

The changing stigma associated with signing a prenuptial agreement

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The idea of a binding financial agreement, commonly known as a prenuptial agreement has traditionally been associated with a negative and unromantic stigma; often automatically suggesting that the individual seeking the pre-nup is already having doubts about the relationship.

This stigma however is dwindling away with more millennial couples now seeing the positive side to prenuptial agreements. Statistics have illustrated a rise over the past two decades of the median age of couples marrying for the first time. More individuals are now entering into relationships with existing assets including real estate and established businesses. Prenuptial agreements are more often being viewed by such individuals as analogous to buying insurance. No one buys insurance with the intention of crashing their car or having their home robbed, they purchase it for peace of mind just in case it happens. Likewise, parties don't get married and enter a prenuptial agreement with a plan to get divorced; it is just insurance in the event that things don't go to plan.

Who should be encouraged to enter a prenuptial agreement?

A prenuptial agreement may be entered into before, during or at the end of a relationship. These binding financial agreements are not for all parties, but they may be considered, for example, when party comes into a new relationship (for example, when a person re-marries) with significant assets. Speak to a divorce lawyer to see if a prenuptial agreement is suitable in your circumstance.

A prenuptial agreement can include financial arrangements that may not ordinarily be considered by a client. Speak to a divorce lawyer about provisions as to assets including:

- Superannuation entitlements, real estate and other investments including shares, funds at bank, vehicles, corporate interests in companies, trusts and unit trusts and other goods.
- Financial support (maintenance) of one spouse by the other
- Debts and liabilities

The importance of seeing a specialist divorce lawyer

When formulating a financial agreement, unlike an application for consent orders, there is no requirement for Court approval.

Financial agreements can be complicated and require strict compliance with the legislative provisions to be valid. A court can also declare the agreement invalid, and set it aside. Appropriate legal advice from a divorce lawyer is vital.



The advantages and disadvantages of entering a prenuptial agreement will vary for each specific situation, for such reason it is important to seek legal advice. However generally, parties to a binding financial agreement may benefit from the certainty that they bring. It may also avoid the financial and emotional costs of legal proceedings, if the relationship was to break down.

Going into a marriage or de facto relationship, couples do not plan to fail, however often couples fail to plan, overlooking benefits that a prenuptial agreement may have. A binding financial agreement is a way that couples can plan out the potential future financial rights or obligations of either party in the event that the relationship doesn't work out.

If you would like to know more about binding financial agreements, contact a divorce lawyer Parramatta from our team on **1800 300 170 or email us at familylaw@matthewsfolbigg.com.au**

Disclaimer

Family law situations can be complex and sometimes they can involve serious issues. Information outlined is proposed to provide general guidance only. Due to the seriousness of legal matters as well as the uniqueness of your individual situation, professional advice should be sought. For advice, please contact one of our Family Lawyers.