



CASE FACTS

Client: Linda, 63

Circumstance: Recently widowed

Goal: Gain peace of mind through better understanding of finances

Monthly net income:

Monthly expenses:

Assets:

Liabilities:

Case Study: Linda—widowed and worried

*When it comes to saving and investing, women face specific challenges. Franklin Templeton Investments' **Own Your Future** program has been created by women for women to help you take charge of your financial well-being.*

The death of a spouse is a devastating loss that can leave you unsure of your financial future

PROPER PLANNING CAN GIVE YOU PEACE OF MIND

When a spouse dies, the emotional toll may be heightened by financial fears. While your own life circumstances may be different from those of Linda, the steps required to take charge of her financial situation may apply to you.

Linda's story

One month ago, 63-year-old Linda lost her husband John, age 64, to a fatal heart attack. They had met in college and been married for over 35 years, raising two children who were now financially independent. Shocked and grief-stricken by the sudden nature of his death, Linda is struggling to adjust to this unanticipated change from wife to widow.

A successful self-employed computer programmer, John had been the couple's primary wage earner for most of their marriage and had been responsible for managing both their day-to-day and long-term finances. Linda had been happy to leave the chore to him. Now he is gone, and she is close to panic.

Linda's challenge

Linda feels unprepared financially for life on her own. She knows she and John had a small mortgage remaining on the house, some life insurance and pension assets, but she is unsure where they are held or how much they are worth. Although the couple had worked with a financial advisor for several years, John had taken care of that, too. Linda has rarely spoken to the advisor and has not developed a relationship where she feels comfortable calling for advice.

She has two overriding worries:

- Will she be able to cover her expenses on one income earned from her job with a large soft drink company?
- Will she be able to retire in the next few years as she and John had planned?



Linda's strategy to own her future

Linda needs to learn how to ensure her financial security. In the short term, she needs to acquire a thorough understanding of her current financial situation and manage her money to meet expenses.

STEP 1: Meet with the advisor.

Linda's current financial advisor has worked with her late husband for many years and has a comprehensive picture of her investments. Whether or not she chooses to continue this relationship in the future, she needs to meet with her current advisor immediately to determine where she stands financially (for tips on effective communication, see *Working with Your Advisor*).

Topics to be discussed could include:

- Current and future non-investment sources of income (i.e., salary, Canada Pension Plan/Old Age Security, etc.)
- Current investments
- Insurance policies: their value and how they work
- How these sources of income can help today and throughout her retirement
- Ways to strengthen her retirement/financial plan

STEP 2: Take care of immediate cash needs.

With the help of her advisor, Linda should prepare a household budget that adjusts expenses to match her lower income. At a later stage, they can develop a long-term budget that will help Linda fund her newly single lifestyle and save for the future.

STEP 3: Take stock.

Linda needs to know what she has and how to access it. Using *Your Financial Checklist*, she can compile all important information and leave a copy with someone she trusts in case of emergency.

STEP 4: Develop a plan.

John's sensible management of their finances has left Linda with fairly substantial assets and relatively little debt. She can work with her advisor to develop a comprehensive written financial plan that can be referred to periodically to help ease her financial concerns.

Own your future today.

Whatever your current situation, now is the time to take control of your financial future. An important first step is finding the right financial advisor (please refer to *Working with Your Advisor*). Get organized; it's easier to manage your financial affairs with documents and information at your fingertips (refer to *Your Financial Checklist*).



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