



Common Regrets in Family Law by Jodi Wyman

As they say, hindsight is always twenty-twenty. Many people who have gone through a messy divorce realize at the end that if they had known then what they know now, they would have made some different decisions.

Planning your life around being prepared for a marital separation may be cynical and cold, but it could save having regrets later.

Once of the most common things people wish they had done was enter into an agreement at the time they started their common-law relationship or before they got married. There are pre-nuptial and cohabitation agreements which can protect you from a variety of unfortunate outcomes. Getting a proper legal agreement prepared may seem like an unnecessary expense, but it could save you a lot of money in the long run.

Purchasing a house together is a perfect example. If you had a large sum of money from your family or the sale of your prior home. If you put those funds into the house, which is then registered in both names, you may later wish you had an agreement. If you separate, in the absence of an agreement

allowing you to get your money out later, you may have to share the full value of the house equally.

There are sometimes regrets with other assets owned jointly. There are some important exceptions in the law which are not available for jointly-owned assets. For example, assets you owned before you entered into the relationship do not have to be shared if you split up. However, the law of asset and debt division does not apply to jointly-owned assets. If the item is in both names, it is generally presumed to be fifty-fifty shareable. So, for bank accounts, investments, vehicles, revenue houses or business assets you had before the relationship started, putting them in both names usually means you have to share them, when you would not have otherwise.

Often people decide to put assets in joint names as part of their estate planning. It may be wise in that context, but could be something you regret later.

Many people wish they had been more thoughtful with money they inherit while in a relationship. The law says that if you keep

inherited funds entirely separate from family money or assets, they do not have to be shared if the couple separate. If the money is used to pay down joint debt or purchase a family minivan for example, the exemption is lost.

Many spouses regret not putting away money or having investments in their own name so they have access to funds immediately if they separate. Or, they regret not having access to credit or a credit rating so they can support themselves short-term if necessary. A separation can be a very financially difficult time.

Some partners later kick themselves for agreeing to sign up for joint debt, or co-signing a loan for their spouse. When couples separate, both spouses usually suffer some degree of financial hardship. If you co-sign a loan for your partner you may not expect for a minute to have to pay the loan, but if your partner cannot make the payments for any reason, the creditor will be looking to you. A court order in family court will not help you escape from the debt. Bankruptcy is sometimes the only option at that point.