

THE MEMORANDUM

The Digital Version

To: Exclusively for our clients and friends.
From: The Klammer Law Office, Ltd.

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DIVORCE MISCONDUCT

To Disclose or Not Disclose...

WARNING: The 2010 Amendments to Revised Code § 3105.171 provide **significant penalties** for financial misconduct in divorce cases. The divorce process is in and of itself a draining and often prolonged process. Divorce can be emotionally exhausting and financially devastating. The process itself is costly, with attorney fees, expert fees, appraisals, and pension evaluation fees, not to forget about the new expenses of interim and final support related orders. The dividing up of a household can create financial despondency.

When allocating assets and liabilities in a divorce, the divorce court may make distributions from marital and separate property. In order to effectively accomplish such a daunting task, the law requires that the parties in a divorce disclose all assets and liabilities to one another. "All" means ALL and it includes items believed to be separate property, whether it is an inheritance from a distant relative or a pre-marital savings account that has not been touched in years.

Rarely do spouses attempt to hide large fortunes, but some might be tempted to stash a little something aside for extra financial security in the post-divorce future. Before traveling down the path of "to disclose or not to disclose," keep in mind that a party to a divorce is required to disclose and in 2010 the Ohio General Assembly enacted legislation mandating the disclosure with potential significant penalties for a violation.

Revised Code § 3105.171(E)(3)-(5) treats a violation of the disclosure mandate as "**financial misconduct**" and provides a remedy, which includes **compensation to the other spouse with a distributive award of up to three (3) times the value of the undisclosed asset**. This penalty applies even if the undisclosed asset was separate property.

LAW FIRM NEWS

Darya Jeffreys Klammer is the **President of the Mentor Schools Foundation**. The Foundation is preparing the **10th Annual Pancake Breakfast** scheduled for Thanksgiving Day at Yours Truly in Mentor. It's a huge hit and the Shibley family of Yours Truly gives greatly to the event. Mark your calendars.

Hot Off the Presses: Joseph R. "Randy" Klammer has published his first book, *Sometimes...You Don't Need A Lawyer*. Find it as www.lulu.com as a perfect gift or stocking stuffer.

You may remember, Randy is also the President of the Lake County Bar Association. If this newsletter is not enough, you can read his President's Columns on line at <http://www.lcba-ohio.org/president.htm>

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1 The Klammer Law Office, Ltd.

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