

know your right from wrong



It is important to ensure that you are fully aware of the legal implications of entering into a marriage and how the matrimonial property system which you select will affect your future decisions.

Kuilman Mundell & Arlow Attorneys specialise in the preparation of ante nuptial contracts and advice on how to structure your matrimonial property system. So we asked Bernadette Arlow to give us an idea of what you need to know when it comes to getting married.

She explains that in community of property is the system that will apply if you do not enter in an ante nuptial contract and this system provides that all the assets and the debts of the marriage are shared equally. Practically this means that you lose your financial independence and it is possible for one spouse to be held responsible for the debts of the other spouse.

By entering into an ante nuptial contract spouses are able to retain their financial independence and ensure that they are not held responsible for the other spouse's debt. By including the accrual system you ensure that the profits of the marriage are shared equally upon dissolution of the marriage by death or divorce. **i**

your business, your marriage

“He, who fails to plan, plans to fail.” **Anonymous**

You need to start investing in your marriage the day you get engaged and we understand from Laetitia Coetzee, Financial Planner at Consolidated Financial Planning that just as you secure the help of professionals in their field for your wedding day, so too should you do when looking to your future.

Laetitia asks “What happens after the honeymoon is over?” “Who will assist you in running your newly acquired empire?” A marriage at the end of the day is a partnership between two people whereby they enter into a voluntary social contract that unites their lives legally, economically and emotionally.

You need to view this your marriage, as a profitable and successful business that pays fabulous dividends to its shareholders and there are therefore, many questions that need answering.

For the purpose of this article we will rather focus on the latter and Laetitia takes us through them as you start to consider your marriage as a business entity in which you and your partner fulfill various roles during the course of your marriage.

As with any business you require a vision and mission statement. Who are we, where are we going and how will we get there? What marital regime will we enter into? What are the long term benefits and risks?

You will have a balance sheet, income statement and cash flow statement. What items should we take into consideration when purchasing property, vehicles and other lifestyle items? In whose name must the assets be purchased? Do we need to set up a Trust?

Profits will be made and taxes will be due and payable. Do we understand the estate duty consequences of bequeathing our assets to each other? What actions will result in

taxes becoming payable? Can we donate assets to each other? How can we invest tax efficiently?

Expansions will need to be financed. How do our other professional business interests impact our marriage?

Contingency and risk management will be required. Do we have enough life cover should anything happen to either of us? Are the beneficiary nominations in order on our risk benefits?

Development and expansion plans will be built and executed. Have we made the required planning for our children's education needs?

Contracts will be negotiated and drafted. Do we need to draft a Will?

Shareholders will have disagreements on how profits must be distributed. Do we understand the impact of our financial choices to our long term planning i.e. replace the lounge suite or purchase the latest set of golf clubs?

As you can see the idea of viewing your marriage as a potentially successful business is not that far reached. So as with planning your wedding, consider a financial planner to work with you to achieve to achieve success.

As Warren Buffet once stated: “To invest successfully over a lifetime does not require a stratospheric IQ, unusual business insights, or inside information. What is needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding that framework.”

So why not apply the same logic to investing in the business being your marriage with the assistance of your financial planner. **i**