



## Pre-Nups in the UK – legal contracts?

Pre-nuptial agreements are on track to become the latest import from the USA as the UK Government may soon give them legal status.

At present couples can make pre nuptial agreements, but they are not legally binding and may not be upheld by the court in divorce proceedings.

However the Law Commission, the law reform body in the UK, has today reported that it has recommended that there are reforms to the matrimonial property laws to allow for 'qualifying' pre nuptial agreement to be binding.

YVA Partner, Chris Yiannakas has however pointed out: "Achieving an agreement is only part of what is required. There will be certain conditions that will need to be met so that the agreement is considered as 'qualifying'. For instance," he continues: "at the time of signing of the agreement both parties have made disclosure of their current financial situation and that they have received independent legal advice. What is also an important condition is that they will only be enforceable *"after both partner's financial needs, and any financial responsibilities towards children, have been met"*. This means that the financial obligations and needs of the parties and any children born into the marriage cannot be disregarded and ignored."

In theory this should mean that couples should be a lot clearer as to the financial outcome of a separation. It should also give the couple more financial certainty and control if their marriage was to breakdown.

Yiannakas adds: "This welcome change will hopefully lead to less acrimonious court proceedings, as couples will have already made decisions and agreements about their finances pre marriage. In turn this should also help to reduce rising legal costs to couples who would usually be using money from the marital pot to fund their legal fees."

Watch this space for further updates on this historic change to marriage law.