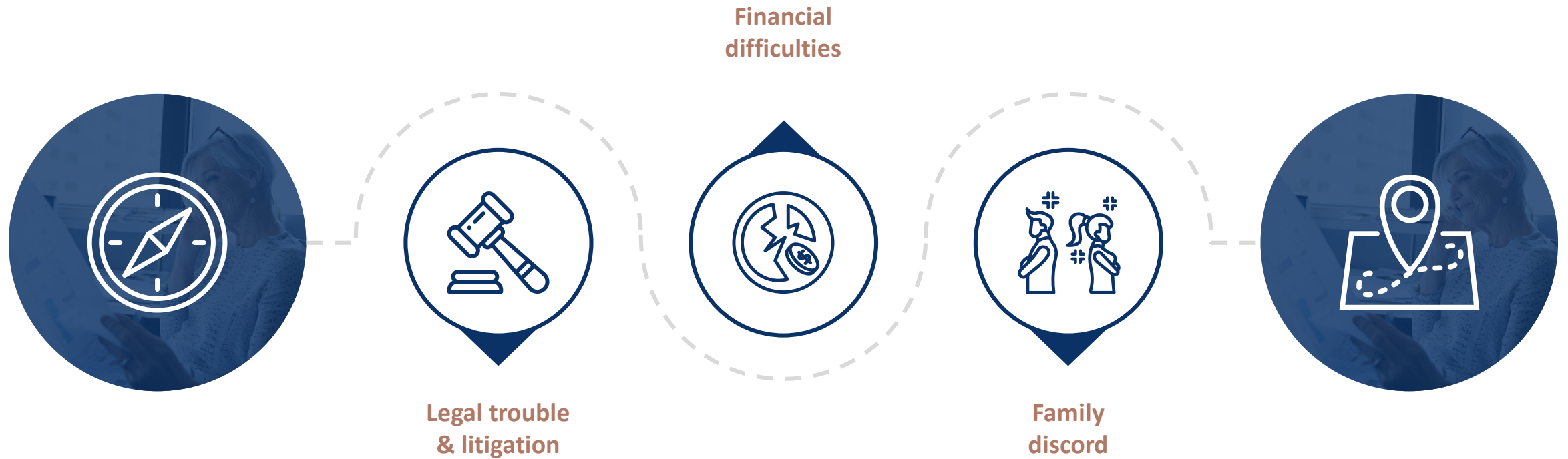
# This is Anne.

**Anne and her husband, Joe, are reviewing their financial plan. In the next month, they have meetings scheduled with their accountant, advisor and attorney.**

- Anne is in her early 60s
- She is a successful marketing executive, and is also the beneficiary of an irrevocable trust created by her father.
- She has been married to Joe for 20 years, and it's both of their second marriages.
- Anne and Joe each have children from their first marriages.
- Joe owns an interest in an established, successful business.
- Although Anne likes to stay informed on family financial matters, Joe has always managed the relationships with their attorney, accountant and financial advisor.



Anne wants to ask the right questions to successfully navigate her family's financial future and avoid pitfalls along the way.





### **Situation Anne wants to avoid:**

A legal battle with her stepchildren over ownership of assets



### **Question Anne should be asking:**

What is mine, what is Joe's and what is ours?



### **Anne's guideposts:**

- Default marital property law in the state of residence
- Title of family assets
- Treatment of family assets during marriage



### **Situation Anne wants to avoid:**

Surprise liability for spouse's debts



### **Question Anne should be asking:**

What do I owe, what does Joe owe and what do we owe?



### **Anne's guideposts:**

- Terms of cosigned loans or guarantees
- Imputed or secondary liability
- Mortgages or liens encumbering marital property



### **Situation Anne wants to avoid:**

Tension with the trustee



### **Question Anne should be asking:**

What do our estate plan documents provide?



### **Anne's guideposts:**

- Probate vs. nonprobate assets
- Dispositive scheme
- Liquidity issues
- Family home
- Effect of divorce
- Order of death
- Trustees, executors, agents





### **Situation Anne wants to avoid:**

Running out of money after Joe's death



### **Question Anne should be asking:**

If Joe predeceases me, will I be left with the appropriate amount and composition of assets to maintain my lifestyle?



### **Anne's guideposts:**

- Family balance sheet
- Composition of investment portfolio
- Financial consequences of Joe's death
- Retirement assets



### **Situation Anne wants to avoid:**

Unfair alimony obligations upon divorce



### **Question Anne should be asking:**

What is Joe's claim to my income and assets in the event of divorce?



### **Anne's guideposts:**

- Source of funds for family expenses
- Commingling/segregation of assets
- Anne's claim to Joe's assets



### **Situation Anne wants to avoid:**

Losing out on her fair share of Joe's business



### **Question Anne should be asking:**

What are my rights to Joe's interest in the business upon divorce or Joe's death?



### **Anne's guideposts:**

- Title
- Value of business interest
- Compensation structure
- Put/call provisions
- Postnuptial agreement



### **Situation Anne wants to avoid:**

Trouble with the IRS



### **Question Anne should be asking:**

Am I comfortable with the contents of my joint tax return?



### **Anne's guideposts:**

- Consequences of signing joint tax return
- Areas of potential concern or liability
- Relationship with accountant

Using these questions and guideposts can help Anne effectively navigate the planning process and take control over her financial future.

Financial  
difficulties



Legal trouble  
& litigation



Family  
discord

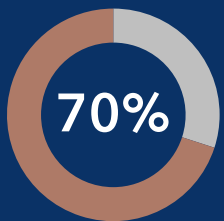




Women currently control 51%  
of the personal wealth in the U.S.

This could amount to \$22T in 2020  
and is expected to continue growing.<sup>1</sup>

Over a lifetime, women tend to make 26 referrals, on  
average, to their financial advisors, compared to just  
11 by the typical male client.<sup>2</sup>



The reverse is also true; 70% of female  
widows change advisors within 12 months  
of the death of a spouse.<sup>3</sup>

What can you do to increase your chances of staying  
on the right side of these statistics?

- ✓ **Engage** with both spouses to build relationships that are independent of the marriage
- ✓ **Listen** to both spouses to understand individual biases, perspectives and priorities
- ✓ **Communicate** with both spouses, together and separately, to encourage transparency and trust

<sup>1</sup> BMO Wealth Report 2015

<sup>2</sup> Investment News, "Female clients more likely than men to make referrals," April 24, 2012

<sup>3</sup> Family Wealth Advisors Council, "Women of Wealth: What do breadwinner women want?," 2015





# Thank you.

Investor information provided represents a hypothetical case study.

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