



Wealth Matters - February 2022

## Planning for your future

Karina Challons: My name is Karina Challons, I'm a Managing Director for the Private Bank. I work in the Wealth Planning team covering the Ultra High Net Worth clients.

Paul Bradshaw: My name is Paul Bradshaw, I'm a Director at the UK Private Bank working in the Wealth Planning team covering international clients.

Paul: When do you see pre-nups used most often?

Karina: Pre-nups are used most often when you have substantial wealth. The parties involved in the pre-nup...you'll have the family that has substantial wealth that'll ask for a pre-nup to be drawn up. They will be represented by two legal firms of equal standing. They will be doing this if they are either bringing a lot of wealth to the marriage, or they expect to inherit substantial sums in the future.

Paul: What age do you see pre-nups used from?

Karina: Typically, millennials, so early 20s to mid-20s. This age group is much happier broaching the subject with their future spouse. They probably have been advised by professional advisors, by the family, parents as well, well ahead of the marriage. They don't have an issue with it, and they were probably single when the subject was first broached.

Karina: Has there been an increase in pre-nuptial agreements?

Paul: Having spoken to the family lawyers that we work with they estimate that they have seen the use of pre-nups double over the last ten years. There is no hard and fast reason why this might be the case, perhaps there is a prevalence of wealth that we didn't see ten years ago. And also, there has been a number of cases both on pre-nuptial and post-nuptial agreements going through the courts that we think have given lawyers more comfort when they are advising on the use of these for their clients.

Karina: And are pre-nups binding?

Paul: Unlike in other jurisdictions, such as the US, no, they are not binding in the UK, but they will be taken into consideration by the courts.

Karina: And when would you use a post-nup?

Paul: Typically, post-nups are used where a significant gift is anticipated by a family member, and they are already in a marriage. We have even seen them used where couples have separated and are thinking of co-habiting again.

Paul: Has there been an increase in post-nuptial agreements?

Karina: Yes, there has been an increase, according to the lawyers we work with. 40 to 50 year olds, are now increasingly taking out these agreements.