



Navigating divorce and separation



Break-ups aren't easy.

Everyone handles a relationship break-up in different ways.

There's no wrong or right course of action to manage or recover from a break-up. Take the pressure off and give yourself the time and space to process the events that are unfolding. In the meantime, make sure that you have the right people by your side to support you through this difficult period.

With your drive and motivation, coupled with support from Westpac, your break-up will hopefully be easier to navigate. So, let's get strategic and plan ahead: now is the time to get organised, be proactive and take care of yourself in the process.

Stage 1

When you separate, do these 5 things first.

Whether your separation was planned or has come as a surprise, there are 5 key things that you should focus on immediately.

1. Protect your privacy.

Consider changing passwords for your computer, mobile phone, internet and phone banking, as well as phone or internet plans. Also read the section 'Steps to Maintain Your Independence'.

2. Contact Centrelink.

Your change in marital or relationship status may qualify you for some government assistance, so speak to Centrelink as soon as you can, if applicable. Support like this can be incredibly helpful when your circumstances may be a little uncertain. <https://www.servicesaustralia.gov.au/individuals/contact-us/phone-us#centrelink>

3. Get informed about your financials.

Having access to money and a strong understanding of your finances is essential during a separation. When you split, you might like to review the following with your bank:

- a. Request dual (2-person) signatory on joint mortgage redraws and consider the same for offset and other accounts. Speak to a Westpac banker about the consequences of having this implemented first.
- b. Keep or open a bank account (westpac.com.au/personal-banking/bank-accounts) in your name only (Centrelink will require this).
- c. Consider applying for your own credit card if required, taking into account your ability to pay and any existing

credit card obligations. (westpac.com.au/personal-banking/credit-cards).

- d. Understand what accounts you have, both your own as well as joint accounts, and discuss ways to protect the funds and potential debt (liabilities). You can download a Proof of Balance through Online Banking or request this at your local branch for a record of all your accounts and their current balances.
- e. Ask Westpac for the past seven (7) years of statements or download them in Online Banking. You will need these in the future.
- f. Download Westpac mobile banking App on your phone (if you haven't got it already).

4. Gather essential documentation.

Knowing what to gather, what to consider and possibly where to take action is incredibly helpful. Review the separation checklist as a guide for this. Seek advice from a legal professional for the items that you're unsure about.

5. Create your support network.

Navigating a break-up with the support of people in your close friendship group, within your family and/or at work could lighten your emotional load and help you to keep the situation in perspective.

De factos divorce too.

When a de facto relationship ends, there is just as much (if not more) paperwork to complete and compile as a marriage. Separation in a de facto relationship, just like divorce, may end up in the Family Courts, especially when children are involved.

Every relationship is different, and each break-up or separation has a unique set of circumstances. Our other articles entitled 'When you separate, do these five things first' and 'Creating your financial independence' may help. Also engage with the right professionals and consider their advice as it relates to your situation.

You're our priority.

Your privacy is always of utmost importance to Westpac, but especially now that your relationship status has changed. Making sure you gain your independence as quickly and simply as possible is our priority.

We will strive to protect your privacy and ensure that your personal information, including details about your existing or newly opened sole accounts, cards and loans, will not be shared with your ex-spouse (or any other person). If at any time you have any concerns about your privacy, we'll be happy to help address your concerns and, in some situations, can offer appropriate solutions, such as referring you to a new banker. Read more about our privacy policy here.

There are a great number of benefits to remaining with us for your banking. They include:

- Fast new account and credit card set-up process.
- Continued relationship with your local Westpac bankers.
- No fees are charged when removing a joint borrower name from fixed-loan mortgages due to separation or divorce settlement.
- If you have a positive credit history and the ability to repay mortgage payments previously from during your marriage, this is considered in assessing your ability to service future loans.

Some people prefer to transfer their accounts to a new branch or bank. If you feel strongly about this, please contact your nearest branch or call us on 132 032. Remember that there are many options we can offer or make available to you in this complex and challenging time.

Starting on the right foot with our Separation Checklist.

Separating is a time of heightened emotion and this can sometimes cloud your thinking. Our Separation Checklist can help clarify what you need to do and review.

The Separation Checklist is a set of tasks to consider, address, collate or action depending on your situation. Its purpose is to help you avoid thoughts like *"I wish I ..."* or *"if only I thought of ..."*, and more *"I am glad that I ..."*.

The Separation Checklist may also raise some questions to address with your family lawyer when you are ready. Download your Separation Checklist here. (<https://www.westpac.com.au/help/lifemoments/managing-unplanned-moments/separation-divorce/separation-checklist/>)



Steps to maintaining your independence.

We're here to help you understand your financial position, help you protect your assets and preserve your privacy as you separate. Below is a list of tips, links and considerations that you can action immediately in Online Banking or at your local branch:

1. Obtain a Proof of Balance.

Proof of Balance helps you take a snapshot of your accounts to share with your legal team or to use in settlement discussions.

2. Lock your card.

You can temporarily lock your card for up to 15 days. If you do need to lock a card, please inform your secondary card holder.

3. Change a card PIN.

Enjoy peace of mind knowing that your cards are protected by changing your PIN (or setting up your PIN) whenever you want with ease across all devices within Online Banking.

4. Change your Online Banking password.

We can help you protect your accounts by creating easy access for changing your Westpac Online Banking password.

5. Set account alerts.

Stay as informed as possible by ensuring that your messages or alerts are set up in a way that suits you.

6. Set spending limits.

We can help you to set your spending limits as your circumstances change. Reduce any feelings of risk or exposure by decreasing your credit card limit – you can do it quickly and easily online. Equally, if you're looking for funds to provide flexibility, you can request an increase to your credit card or daily withdrawal limit by calling or visiting your local branch.

Stage 2

Your support network.

Every divorce and separation is different. You might find you need professional advice specific to your situation to guide you through. The benefits of receiving helpful and realistic professional advice during separation can make a huge difference to your circumstances, situation and final outcome.

Your team should include:

✔ **Accountant.**

Your accountant can help you lodge tax returns, calculate tax refunds, establish and structure trusts and investment portfolios, and guide you regarding any business interests or dealings that you may have.

✔ **Family lawyer.**

Receiving the advice of an expert in the field and someone who understands the court process can be invaluable.

✔ **Financial planner.**

A financial planner can help you develop a strategy to assess and meet your financial goals or plan for retirement, as well as other significant life moments, like separation.

✔ **Psychologist/counsellor.**

A psychologist could be a valuable support for you as you process the emotions that accompany a separation. It may be helpful to seek the guidance, advice and strategy for yourself as you navigate your new life stage.

✔ **Your support network.**

Surrounding yourself with sensible and supportive friends, colleagues and family helps to lighten the emotional load associated with separation. Allow your friends to see your raw emotions, celebrate your milestones and support you when needed.

Having the support of knowledgeable and dedicated professionals throughout your divorce confirms that you aren't alone – it will help to have a team behind you who only want the best for you.

Work closely with your bank.

Starting your separation by visiting the bank can make the difference between having access to funds or (in extreme situations) being in a difficult financial position. We're here to help you through your challenging moments and offer support – but this can only happen when you reach out and inform us of what's going on.

Your visit to your local Westpac branch could give you and your banker the opportunity to review all the accounts and loans that are associated with you – including accounts that you hold with your partner, under your own name, or for which you act as guarantor. It could also be useful in establishing new accounts or cards, if necessary. Understanding your financial position, securing access to funds and limiting future debt or liability is a significant step towards independence in your break-up journey.

Whether you are coming into money (by way of new employment, savings, inheritance or financial settlement) or unable to meet repayments (such as your mortgage, credit cards or loans), we can help.

If you have any concerns about your privacy, we'll be happy to discuss them and offer appropriate reassurances, such as referring you to a new banker. If you'd like, you can read more about our privacy policy online.

As your circumstances change, it's important that you keep your bank informed. Please feel free to chat with us about your financial changes, concerns and needs, our bankers are committed to finding you the right solutions.

Call us on 132 032.

There is so much more that we can do to help you.

Property matters.

Knowing what to do with property in a divorce can be a challenge. If you're separating and own property with your ex-spouse, remember:

1. Remain in the shared property until you have sought legal advice. By moving out, you may be relinquishing your entitlement to the possession of the property.
2. A claim on property must be made within 12 months of a Divorce Order for married couples or within 2 years of break-up or separation for de facto couples. Keeping this in mind, it's essential that you make prompt inroads to your property and financial settlements.
3. The key professionals that you will need to consult during this decision making and strategy process are your Westpac Home Loan Specialist and your family lawyer. Your lawyer will want to explore your financial position as well as the assets and liabilities in the union/marriage before making any recommendations regarding property.

If you own property with your ex-spouse or partner, options that you might like to explore for financial settlement include:

1. Selling any property and dividing the equity.
2. Assuming sole responsibility of the mortgage (i.e. releasing your ex).
3. Re-financing the mortgage to pay out your ex.
4. Releasing your responsibility of the mortgage and signing over the title of

the property to your ex, in lieu of an equity pay-out from them.

5. Creating an arrangement between you for one of you to live in the home for a defined period of time, with an agreement regarding the financial responsibilities (such as mortgage payments and outgoings) and division of the property at the end of the defined period.

If you are considering taking over the mortgage, re-financing or applying for a new home loan, remember:

1. You will require a job or source of stable income that can support you, your family/dependents and accommodate any mortgage repayments.
2. You will need payslips or proof of the income to provide during the application process.
3. It's wise to allow for some financial 'buffer' to anticipate interest rate rises or unexpected expenses.
4. The bank will consider your previous mortgage payment history and the current affordability of the loan based on your monthly expenses.
5. Consider which home loan is right for you. Visit our home loans pages here or request a Call Back.

Your Westpac Home Finance Manager can help you understand your approved home loan limit and what you need to do to proceed. Once you've spoken with them, you'll be able to put forward a financial settlement offer, in consultation with your family lawyer, to your ex-spouse.

You can make an appointment with your local Westpac Home Finance Manager to discuss your current situation and the options available to you.

If you are concerned about your finances or if you are struggling to meet any payments, please talk to us – we have many options that could help ease the financial strain.

Before you engage a lawyer, do this first.

Before you engage a lawyer, there are lots of things to consider. Some of these are within your realm of control (for instance the recommendations in the 'Do These 5 Things First' section).

To get the most out of your appointments with your lawyer, it's good to have a firm understanding about:

- Details and dates of the relationship and significant events throughout the relationship.
- Your expectations about a financial settlement.
- What financial contributions you made prior to and during the marriage.
- What contributions and involvement you made to the family and household/home on a daily, weekly and monthly basis.
- Copies of all documentation, certificates and financials that you have access to.

The more prepared you are for your first consultation with your lawyer, the better.

Important tips for working with your family lawyer.

- Try to avoid making any major decisions (like moving out of your home) prior to consulting a family lawyer. Every separation is different and individually tailored advice to your situation is essential.
- Family lawyers can be expensive, so have a list of questions or items that you want to discuss with your lawyer beforehand.
- Communicating primarily in writing with your lawyer will help to minimise your conversation from wavering and wandering.
- Be consistent. Being consistent with your ideal outcome (while open to compromise) makes your case simpler and potentially cheaper to run.
- Follow the advice of the professional that you have engaged. If you feel unsure about the advice you have been given, consider getting a second opinion.

Running a business?

Even at the best of times, running a business can be all-consuming. Adding a separation to the mix can make things extremely challenging, so it's important to plan ahead as much as possible by giving consideration to the following:

What comes first?

- There are usually a lot of questions that you need to think through upfront. It may be overwhelming at first, so consider whether you have a business partner or trusted friend who can step in to help run the business in the short term, even for a few hours a week, to give you the time you need to work through this period. It might also be useful to seek out friends or colleagues who have been through a separation while running a business for their advice. Understanding your legal, financial and risk position are usually great first steps. Consider referring to the separation checklist for further information
- If you work with your ex-spouse, then it's worth having a conversation and agreeing your respective roles in the business. If, whether you plan to sell the business or buy out the other partner, you will need to discuss and negotiate these options.

What comes next?

- Once you have the makings of a plan in place, it's time to put it into action. Seek feedback from trusted friends to ensure you have covered all your bases, and if you're in any doubt about anything, seek expert advice. An absolute understanding of your legal obligations, particularly as they relate to loans, tax, guarantees and trust arrangements for the business, is of vital importance. It could be helpful having a 'round-table' meeting with your lawyer, accountant and other professionals involved in your divorce and business. Divorce/Separation proceedings can take a long time.
- Do you need to arrange a business valuation? If your business is growing, you may need to have an independent

valuer put a price on your business. You will also need this figure in your financial negotiations. As the success of your business changes, this figure will need to be reflected in its valuation.

- What impact could your divorce have on your business? You may have to 'pay out' or distribute shares to your ex-spouse, as an example.

What comes later?

- Following the finalisation of divorce proceedings, take the time to pause and reflect on the future. Does the plan that you put in place initially still make sense? What pathways could your business take, and do they now align more closely to what you seek?
- Many people see divorce as an opportunity to reset their personal life, but it can also be an opportune time to plot a new path for your business. In the event that the legal structure of your business changes post-divorce (e.g. partnership to sole trader), make sure you're fully informed about your obligations.

Understanding your finances with the budget tool.

From the outset of a separation, the cost of keeping two homes in the family could change your financial requirements and capabilities. Our budget tool is free and offers an insight into your income and expenditure – to help you determine whether you are financially sound or whether adjustments are required.

The budget tool could help you:

1. Understand your financial situation
2. Begin to plan and prepare your annual budget, and
3. Understand how to save and spend wisely

The threat of money issues is a major concern for the newly separated. Start planning now and use our budget tool online today. Download it here.

Creating your independence in separation.

Divorce requires a great degree of planning and work. The efforts that you put into preparation can help determine how your separation unfolds.

Looking after yourself and preparing your documentation could be valuable towards ensuring your independence. Remember:

1. Consider counselling or therapy.

Maintaining mental well-being throughout separation is essential and could help with your perspective as you navigate the murky waters. Start by talking with your GP or local doctor.

2. Coordinate your documentation.

Secure your key personal documents, including payslips, will, tax returns and citizenship or residency documentation. Make sure you can access them easily.

3. Prepare for your first consultation with a family lawyer.

Make copies of these documents to share with a family lawyer and have your list of questions ready to ask them.

4. Create a budget.

Use our budget tool to gain a clearer picture of your income and expenses or outgoings. This could help to clarify whether you are saving or if you need to make some changes.

5. Consider your career goals.

Separation could be a great time to think about re-skilling, up-skilling or simply seeking employment. Being employed is a key step to financial independence and freedom.

6. Reduce or pay off joint debt.

Create a plan with your ex-spouse to pay-off any joint personal loans and credit card debt. You might consider consolidating multiple cards or loans into a single personal loan to set an end date for the debts that you shared in your relationship.

7. Announcing your separation.

If you are sure that the separation is permanent, make a plan for who you are going to tell, when and what you will say.

Understanding financial settlements in divorce.

Every divorce or separation is likely to be different. As such, there isn't a standardised 'rule of thumb' when it comes to calculating asset splits.

As you prepare for your financial settlement, remember:

1. You can nominate any debt or equity accrued during separation to be included in the financial settlement.
2. Any financial claims for spousal maintenance or financial assistance need to be made promptly in the event of a separation.
3. Allowances can be made for any special needs or circumstances for all individuals (adults and children).
4. The earning capacity and ability to earn for each adult could be considered.
5. The financial contribution made by each person during the marriage (yes, being a stay-at-home-parent is a contribution) could be considered.
6. Superannuation, shares and cryptocurrencies are also included in the financial settlement. Note that superannuation is likely to be a super-to-super transfer and not accessed as cash.

Each party will be asked to share up to seven (7) years (or more in some cases) of their financial records and accounts, including (but not limited to) bank statements, credit card statements, shares, loans and mortgages, as well as trusts, cryptocurrency balances and valuations on significant assets.

It's essential that you have 'full and frank disclosure' when disseminating financial documents and making financial claims. Failing to tell the truth, share all assets or offer accurate and realistic figures may result in significant repercussions.

Mediation and financial conciliation conferences are a great place to start the financial settlement discussions and where you can offer up-to-date Proof of Balance documents for your accounts. However, it's important that you seek professional legal advice for your individual circumstances and have a strong understanding of your current financial position.

Stage 3

Planning for your future.

While it might not feel that way at first, separation and divorce can be a gateway to a new life stage. So, it's a good time to review and update the details of documents and accounts that relate to your future.

These might include:

1. Your will.

Separation is a good time to renew your will with instructions regarding who you would like to benefit from your estate. When updating your will, don't forget to include details of your superannuation, as it isn't automatically included in your estate.

2. Superannuation.

When reviewing your super details, remember to think about:

- a. Completing a new binding nomination form for each of your superannuation accounts, so as to nominate a new beneficiary for your superannuation benefits.
- b. If you received superannuation as part of your settlement (under a family law court order or financial agreement), the transfer to you will be as a superannuation interest (not as cash) to your existing account or into a new account.
- c. Explore whether it would be beneficial for you if you consolidate your super accounts if you have several of them. Before doing this, you should consider:
 - i. Where your future employer contributions will be paid;
 - ii. Whether there are any fees, including exit or withdrawal fees, for moving your superannuation; or
 - iii. Loss of benefits (e.g. insurance cover), as you may not receive the same type or level of benefits after the consolidation.

- d. If your ex-spouse has been able to cash in their superannuation, then you may be able to do the same with the settlement portion of your superannuation.
- e. If your ex-spouse was not of pension age, the super will be waiting for you until you satisfy a condition of release to claim the funds.

3. Insurance.

As your circumstances change, your life insurance and any other general insurance cover will probably need to be reviewed, especially the details of your nominated beneficiaries. Take the time to review your insurance today to ensure that your family are financially cared for.

4. Major financial decisions.

Try to hold off making major life decisions until after your financial settlement has been made official. At this time, you will have a firmer understanding of what your financial position is for the longer term.

5. Budget.

Regularly review your budget and your financial position to ensure that you remain financially buoyant and working towards your goals.

6. Power of Attorney.

If you have a Power of Attorney or Enduring Power of Attorney, these legal documents may need to be updated (or created) and lodged appropriately.



Planning your future with the budget tool.

With a stronger understanding of your financial position and a better understanding of your new lifestyle, you can start aiming towards a significant financial goal. Ask yourself if you want to:

Save for a home deposit?

Pay off loans or debt?

Save for a holiday?

Pursue a new career or start a business?

Our budget tool could help you gain a more objective understanding of your financial position and how to might achieve your goals. From the privacy of your home, you can clearly see where your funds are being spent and re-direct or prioritise your funds and spending accordingly.

Remember, when you are creating a new budget:

- Consider your expenses, including any new expenses and lifestyle choices.
- Don't expect to rely solely on Spousal Maintenance. This is often a periodic payment (if you receive it at all).
- Prioritise paying Child Support if you're the paying parent and don't rely only on these funds if you're the receiving parent. Child Support can change assessments and payments are not always on time.

Regularly reviewing your budget is important so you can stay on track. [Download the budget tool today.](#)

Future-proofing your independence.

Change and uncertainty can be one of the scariest parts of ending your marriage or de facto relationship.

If you're not able to establish financial independence immediately after a separation, here are some steps that could help:

1. Talk to Centrelink about your plans and discuss the possibility of financial support.
2. Do some short courses and update or refresh your skills.
3. Talk with your personal networks about your desire to get back into the workforce. Your friends and contacts may know of suitable roles and even be able to recommend you.
4. Practice your interview skills.
5. Update your résumé (there are lots of free templates online) and get your résumé online, look at job ads and list with recruitment agencies.
6. Arrange your financial settlements and seek formal Court Orders if applicable.
7. **Visit Westpac's Davidson Institute** at <https://davidsoninstitute.education/personal/>

The site offers a range of money management topics for individuals, such as financial foundations, superannuation, borrowing, retirement planning and more. Choose from live webinars, on-demand videos, or downloadable tools and guides to help build your financial confidence.

Pro-actively securing your own income and setting a plan with clear financial milestones are the first steps to establishing your financial autonomy after a separation.

Helpful Westpac contacts.

Your time is valuable, so why not consider the Westpac App as a fast way to communicate with us?

Skip the queues and call directly to the department that you need, or sign into the Westpac App, tap 'Contact us', choose your service, and get connected through.

[Click here to download the app.](#)

Alternatively, you can reach key Westpac contacts below for assistance.

Westpac Assist:

A team of specialists who can assist if you're experiencing financial stress. Westpac Assist can help you with a potential solution that may suit your financial needs and goals.

1800 067 497

Monday – Friday, 8.30am – 7.30pm
Saturday, 9.30am – 6.00pm (Sydney time).

Westpac home loans:

132 558

(8am to 8pm, 7 days a week)

Westpac general enquiries:

132 032

(have your 8-digit customer ID and Telephone Banking access code handy)

National Debt Helpline:

1800 007 007

Monday – Friday, 9.30am – 4.30pm (AEST time)

Checklist and resources.

- ✔ Separation checklist
- ✔ Budget tool
- ✔ Separation calculator



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Things you should know: This information does not take into account your personal circumstances and is general in nature. It is intended as an overview only and it should not be considered as a comprehensive statement on any matter or relied upon as such. You should consider obtaining your own independent financial and/or professional advice as appropriate. Mobile and Tablet Banking applications are only available for use by Westpac Australia customers. Standard call charges apply. Internet connection is needed to access Westpac Mobile Banking app. Normal mobile data charges apply. Online Banking terms and conditions apply. [westpac.com.au/personal-banking/online-banking/terms-conditions](https://www.westpac.com.au/personal-banking/online-banking/terms-conditions) © Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714. WBC 01408 11/19 | WBC01613B-0221