Planning for the unexpected: A guide for life's sudden shifts

Practical direction and steady support when personal loss or life disruption affects your financial world.

Janice Domaratzki, CIM
Senior Portfolio Manager
& Investment Advisor
RBC Dominion Securities

RBC Wealth Management
Dominion Securities

What you will find inside

Life does not always change gradually. Sometimes it shifts suddenly, through divorce, separation, or the loss of someone important to you. When that happens, financial decisions can feel urgent, emotional, and overwhelming.

This guide is designed to help you slow the process down. It offers practical steps to protect your financial position, clarify your responsibilities, and create stability before making long term decisions.

1. Meet Janice Domaratzki 3
2. How we can help 4
3. Protecting your financial ground .... 5 - 6
4. Strengthening your financial position before divorce .... 7 - 8
5. Financial steps to take during divorce 9
6. Moving forward financially after divorce 10
7. Navigating the first month after loss 11
8. What you may need to review, but not all at once 12
9. Estate clarity after divorce or loss .... 13 - 14
10. Supporting your financial journey after the death of a loved one 15
11. Meet your team of experts 16
12. Take the first step 17

Meet Janice Domaratzki

of Domaratzki Wealth Management

To Janice, every dollar carries effort and every client deserves care that makes a true difference in their life, not just their finances.

Over the years, I have spent a great deal of time sitting across the table from families during important moments of change. Some of those moments are carefully planned, others arrive unexpectedly. What has become very clear to me is that money is rarely the hardest part. Uncertainty is.

I have seen how stressful it can be when loved ones are left to make decisions without context, confidence, or a clear understanding of what matters most. Even when finances are well organized, things can feel overwhelming if the next generation has not been part of the conversation.

For me, education and communication are acts of care. When families are encouraged to talk openly and involve loved ones early, it helps reduce uncertainty and ease anxiety during moments that are often emotional.

Creating understanding around how decisions are made and why they matter allows people to feel steadier, more informed, and better prepared to move forward with clarity rather than fear.

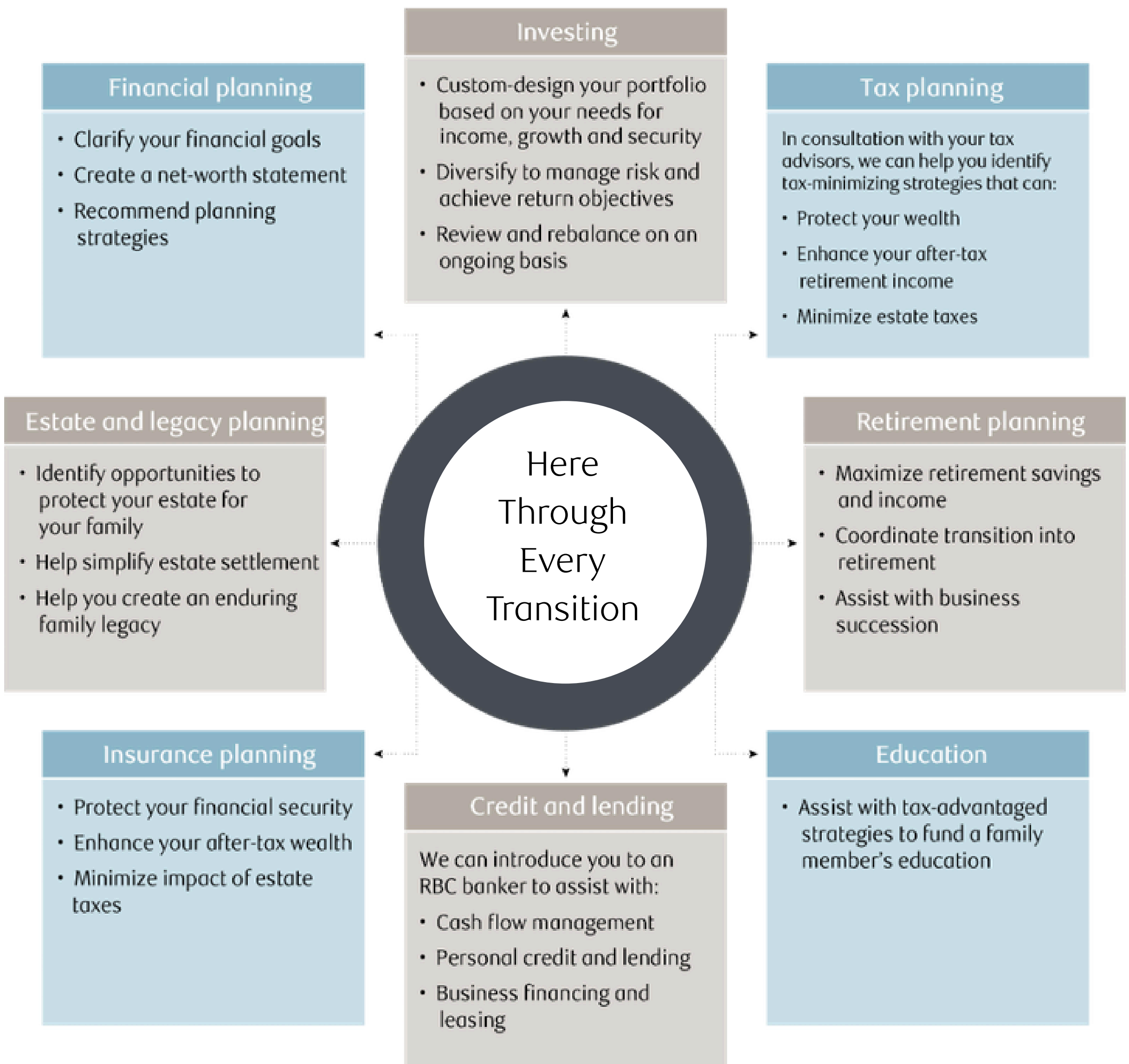
Janice

Janice Domaratzki
Senior Portfolio Manager

How we can help

During divorce, separation, or the loss of a spouse, financial decisions can feel overwhelming and deeply personal. At Domaratzki Wealth Management, we take the time to listen and understand what matters most to you.

We help you gain clarity around your financial position, adjust your strategy to reflect your new reality, and ensure your estate and planning documents align with your wishes. In coordination with your legal and tax professionals, we provide thoughtful guidance so you can move forward with steadiness and confidence.



Protecting your financial ground

When life feels uncertain, focus on protection before planning. These steps help stabilize your financial position and prevent complications later.

Financial Access and Accounts

- Confirm you have a bank account in your own name for income and expenses
- Review balances and recent activity on all joint accounts
- Ask your bank what safeguards are available for shared accounts if needed
- Make a list of all credit cards, lines of credit, and loans in both names

Personal and Digital Security

- Change passwords for banking, email, and financial apps
- Update PINs and security questions
- Store identification and financial documents in a safe, accessible place

Legal and Ownership Awareness

- List any jointly owned property such as home, vehicles, or investments
- Identify any loans or debts where your name appears, even if you did not manage them
- Do not remove your name from accounts or assets without legal advice

Beneficiaries and Decision Makers

- Check beneficiaries on insurance policies and registered accounts
- Review who is named as power of attorney or executor in your documents
- Make note of what is in place before making changes

Cash Flow Protection

- Ensure you know what income is coming in over the next few months
- Identify essential bills that must continue to be paid
- Avoid large withdrawals, gifts, or financial commitments right now

Before Signing Anything

- Do not sign legal or financial documents without understanding them
- Ask for time to review agreements
- Have a lawyer or advisor review important paperwork

Bring in Professional Support

- Notify your financial advisor of the change in your situation
- Ask for help organizing accounts, debts, and responsibilities
- Work with a lawyer to understand your rights and obligations

These steps are about reducing risk and preserving options. Big financial decisions can wait. Stability comes first.

Strengthening your financial position before divorce

Emotionally prepare

Prioritize Logic and Facts

Emotions are natural during major life changes, but financial discussions require focus. Acknowledge your feelings, then separate them from money decisions. Prepare a clear list of topics before meetings and use it to stay organized and on track.

Reframe how you think about divorce

Divorce is not a competition. It's a life change where there are no winners and losers. Try to keep your discussions civil so that the process keeps moving.

Focus on resolution. The more productive the conversation, the closer you are to the finish line.

Do your part to keep the peace. Divorce can be lengthy. Avoid hostility, communicate concerns clearly, and guide the conversation back to solutions.

Embrace mediation over litigation

Litigation increases costs and can delay progress. If negotiations are difficult, consider mediation, which is often faster, more affordable, and gives both parties greater control. If legal support is required, arrive organized with complete documentation to avoid unnecessary delays and expenses.

Financially prepare

Gather and Organize Your Financial Documents

The more information you have, the faster negotiations can take place. Find and organize the following so they're at your fingertips when needed:

- Proof of income
- At least three years of tax returns
- Investment and asset statements
- Mortgage details
- Retirement account information
- A summary of outstanding debts
- Recent joint credit card statements
- An inventory of property and valuable items
- Insurance policies and estate documents

Plan for future tax implications

Divorce can significantly affect your tax situation. In Canada, child support payments are neither taxable to the recipient nor deductible to the payer, while spousal support is taxable to the recipient and deductible to the payer.

If you expect to receive spousal support, consider setting aside funds to cover the related tax liability.

It is wise to seek guidance from a qualified tax professional to understand how separation may affect you. The transfer or sale of assets such as a family home or investment accounts can trigger capital gains, which may have important financial consequences.

Financial steps to take during divorce

While the legal process may unfold over time, protecting your financial stability should begin immediately. Taking practical administrative steps early can help establish independence and reduce future complications.

Close Joint Accounts

Work together to divide remaining balances, cancel automatic payments, and close joint accounts and credit facilities. Open new accounts in your own name to regain control.

Update Beneficiaries and Estate Documents

Review investments, insurance policies, and estate plans to ensure they reflect your current wishes. Update beneficiaries and decision makers as needed.

Review Insurance Coverage

Notify your provider of your change in status. If you were covered under your spouse's plan, explore securing your own coverage.

Address Joint Debt

Create a clear plan to pay down or divide shared debts. Consider using proceeds from asset sales or refinancing debt into separate accounts.

Account for Support Payments

Factor child or spousal support into your new budget. For one party it is a fixed expense; for the other it is income that may not be permanent. Ensure terms are clearly outlined in your agreement.

Moving forward financially after divorce

Calculate your net worth

Gather current statements for your bank accounts, investments, retirement plans, property, and list all debts in your name. Knowing exactly what you own and owe is the foundation for rebuilding with confidence.

Set financial goals

Decide what matters most right now, whether that is reducing debt, saving for a home, or rebuilding retirement funds. Set clear goals and break them into smaller milestones to make progress manageable and motivating.

Build a post-divorce budget

Track everything	Track every dollar spent for at least a month (using an app or spreadsheet) to clarify spending.
Identify new costs	Note new or increased costs you now cover alone (e.g., subscriptions, rent/mortgage).
Separate essentials from non-essentials	Identify essentials, such as housing, food, transportation, support payments. Reduce non-essential spending until you adjust to your new financial reality.
Keep saving	Any money remaining after costs are covered could be used to build an emergency fund and invest for your future.

Revisit your retirement plan

Shifting from two incomes to one can impact how much you are able to set aside for retirement. Reviewing your plan with a financial professional can help align your savings strategy with your new priorities and single income structure.

Navigating the first month after loss

What to do first when life changes without warning

When something in your life shifts abruptly, your mind and emotions are often in survival mode. This is not the time to solve everything. It is the time to create a bit of steadiness and reduce risk while you find your footing.

Start with small, stabilizing steps.

Bring your financial information together

Collect recent statements for bank accounts, credit cards, loans, investments, insurance, and taxes. You are not analyzing yet, just understanding what exists and where money moves.

Ensure financial access in your own name

Review any shared accounts and, if needed, set up accounts in your own name so income, bills, and daily finances remain manageable.

Check your credit position

Your credit can affect housing and lending decisions. Reviewing your report helps you understand obligations and spot issues early.

Pause major financial decisions

Large changes to investments, property, or long term plans are rarely urgent right now. Give yourself time before making decisions that are hard to reverse.

Let professionals know what's happening

A financial advisor, lawyer, or accountant can help clarify responsibilities and options. You do not need everything figured out before reaching out.

What you may need to review, but not all at once

These items matter, especially in the early days of widowhood, but they do not need to be solved all at once.

Area	Why It Matters	When to Address
Wills & beneficiaries	Ensures assets go where you intend	After immediate finances stabilize
Insurance coverage	Protects income and dependents	Within next few months
Retirement plans	May need adjustment after income changes	When cash flow is clear
Housing decisions	Largest financial commitment	Only after budget clarity

You have a list, not pressure. Review one area at a time.

Estate clarity after divorce or loss

Review your will

Your will may still name your former spouse as:

- Executor
- Trustee
- Primary beneficiary

Depending on your province, divorce may revoke certain provisions automatically, but separation often does not. Widows and widowers may also need to update successor executors and adjust distribution plans.

Update Beneficiary Designations

Registered accounts and insurance policies do not follow your will. They follow the named beneficiary on file.

Review:

- RRSPs and RRIFs
- TFSAs
- Pension plans
- Life insurance policies

If your former spouse is still listed, those assets could pass directly to them, even if your will says otherwise.

Revisit Powers of Attorney

Many people name their spouse as:

- Power of Attorney for Property
- Power of Attorney for Personal Care

If you are divorced or separated and those documents remain unchanged, your former spouse may still have legal authority to make financial or healthcare decisions for you.

Widowed individuals should ensure alternates are named and appropriate for their current support system.

Consider Ongoing Support Obligations

If you are paying or receiving spousal or child support, this can affect your estate planning.

You may need to:

- Maintain life insurance to secure support obligations
- Clarify how estate assets will satisfy future payments
- Protect children from previous relationships

Failing to plan for these obligations can create legal disputes later.

Plan for Blended Families

Second marriages and blended families add complexity.

Without careful planning:

- Children from a first marriage may be unintentionally disinherited
- A new spouse may have competing legal rights
- Estate administration can become contentious

Clear documentation and, in some cases, trust structures can help protect all parties.

Divorce, separation, and widowhood are life changing events. Your estate plan must reflect your current relationships, responsibilities, and wishes.

This is not just paperwork. It is protection for the people you care about and clarity for those who may one day need to step in.

Supporting your financial journey after the death of a loved one

The death of a family member is emotionally overwhelming and often brings a host of financial tasks that must be addressed. Beyond grief, you may need to deal with legal matters, estate settlement, taxes, and inheritance decisions. Having a trusted financial support team can make this transition more manageable and help you make informed choices at every step.

When someone passes away, their assets, property and possessions become part of their estate. The estate typically goes through probate, a legal process that validates the will and authorizes distribution of assets. If no will exists, the court decides how assets are allocated. Beneficiaries often work with professionals to ensure the deceased's intentions are properly carried out and to understand the financial implications of what they inherit.

Receiving an inheritance can be both emotional and complex. What begins as excitement can quickly become confusing without guidance. A financial support team helps you:

- Understand legal and tax implications of your inheritance
- Make thoughtful financial decisions rather than rushed ones
- Ensure probate and estate settlement are handled properly
- Plan for your own long-term financial well-being

Meet your team of experts

Becky MacDougall
Associate, Domaratzki Wealth Management, RBC Wealth Management

Meng Li, CFA
Associate, Domaratzki Wealth Management, RBC Wealth Management

Andrea Teske, CFP, CHS
Estate Planning Specialist, RBC Wealth Management Services

Claudia Morrison, PFP, CIM
Regional Trust Advisor, RBC Wealth Management, Royal Trust

Prashant Patel, CFP, TEP
Vice President, High Net Worth Planning Services, Family Office Services, RBC Wealth Management

Jonah Rabinovitch, CFP
Will & Estate Consultant RBC Wealth Management Services

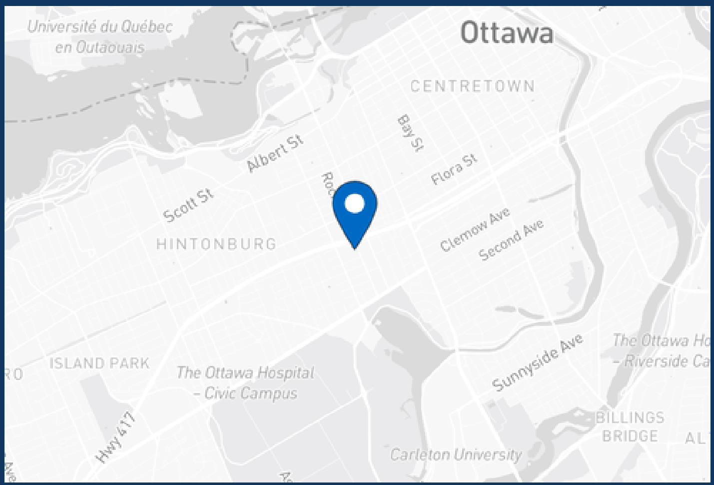
Take the first step

There may never be an ideal time to start, but taking action now creates meaningful opportunity. Starting today allows for thoughtful planning, clearer understanding, and more measured decision making in the future.

Janice Domaratzki, CIM
Senior Portfolio Manager & Investment Advisor

Email: janice.domaratzki@rbc.com
Phone: 613-564-4840
LinkedIn: linkedin.com/in/janice-domaratzki
Facebook: Domaratzki Wealth Managament

Join us on LinkedIn and Facebook to add practical financial education to your feed, along with updates on events, newsletters, and ongoing support.



RBC Dominion Securities Inc.
333 Preston Street, Suite 1100
Ottawa, ON K1S 5N4

Wealth Management
Dominion Securities

Notes

Notes

Notes