

High Profile divorce case highlights the growing importance in Pre-Nuptial Agreements

In recent months, much interest has been generated in the high-profile divorce case of Mr and Mrs Miller. Mr Miller, the wealthy fund manager of the successful investment company, New Star, was ordered to pay his wife £5 million on the breakdown of his marriage, which lasted less than three years.

Mr Miller argued, both in the Court of Appeal and the House of Lords, that the award was too high in this case, where the marriage was very short and Mrs Miller had comparatively modest means before marrying Mr Miller. There were no children of the marriage. The House of Lords has recently given judgment and has declined to reduce the award.

No doubt Mr Miller did not expect his marriage to end so quickly and therefore he did not make a pre-nuptial agreement before marrying Mrs Miller providing for the distribution of his assets in the event of a divorce. This case highlights the growing importance of such agreements. Many couples may now be asking their solicitors to draw up a pre-marital agreement for them, rather than leave their assets unprotected in the event that the marriage breaks down, however unlikely that may seem at the time the plans for the wedding are made. Whilst such agreements are not legally binding they are regarded as evidence of what was intended and are looked at by the Court.

It is predicted that whilst engaged couples have been reluctant to address the thorny issue of the possibility of the marriage breaking down, these pre-nuptial agreements will become increasingly commonplace and will now be viewed as a sensible precaution, hopefully reducing legal costs in the future.