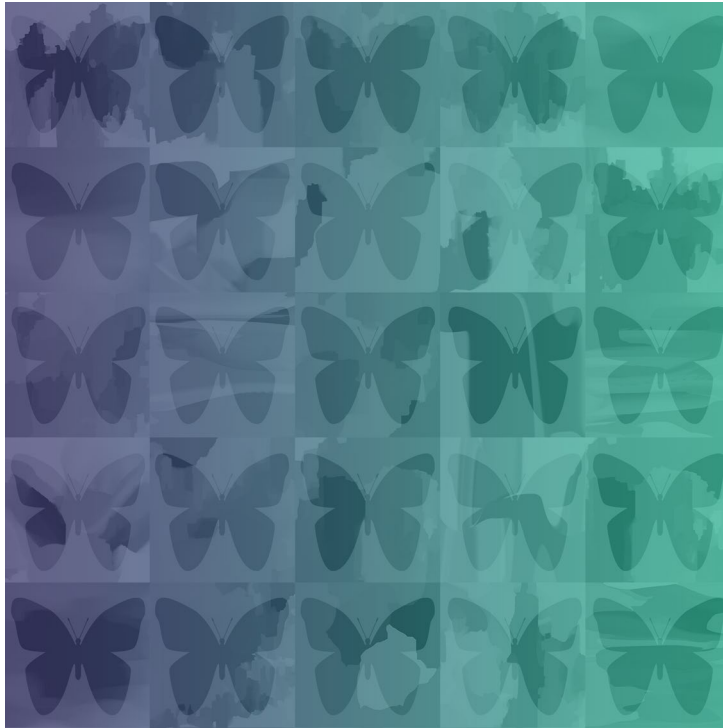


The Sudden Money Institute

Transitions Journal



SUDDEN MONEY[®]INSTITUTE
Transition Expertise Matters[™]

INTRODUCTION

YOU'RE HERE BECAUSE YOU'RE FACING A MAJOR LIFE EVENT,

one that may profoundly affect your financial future. You're a widow or a recent retiree, or you're getting divorced or selling a business or about to sign a seven-figure contract. One way or another, your life has changed (or is about to change). We hope to help you see your transition not as something to be threatened by, frightened by, or resisted, but as an opportunity to grow and to experience life more fully.

We hope you'll find this e-book helpful, not simply as an exercise to get a grasp on your financial future, but as a practice in self-reflection and mindfulness. At Sudden Money Institute, we know that emotion guides the majority of decision-making. That's why we encourage our practitioners to explore the personal, human, emotional side of financial planning, and we'd like to invite you to do the same. In the end, it's not just about the money. It's about you.

Sincerely

Susan Bradley

Susan Bradley

CEO and Founder,

Sudden Money Institute

WHAT NOW?



WHAT IMAGE COMES TO MIND when you think about your transition?

- **A rollercoaster?** You're along for the ride, hanging on white-knuckled as you're swept through tight turns and gut-clenching drops. Maybe you're not even strapped in, and you're truly terrified.
- **A tingling sense of anticipation?** You can hardly contain yourself, knowing something really special and really wonderful is about to happen.
- **A walk in the fog?** Nothing is clear, and it's hard to see even one step ahead.
- **A cocoon?** You really can't face life right now, and so you've withdrawn into a place that's soft and safe.
- **A jump off a cliff?** You've taken the leap, but you're not 100% certain what the landing's going to be like.
- **A sunset stroll?** You're wandering through a field of wildflowers, savoring the life of your dreams.



What about you? What does your transition look like or feel like?

WHAT NOW?

Here's what we hope you'll notice: As you reflected about what your transition looks (or feels) like, you weren't doing anything about it. You weren't completing a task, making a decision, or considering which investment to pursue or which house to buy.

You were simply stopping to consider the nature of your transition, and to think about what it feels like to be you right now.

That's what this journal is all about: Taking the time to learn a bit more about your own transition style, and discovering that you're more equipped to handle this transition than you may have realized.

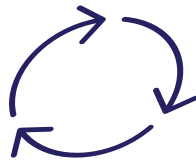
- You're equipped to make sound decisions.
- You're equipped to let go of the old life and step into the new one.
- You're equipped to reinvent yourself, and to stay whole and healthy in the process.

But none of things needs to happen right away. In fact, just by giving yourself the space to understand transition and your place in it, you're giving yourself permission to get the most out of the experience.

WELCOME TO THE JOURNEY.



HOW DO YOU CHANGE?



HOW DO YOU CHANGE?

TALK TO 100 DIFFERENT PEOPLE and you'll get 100 different definitions of stress. At Sudden Money Institute, we think one of the best definitions comes from Kelly McGonigal, author of *The Upside of Stress*: "Stress is what arises when something you care about is at stake."

Whether your transition is planned or unplanned, welcomed or tragic, a lot of things you care about are suddenly at stake. Your lifestyle. Your relationships. Your money. Your future.

Change almost always brings with it some level of stress, and there's the big danger: Somewhere along the way, stress got a really bad name. But we don't believe stress is necessarily negative. Here are just three things stress has going for it:

- Stress helps you build resilience.
- Stress helps you identify what really matters in your life.
- Stress gives you an opportunity to turn a challenge into a positive personal transformation.

Here's more good news: Please remember that you have the choice on how you respond to stress, even if you don't have control over the circumstances causing it.

- Rather than making rash decisions, you can allow yourself time to think and reflect.
- Rather than saying the first thing that comes to mind, you can permit silences.

- Rather than withdrawing, feeling afraid, or becoming angry, you can use this experience to help grow your relationships, your personal potential, and your long-term health.

This exercise helps get you in the mindset for a productive transition.

YOUR SUDDEN MONEY REINVENTION EXERCISE

There are no right or wrong responses, but we hope you'll gain an awareness of how you tend to navigate times of change, which will be helpful to you, your family, and your advisors.



PART ONE: Think of a previous transition in your life.

What happened? What surprised you about it?

How did you manage the details and new decisions?

What advice would you give someone about to experience a similar life event?

As you remember this past transition, how does it feel to you now? Do you have any physical reactions or emotions?

HOW DO YOU CHANGE?

PART TWO: Now think about the present.

What transition or transitions are you experiencing now?

How do you want to approach decisions and responsibilities? (Make decisions right away, hold off, let others decide, or something else?)

Do you have tendencies you need help managing? (Inability to complete tasks, forgetting appointments, impulsive decisions, hibernating at home, or something else?)

What is your idea of the best possible outcome – in one year, two years, and five years?

HOW DO YOU CHANGE?

PART THREE: Your best possible transition.

What needs to happen for you to have a successful transition?

What kinds of help and support do you need?

Is there one thing that could make your transition less stressful, more graceful, or more productive?

What do you envision “waking up” might feel like as you complete your transition?

I'M NOT CRAZY, AM I?



WELL, WE HAVEN'T MET YOU. But if you're anything like every other human being who's gone through a life-changing transition, there will be times you wonder whether you'll ever feel "normal" again.



Take a moment to check the box beside any of the experiences you may have had - or are still having - in your time of transition:

- | | |
|--|--|
| <input type="checkbox"/> Confusion | <input type="checkbox"/> Lack of follow-through |
| <input type="checkbox"/> Anger | <input type="checkbox"/> Feelings of invincibility |
| <input type="checkbox"/> Grief | <input type="checkbox"/> General loss of interest |
| <input type="checkbox"/> Mental fog | <input type="checkbox"/> Difficulty making decisions |
| <input type="checkbox"/> Sleep disturbances | <input type="checkbox"/> Aches and pains |
| <input type="checkbox"/> Weight loss or gain | <input type="checkbox"/> Feeling numb |
| <input type="checkbox"/> Stomach problems | <input type="checkbox"/> Fatigue |
| <input type="checkbox"/> Loss of appetite | <input type="checkbox"/> Overwhelm |
| <input type="checkbox"/> Headaches | <input type="checkbox"/> Gratitude |
| <input type="checkbox"/> Rapid heartbeat | <input type="checkbox"/> Happiness |
| <input type="checkbox"/> Dizziness | <input type="checkbox"/> Excitement |

The reason we can make a list like this is because we see it so often. Change is challenging. It's not just challenging for your head, it can be challenging for your whole body. You can find yourself in distress, when stress is prolonged and unpleasant. But remember you can also experience eustress, when stress is beneficial and leads to growth. We've created tools like Decision Free Zone® and the Bliss List, which give you permission to take time to feel stable physically and emotionally, so you can make decisions from a place of wisdom and balance.

Even if your transition is a welcome one, don't be at all surprised if the ground beneath your feet sometimes seems a little shaky. Every transition requires you to move from the way things were into a new, reinvented, as-yet-untried-and-untested life. It's hard, worthwhile work.

TRANSITION TRUTHS



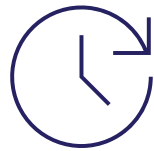
T*TRANSITION TRUTH NO. 1: You'll navigate your transition with greater calm if you resist the urge to DO. You don't need to set a 25-step plan in motion a week after a life-changing event. Trying to do too much, too quickly will set you up to make one poor decision after another. (The one exception: Attending to matters that are genuinely urgent.)* Transitions can take months or years, and can go smoothly if you employ the skills you'll learn in this journal.

TRANSITION TRUTH NO. 2: *You have a say in the matter. The stories you tell yourself about your life inform every choice you will make. When those narratives start to spiral out of control, they can easily get out of hand and take the rest of your life with them. Attend carefully to your thoughts about your relationships, your future, even your view of what money means to you. Here are some questions to ask, when you find yourself engaged in one of those inner dialogues:*

- “Is that version of my story really true, or have I just been saying it so long I accept it as true?”
- “Am I being kind to myself? If not, what could I change to make this version of my story more gentle?”
- “What evidence do I have that what I envision will take place? Is it possible that I'm projecting an ending to my story prematurely, when there are many ways things might work out differently?”

TRANSITION TRUTHS NOS. 3-6: *Every transition alters a person's identity; every transition involves letting go, every transition is aided by defining what's vitally important to your life and should be protected at all costs, every transition allows for new possibilities.*

TRANSITION STAGE ONE ANTICIPATION



STAGE ONE: ANTICIPATION

ANTICIPATION

How do you know you're in the Anticipation stage?

You're on the verge of a life-changing event. You may not know exactly when it will take place or how much money, if any, will be attached to it. One thing you do know is that once the event happens, your life will be different. Some examples:

- You intend to sell your business and have several good prospects. You expect the sale will be finalized within the next two years.
- A close relative has passed away, and you expect to receive an inheritance.
- You are expecting a legal settlement, but the amount and the payout date are unknown.

In the following, you'll find a collection of self-reflection exercises for people in *Anticipation*. We hope these are helpful to you as you begin to define the various ways your transition touches your life and your relationships.



Awareness: List the various ways your life will (or may) change as a result of this transition.

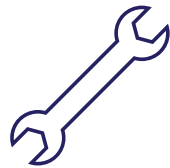
STAGE ONE: ANTICIPATION

Emotion: Spend some time thinking about those changes. How does each one make you feel?

Relationships: How do you expect the change will affect the people around you?

Planning: What, if any, plans have you put in place to help manage your transition? What help do you think you might need?

TOOL FOR STAGE ONE ANTICIPATION



COMMUNICATION PREFERENCES

You should expect your financial advisor and other professionals to care about how you like to hear and process information. In our work as Financial Transition Planning professionals, we ask each client about their personal communications preferences, using an inventory like the one you'll find on Page 14. Here's why it's so valuable:

- It forms a solid foundation for a respectful, client-centered relationship with a financial professional.
- It allows you, the client, to articulate what helps you feel comfortable and productive in meetings.
- It gives you an outlet to express how your financial planner will know when you're overwhelmed or uncomfortable, or when you simply need a break from making decisions.

Through this exercise, we have empowered you to state your personal communication preferences with your own financial planner or with other professionals during your time of transition. Please feel free to share this with your family members, so they will understand more about how you choose to navigate your transition. Here's an explanation of some of the things you might request:

ENCOURAGE MY INPUT: Indicate what kind of encouragement would be helpful to receive, what discourages you, and whether it's better to ask for your thoughts and comments during the meeting or at the end.

REMEMBER MY NEED FOR CONTROL: Define what gives you a feeling of control, whether it's the way the meeting is run, how recommendations are made, or how information is shared. Also convey what makes you feel out of control.

GIVE DIRECT ANSWERS AND GET TO THE POINT: If this is important to you, your advisor needs to know you want them to skip descriptions and stories and stay on point with basic facts and recommendations.

MOVE QUICKLY TO THE BOTTOM LINE: Clarify what kind of information you want, and what feels less important. Decide whether you like to have the bottom line first, and then the main facts, or the other way around.

OFFER OPTIONS SO I CAN DECIDE: You would like your options listed without any guidance or recommendations from the advisor, so you can make decisions independently.

ALLOW ME TIME TO PROCESS MY RESPONSE: Indicate whether you are likely to need some quiet time as meetings take place, or whether you need a specific amount of time after you've met. Agree at the end of the meeting how much time should pass before you'd like the advisor to check back with you, and how you'd like that communication to happen (telephone, email, text).

TELL ME WHO IS INVOLVED: You want to know more about the people on your advisor's team.

USE SUMMARIES AND KEY POINTS: Indicate whether you expect a summary of the agenda or agenda topics, and when you'd like to receive it.

SOFTEN THE TONE OF COMMUNICATION: You prefer a gentle rather than aggressive style of communication.

SLOW DOWN THE PACE OF COMMUNICATION: Tell your advisor how they will know when the pace is too fast. Will you ask them to slow down, or would you like them to be tuned in to your facial expressions and body language?

REMEMBER MY NEED TO ANALYZE: Indicate whether you need more time than usual or an extra-deep level of documentation to analyze your options.

INVEST TIME IN BUILDING THE RELATIONSHIP: Express to your advisor whether it's important to you to spend time talking about your family, your work, and how you enjoy spending your time. Also, do you want to know more about your advisor's family and personal interest, or would you rather keep that to a minimum?

TOOL FOR ANTICIPATION



Check the Communication Preferences that strongly apply.

- Encourage my input.
- Be an active listener.
- Remember my need for control.
- Give direct answers; get to the point.
- Move quickly to the bottom line.
- Offer options so I can decide.
- Allow me time to process my response.
- Tell me who is involved.
- Use summaries and key points.
- Soften the tone of communication.
- Slow down the pace of communication.
- Look for ways to minimize the risks.
- Use graphics.
- Remember my need to analyze.
- Invest time in building the relationship.
- Expect me to ask you to provide facts.
- Do not mistake my lack of response for inattention.

When you work with me, please remember my tendency to _____ and my need for _____.

TRANSITION STAGE TWO ENDING



ENDING

How do you know you're in the Ending stage?

There's no going back to the way life once was. It may have been a death, a divorce, a diagnosis, a windfall, a retirement, or some other major life change. It has happened.

Some things to consider about the Ending stage of transition:

- Every life-changing event alters your identity. Sometimes the idea of a new identity is welcome, and sometimes it is not.
- Endings can take a very long time to process.
- Even when the event is one for celebration, there will be elements of the old life to release and mourn.

The Ending stage is filled with busywork at a time when you may not have your normal capacity to manage details. Here are a few gentle reminders:

- Slow down.
- Ask questions. Take breaks.
- Get help.
- Don't miss deadlines.

One the following two pages, you'll find a collection of self-reflection exercises for people in Ending.



STAGE TWO: ENDING

Awareness: What facets of your old life have ended? Think not only of the major transitional event, but of any other endings that go along with it.

Emotion: Which endings do you grieve the most? How are you processing that grief?



STAGE TWO: ENDING

Relationships: What relationships need attention? How is your experience impacting the people in your life?

Planning: Now that the event has taken place, do you feel pressed to make decisions? If so, which ones? Can you identify which matters are truly urgent and which decisions can be delayed until you feel more ready to address them?

TOOL FOR STAGE TWO ENDING



*T*HE DECISION FREE ZONE®

Our Decision Free Zone® (DFZ) is a proactive time-out from making any non-essential decisions. When you are in transition, especially in the swirl of emotions and physical responses of the Ending stage, it often feels like a thousand things need to be done at once. The idea is to isolate the few decisions that are time-sensitive and most pressing.

Please note: Organizing and creating to-do lists are not new concepts to financial advisors. But when life is moving quickly, as it does during life transition events, often the conventional rules just aren't enough. The Decision Free Zone® allows you to see all the choices that are before you, whether they are delightful or overwhelming to sift through. The DFZ brings a sense of order to your experience, which decreases overwhelm and increases calm. It also helps you identify those major decisions that need to wait until you are more settled.

Beginning your Decision Free Zone® exercise

Your initial action will be to list all the things you know, think, or even fear you need to do, but also those things you hope and want to do. We encourage you to make this a delightful process, because we know that getting everything down on paper will help increase your decision-making ability and boost your confidence and discernment.

How do you sort your list?

First, you'll identify those matters that are truly urgent. It's usually things like making sure all your bills are getting paid, taking care of your health, and assuring your short-term financial stability. These items go into the NOW category. You might also note who you need to meet with in order to attend to these items, and when each task should be completed.

Next, in the SOON category, enter those items that are important but do not have the same urgency as NOW list. These are items that don't need attention for at least a few months to one year.

Whatever remains goes on your LATER list. These are decisions that can be postponed until you have time to organize and plan. It will also include long-term dreams, hopes, and goals. By leaving your aspirations on your list, they remain in your field of vision. You and your advisors know they're important, and you won't worry that your hopes and dreams have been forgotten.

Note: As you make your list, you'll notice that items fall naturally into categories (career, investments, relationships, lifestyle, homes). That helps you devise a logical, sequential course of action steps.

How do you use your list?

Your Decision Free Zone® list is a living, breathing, changing document.

As you resolve items in the NOW category, you'll open up space to take new actions and make more decisions. Things will advance from LATER > SOON > NOW. You'll add things, and some of your initial entries may fall away.

As you repeat the exercise and make new lists, make sure to look back at your old lists. You'll get a powerful visual reminder of how far you've come and how much you've accomplished.

In the following, you will find blank Sudden Money Institute Decision Free Zone® forms. Please feel free to share your lists with family members, your financial advisor(s), and other professionals.



Here are all the things I know, think, or fear I need to do, as well as all the things I hope to do and want to achieve:

TOOL FOR ENDING

Decision Free Zone® inventory for: _____

NOW

Essential action steps requiring immediate attention.

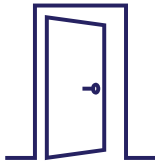
SOON

Action steps that are important, but not urgent.

LATER

Action steps that are important, but not urgent.

TRANSITION STAGE THREE PASSAGE



*P*assage

Passage is the time of relating to the change and adapting to the change. Of all the four stages, Passage by far takes the longest – usually years. Here are some of the ways you'll know you've reached Passage:

- The shock you may have felt at the beginning of the transition has begun to wear off, creating the opening for a new reality.
- You are beginning to feel alive again, as if you're "waking up."
- You are starting to see the potential of your new life and starting to capture a sense of its possibilities.

Fatigue may still be an issue, and if your attention span was affected, it might not be back to normal. If the life-changing event was not a welcome one, this is the point when you feel it's possible you might be able to survive and create a new life. This is a time of adapting and building the foundation for the New Normal.

How long does Passage take? As long as it needs to take for you to reach a point of clarity and have a healthy amount of energy and enthusiasm for creating your New Normal.

The key takeaway for people in Passage: In this stage, you may feel a strong pull – possibly from other people – to put things into place and declare your transition over. You may not be ready. Exploring and organizing the future takes time, and you may revisit your plans again and again, revising and reshaping.

In the following, you will find the Sudden Money Institute Bliss List exercises to help in the vision-casting process for building your new life. Please take your time completing these. This is the fun part!

BLISS LIST

Putting together your Bliss List allows you to identify those things that, in a perfect world, you would have or do for yourself, your family and others. You arrive at your Bliss List with the following step-by-step series of reflections you can complete and revise over time.

STEP ONE:

Make a list of things you would do if you had unlimited resources of time, money and energy. Think about what would make you happy, fulfilled and excited about getting out of bed in the morning.

- Where would you be?
- Who would you be with?
- How would you spend your days?
- What's your normal routine?
- What would make you feel pleased and proud of yourself?

Use your heart and pay attention to your feelings as you go through this exercise. Don't worry how much things will cost or how long they will take to achieve – just start writing. We recommend you repeat the process at several points along your journey; it's surprising how much can change. If you have a partner, complete your Bliss Lists independently and compare them.

STAGE THREE: PASSAGE

STEP TWO:

Now, we start to bring your dreams and desires into sharper focus. Review your list from Step One of the Bliss List exercise. Begin your top priority list here, adding dates and costs when you can. For example:

- We want to stop working, pay off the mortgage of our home, pay off our children's student loans and give each child money for a down payment on a new home.
- I want to end my corporate career and start teaching high school students. I'd like to keep my home and my target retirement date, as well as take international vacations each summer. It's important to me to keep my home management staff to help keep the property in excellent condition inside and out.
- We will buy a larger home in a club community and an equity membership in addition to keeping our annual family golf membership. We might keep the business if we could work part time, and we will begin annual gifting to our children and a few local charities.

STEP THREE:

Now that you've spent some time reviewing your priorities, choose your top two. This is the part of the exercise we call "Anything, but not Everything." Briefly describe your ideal scenario.

STEP FOUR:

Consider those top two priorities from Step Three, and imagine what needs to happen to make them reality.

STAGE THREE: PASSAGE

Share your reflections with your financial advisor to run projections on the long-term potential for making the choices you are considering. You'll look at your longevity, tax rates, investment returns, expenses, inflation and other variables, adjusting as you go, until you have co-created a best-case version that feels right to you and financially sound to your advisor.



BLISS LIST, STEP ONE: Everything I would do if I had unlimited resources of time, money and energy.

STAGE THREE: PASSAGE

BLISS LIST, STEP TWO: Referring to your work in Step One, create your list of your top priorities, adding dates and costs when you can.

STAGE THREE: PASSAGE

BLISS LIST, STEP THREE: If you could do anything, but not everything, what would you choose? From all the aspirations you listed on the previous page, choose the two things you would do, without question, if you could be assured of success.

BLISS LIST, STEP FOUR: This is where you “live your list.” Consider those top two priorities from Step Three and imagine what would need to happen to make them reality. What would you need to learn, do, plan, fix, or celebrate?

TRANSITION STAGE FOUR NEW NORMAL



New Normal

This final stage is precisely what it sounds like: It's the beginning of your next chapter, once you've successfully integrated the major life event that launched you into transition.

Optimally, New Normal is the best possible outcome from the initial life-changing event.

Once you've reached New Normal, you tend to speak of your event in the past tense, and you're able to look back and see how things came together. You are energized and display a sense of renewal. You are able to engage in short-term and long-term thinking and planning, and most of all, you are living your life with more predictability and more comfort than you were during Passage.

After the grueling work of selling her business and putting her new life in order, one of our clients described her New Normal this way: "It's like moving into a new house built just for me, and now I get to rearrange the art and the furniture to make the house my home."

Skills you're likely to have built on the way to New Normal (please check if they're abilities you hope to achieve, or have already achieved in your transition):

- A fresh appreciation for what it means to have completed the journey of a major life event.
- The ability to ask for help and support.
- Confidence that you can take life as it comes.
- The ability to use what you discovered through the Sudden Money® Institute transition exercises (Communication Preferences, The Decision Free Zone® and Bliss List) to thrive while life happens.

Finally, please take some time to reflect upon these questions, so what you learned can help guide you in your next transition.



What do you know now that you wish you'd known at the beginning of the journey?

What kind(s) of support worked really well for you?

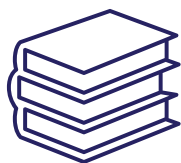
What kind(s) of support do you wish you'd had?

What would you tell someone about to go through the same thing?

Congratulations.

All of us at Sudden Money Institute salute you and your hard work.

ADDITIONAL RESOURCES



A*bout The Sudden Money Institute*

At the Sudden Money Institute, we make financial transitions less stressful, more productive, and frequently enjoyable. Individuals and families gain clarity and confidence regarding their life transitions by working with one of our Financial Transitions Planning professionals.

Find and engage with a Financial Transitions Planning professional by visiting www.SuddenMoney.com or by calling 561-776-6209.

Sudden Money Institute was founded in June 2000 as a community of practice seeking to better serve financial planning clients by developing process and tools for the personal side of money and for clients going through transitions. This think tank created the Certified Financial Transitionist® (CeFT®) designation, and a division for training and certification called the Financial Transitionist® Institute.

Financial professionals interested in learning about the CeFT® designation or studying with the Financial Transitionist® Institute can visit www.FinancialTransitionist.com.



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