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Jun 14, 2013 @ 1:34 pm

By **Darla Mercado**

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agreement in place, as he and his soon-to-be-ex Wendi Deng navigate the end of their 14-year marriage.

But advisers say the idea of getting a prenup tends to fly by even the wealthiest clients.

"Typically, when you're talking about a prenup, it's us — the financial advisers — we are the ones who bring it up," said Stacy Francis, president of **Francis Financial** Inc.

"You have people who think that prenups are planning for a

divorce," said Justin A. Reckers, director of financial planning at Pacific Wealth Management. "The common thing I hear is that they're unromantic. But it can be very romantic to have this discussion about money."

Indeed, advisers play an important role in helping soon-to-be-wed couples determine how best to divvy up assets and streams of income. They work side-by-side with the lawyers who draft prenups. Advisers are the

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ones who shake out the tax implications of dividing certain assets and they figure out the long-term impact of ensuring that the less-moneyed spouse receives sufficient income.



"Certified divorce planners come in handy when you want to figure out how much someone will need and if maintenance is an issue," said Randi L. Karmel, a matrimonial law attorney. "What's good for you now won't be good for you in 15 years when you have cost-of-living increases and higher medical expenses."



A newlywed in his or her 20s or 30s, for example, might think he or she can afford to sign a less-than-ironclad prenuptial agreement, only to end up divorcing later in life with less-than-favorable arrangements.

"I've seen people in their late 50s crying over a prenup they signed at 25 or 30," Ms. Karmel said. "We can't predict what will happen, and we need experts to help with that."

The foundation of a strong prenuptial agreement — or a post-nuptial agreement, for those who want to delineate their future arrangements after getting hitched — is a thorough balance sheet that spells out what property is considered marital and what's considered separate.

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spouse before the marriage, but then ends up commingled with marital funds is no longer separate property. It's now a marital asset, Ms. Karmel noted.

She added that couples can override state laws in their prenups, too. "If you buy a house during the course of the marriage and put it in your name, in New York it's still a marital asset," Ms. Karmel said. "But if you said in the prenup that it's yours, then it's yours."

There also are cases in which one spouse owns an income-producing asset and gets the other spouse to agree that the asset be kept separate, rather than be commingled and divided, Mr. Reckers said.

"I think it's a terrible provision to agree to," he said.

Further, prenuptial agreements aren't necessarily always ironclad. Spouses going through a divorce can contest assets and whether their status is truly "separate."

"Provisions get challenged in situations where the [separate property] assets are sold and then the money was reinvested in something else [after the marriage]," Mr. Reckers said. "So is the new property still a marital property? It wasn't named in the original."

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accountant," he added.

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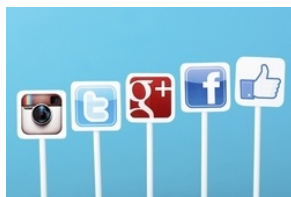
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