



## PRENUPTIAL FACTSHEET

### **What's a pre-nuptial agreement?**

People planning to enter a marriage or civil partnership often decide to enter into an agreement that shows what they intend to happen to their money and property if the marriage or civil partnership were to end. This is colloquially called a prenup or pre-cip (we will refer to them as pre-nups). The legal rules about these agreements come from the usual laws that apply to divorce and also a decision of the Supreme Court in 2010 where the court said: 'The court should give effect to a nuptial agreement that is freely entered into by each party with a full appreciation of its implications unless in the circumstances prevailing it would not be fair to hold the parties to their agreement.'

### **Are pre-nups binding on the court?**

Pre-nups are not strictly binding on the court in the event of a later divorce, but it is likely that a pre-nup will be respected by the court unless the effect of the agreement would be unfair. It is not possible in this country to have a fully binding agreement before marriage or civil partnership about what will happen on divorce or dissolution. In other countries, pre-nups are often binding. In order to do the best job of ensuring that the court will not consider the agreement to be unfair if it is necessary to rely on it, both of you will need to set out your financial circumstances in full and take independent legal advice on the agreement and its effects.



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### **Are pre-nups binding on the court? Contd.**

You can negotiate an agreement using mediation or collaborative law, or more traditionally by using solicitors to talk to each other on your instructions. Your family lawyer will help you find the process most suitable for you. It is good practice to get the agreement finalised in good time before the wedding or civil partnership ceremony so that neither of you feels undue pressure to agree to anything.

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### **What sorts of things does a pre-nup cover?**

A pre-nup is a bespoke document drawn up for the two of you for your particular circumstances, so it can cover almost anything you want it to. There are certain things that couples usually think about when deciding how they would want to work things out if the marriage does not work:

- what would happen to property either of you brought into the marriage?
- what would happen to the family home?
- what would happen to any property given to you or inherited during the marriage or any income or assets derived from trusts?
- what would happen to money held in joint accounts and any property purchased jointly?
- what would happen to any saved money earned during the marriage?
- what would happen to your pensions?
- how would you deal with any debts?
- would either of you pay or receive any maintenance and, if so, for how long?
- what kinds of events might require the agreement to be reviewed?
- what kinds of arrangements would you like to make for any children you have or are likely to have, both in financial and in practical terms?



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### **What happens if we have children?**

A pre-nup cannot prejudice the interests of any children in your family. It is usual to build in provision for a review of the agreement if and when you have children, so that the children's needs can be considered and assessed at that time, with possible changes made to any expectations of the adults.

In the event of a divorce, if the court is asked to intervene in financial arrangements its first consideration is always the children involved. If the court considers that any agreement of the adults may adversely affect their children, eg by restricting any expectations of a lifestyle they would otherwise have had, it is likely to consider that it is not fair to uphold the agreement in the circumstances. It is not possible to contract out of giving financial support to or for a child.