

[Host]

Hi everyone! Thank you for joining us for today's podcast on preparing your finances for marriage.

We are joined today by a special guest, [guest], who joins us from _____. Welcome, [guest]. I'm delighted to have you here! Getting married or moving in with your partner is an exciting time and a big moment in any relationship. You may have been managing your finances individually, but now you must start planning to approach them as a couple. Like it or not, money and planning finances together are a big part of your relationship. Let me ask, [guest], does marriage change much financially, do you think?

[Guest]

Yes, it does indeed, [host]! Marriage changes many things, above and beyond your lifestyle, and much of it is directly tied to your financial situation. Whether you're in the middle of planning your wedding, newly engaged, or just beginning to discuss marriage with your partner, it's never too soon to be on the same page about your finances. It's not as simple as the fact that you are living together and sharing expenses, but also that your legal and tax status changes too.

[Host]

That's so true, [guest]. It sounds so serious to talk about money matters and financial planning when you are just recently engaged and are trying to plan your dream wedding. Isn't it a discussion that can wait?

[Guest]

While it is definitely NOT the most exciting pre-marital activity, I strongly believe that you should start these discussions and, generally, the good habits of talking about money early on in your relationship. You know the old expression "money can't buy happiness"? That may very well be true, but just talking about money can go a long way. By having these important discussions early on, you can avoid unpleasant surprises because past mistakes can affect your future together. At least, if you go in with your eyes wide open, you better know what to expect and how to plan accordingly.

[Host]

That makes sense, [guest]. What kinds of things should one discuss in advance?

[Guest]

Great question! It's important to get to know each other's financial situation, like how many credit cards you each have and how you like to spend your money, for example, before you walk down the aisle. The decisions that you and your future spouse make now about how to handle money will have long-term repercussions for you, whether you decide to combine your finances completely or keep certain things separate.

In addition to discussing how many credit cards you currently have, you both need to be completely transparent about all outstanding debts, as well as your assets and credit reports. You should sit down together and make a list of all your personal debt, like student loans, credit cards, personal loans, etc. then decide if you would like to consolidate them or not. You should also have a good grasp on your partner's spending habits so that you have a more complete picture for future decisions.

[Host]

Great advice, [guest]. What other financial planning tips are important for women to know as they plan their new life together?

[Guest]

There are numerous financial planning tips to help you stay on track as you plan your new life together.

First and foremost, you should ensure that you are both on the same page by discussing your short and long-term goals. This is a process you would likely do individually before, but now, you will need to have some in-depth discussions about your visions for the future and determine how you will get there together.

This will include discussing important discussions like retirement, saving, monthly budgeting, and emergency savings, among others. Decide how you will handle big purchases, for example, and whether you need to consult with each other for purchases over a certain dollar amount.

[Host]

I really like that advice, [guest]. What about the much-debated question as to whether women should keep separate accounts from their spouse or not?

[Guest]

Whether you're joining expenses or maintaining separate accounts, or a combination of both, there is no right or wrong. The key is to determine who will pay what and from which account and how you would like to split responsibilities for paying monthly bills, the mortgage or rent, or car payments, for example. No matter how you decide to do this, it's important to keep a credit

card in your name so that you can maintain individual credit histories. It still frequently happens that women find themselves

divorced or widowed, and they don't have a credit score of their own, thus complicating what is already a difficult time.

[Host]

What else is important to know before you actually walk down the aisle, [guest]?

[Guest]

It's important to learn the local laws regarding marital property and understand how assets and liabilities acquired before and after marriage will be shared. Once you have a better sense for your individual asset and liabilities, you should really discuss whether a pre-nuptial agreement makes sense, particularly if one partner has considerably more assets or earning power than the other. A pre-nuptial agreement is simply a legal document that sets expectations for the division of assets should a couple divorce. Women tend to be getting married later in life. In fact, did you know that today, the average age that Indian women marry is 22, up from 18 years old less than a decade ago? This means that individuals are accumulating more assets and debt than ever before, making pre-nuptial agreements much more prevalent than they used to be.

While it can be a difficult conversation for some newly-engaged women to have, it's important to remember that these discussions set the foundation for your future. A pre-nuptial does not mean that you think divorce might be in your future – of course, we all enter marriage hoping for a happy ending together. It's important to think about how you will both protect your assets considering an unfortunate event, like death or divorce, for example. And, if you are going into the marriage with a former spouse or children from another marriage, pre-nuptial agreements are particularly prudent.

[Host]

That's so very true, [guest]. What are your other top financial planning tips for newly-engaged or married women?

[Guest]

Let me give you a few more tips, [host]. Here are my top five:

I really recommend that you book a monthly date to review your budget and finances, go over credit card statements together and correct any errors, if necessary. Look at things like your health and other insurance policies to ensure they meet your needs and determine the most economical and comprehensive policy to go with.

If you have any debt, now is the time to develop a plan to reduce or eliminate that debt as quickly as possible. One spouse's debt does not automatically become the other's debt upon marriage, but that debt can still affect you after marriage, as it affects your joint finances.

Check your credit scores and, if either of you has a poor credit rating, come up with a plan for improving it. You might consider being co-borrowers and use both of your assets to qualify for a loan or mortgage, for example, when the time is right.

Now is the perfect time to update or create a will, if you don't have one, to discuss important things like a power of attorney, and to update your beneficiary on policies.

Lastly, ensure you have a plan in place to regularly review your financial plan to ensure you are still on track to achieving your goals and to adjust accordingly.

[Host]

Wow. That's a lot of important information, [guest]. Some really interesting insights and tips for us. Do you have any last thoughts before we wrap up, [guest]?

[Guest]

Of course, I always have last thoughts, [host]! I would advise all newly-engaged women to quickly determine how much you will spend on the wedding and who will pay for it. If you are expected to pay for all or part of the wedding, one of the first things you should do is to establish a budget and, then, a joint savings account to save for it.

No matter what, plan to start your marriage on the right foot by sharing in all the financial discussions and decisions now so that you are always in the know and prepared for whatever eventualities life brings your way.

[Host]

Great feedback, [guest]. I can imagine that those are not always easy conversations to have, but it sounds like it's important you build a strong foundation, both financially and emotionally, by tackling them, nonetheless. There is a lot to think about when you're getting married but if you keep the conversations open and ongoing, your future will be much brighter!

I hope this podcast has provided you with some valuable insight into some of the key financial planning tips to keep in mind as you enter this exciting and monumental time of your life.

Thanks so much for joining us, [guest], and for your invaluable insights.

And thank you to all our listeners! Keep joining us, and we will continue to bring more informative episodes.

Thank you!

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