



Congratulations! Now Sign:

Affluent Parents Demand PreNups--for Their Engaged Children

The Wedding Gift for the Young Couple that Has Everything

(Tysons Corner, VA)—They may not register for it, but newly engaged couples are discovering the latest “must have” gift from their parents is a prenuptial agreement. In many cases, the prenup is more of a “must accept” gift from their parents .

Kathryn Dickerson, a principal at Smolen Plevy in Tysons Corner, VA, (www.smolenplevy.com) notes a marked increase in the number of young couples entering into premarital agreements at the behest of their parents.

“Couples marry for richer or poorer,” says Dickerson. “But when one is significantly richer than the other, parents often insist on a prenup.”

A prenuptial agreement is a binding contract between two individuals who decide, before their marriage, what their legal and financial relationship will be in the event of death, separation or a divorce. While not uncommon for people entering into subsequent marriages, this new trend signals an increasing acceptance of prenups by younger couples, particularly when one or both partners come from affluent families.

“Baby boomers are at an age where their children are getting married, and the parents know what challenges may lay ahead,” says Dickerson. “Those parents are at a point where they’ve accumulated wealth, are funding trusts for their children, or have started handing over interest in family businesses to their children and they want to make sure their children’s financial interests are protected. Also some of these parents have gone through one of their other children’s divorces and are savvy to what may happen to the wealth they have created and gifted to a child prior to the divorce and want to avoid such complications for their other children. ”

Dickerson says the reaction to a parents’ insistence on an agreement varies from an aghast, ‘Oh Dad! Oh Mom!’ to a contemplative ‘let’s talk about that.’ Conceding it’s a delicate topic to broach, Dickerson says the premarital agreement often forces young couples to discuss and confront vital issues, which they might not otherwise necessarily have. “A couple might adopt a pet while they’re living together, and figure out what will happen in case they split,” says Dickerson. “But they won’t talk about finances, children,

religion and other important topics. A prenup, no matter who brings it up, opens the door to those conversations.”

Among the topics parents want their engaged children to discuss:

- Who gets to keep valuable family heirlooms if the marriage only lasts a short time?
- How will the couple share the costs of living, will either stay at home if there are children and how will the costs be shared during that period?
- Along the same lines, which partner gets to keep property/cars/boats that have been given as gifts prior to the marriage?
- Who will pay taxes on trusts or other separate assets?
- How will it be handled if one the partners come into the marriage with significant debt?
- Who will have medical power of attorney in the event of a separation?

Dickerson says it’s best to be honest and equitable when drafting a premarital agreement. “For instance, if one party brought a watch into the marriage that had been her grandfather’s in World War Two, then one would hope that her fiancé would agree that it’s only fair that it goes back to her,” says Dickerson. “No one should have to go to court to get it back, but if this is an issue to which the couple cannot agree, then it indicates other issues that the couple may need to discuss to ensure they have the same expectations regarding their marriage.”

Dickerson recommends parents bring up the prenup discussion early in the engagement. She also suggests decisions be made as soon as possible. “I’ve had situations where couples have signed their agreement and then headed off the rehearsal dinner,” says Dickerson. “Ideally, you would like there to be more time than that, so everyone has plenty of opportunity to go over the details with each of their attorneys.” Dickerson also says the less rushed the process is, the less likely one party is to claim that they signed under duress. Finally, Dickerson recommends that the parent who initiated the premarital agreement make sure their children follow through with the process, otherwise many children might start but will fail to see it all the way through to the end.

Kathryn Dickerson is available for media interviews on this and a number of other family law topics. Media contact: Marc Silverstein at 301-545-0108 or at marc@onthemarcmedia.com.

