

Paul McCartney Succeeds in Divorce Court



By Brian Madigan LL.B.

"This is a summary of the judgment handed down 17 March 2008. It is not a summary of every issue in the judgment. This summary forms no part of the judgment. The court ruled that the judgment should be published but upon Ms. Mills'

application granted a stay of such publication pending her appeal to the Court of Appeal.

1. The fundamental issue was what financial provision should be made for Ms. Mills. She sought an award of almost £125 million. Paul proposed that the wife should exit the marriage with assets of £15.8 million inclusive of any lump sum award.
2. The judge decided that the husband should pay the wife a lump sum of £16.5m which together with her assets of £7.8 million (which include her current properties) means that she exits her marriage with total assets of £24.3 million inclusive of a deemed figure of £500,000 referable to her overspending in the period of separation.
3. The judge found that the total value of all the husband's assets, including his business assets, was about £400m. There was no evidence at all before him that he was worth £800 million.
4. The judge found that although the parties met in 1999 and formed a relationship, the parties did not cohabit from March 2000 but did so from the date of the marriage (11 June 2002). The parties separated in April 2006. The length of the marriage was just under four years.
5. The judge refused to permit either party to raise as an issue the alleged conduct of the other on the broad ground that it was irrelevant.
6. The judge, in undertaking the exercise prescribed by section 25 of the *Matrimonial Causes Act, 1973*, decided that the needs of the wife were a factor of magnetic importance.
7. The lump sum of £16.5 million is made up of a sum of £14 million as the capitalised figure for the wife's income needs, which the judge assessed at £600,000 p.a., and a sum of £2.5 million for the wife to buy a property in London.
8. Financial provision for Beatrice consists of a periodical payments order of £35,000 p.a., the husband agreeing to pay for her nanny and her school fees.

9. The court made an order in the following terms: Save for the release of the judgment and Order dated 17 March 2008 the Wife and the Husband and any persons acting on their behalves are strictly prohibited from publishing, disclosing, or in any way revealing without the consent of the other, the evidence, correspondence, transcripts, judgments or Orders in the proceedings concerning (a) the child of the family (b) the main suit (c) the cross-applications for ancillary relief, and (d) any marital confidences. If consent is not forthcoming then the party seeking publication shall be entitled to seek the permission of a Family Division Judge to do so.

10. The judge expressed his confidence that the media would respect the privacy and confidentiality of the *Children Act* and ancillary relief proceedings, including evidence and submissions (oral and in writing) given within both sets of proceedings."

COMMENT

It is important to realize that a result very much the same would be reached in Ontario had Ontario been the appropriate legal jurisdiction to deal with the issues between the parties.

You might also appreciate that the English judicial system was also on trial. You can imagine the circumstance had the decision been foolhardy in some way. This was a judgment of one of the very finest judges to sit on the bench in a Superior Court in England or any other common law jurisdiction.

So, why is this case important? It's important because it's so common! There was no marriage contract. There was a marriage of short duration which produced one child. The facts are all extremely commonplace. They happen everyday.

Now, you would think with all his money, that Paul McCartney would spend a few dollars and get a marriage contract. The rationalization for a first marriage is that neither party (usually) have any assets, so quite often they simply agree that whatever they acquire will be split equally.

However, Paul McCartney had two prior marriages and adult children, so you might have thought that a marriage contract would at the very least have crossed his mind. He believed that it was not "romantic". Well, there was nothing particularly "romantic" about the divorce.

If you wish to review it in detail, a copy of the Judgment follows. You will also notice that the Judge was not favourably impressed with Heather Mills in any way, yet nevertheless she was awarded a very sizeable judgment.

And, a divorce can certainly ruin your estate plan.

Some quick advice:

Consider a marriage contract in any of the following circumstances:

- The parties have unequal assets
- The parties have an unequal ability to earn income
- Either of the parties have children
- Either of the parties might inherit property
- Either of the parties have had a prior spouse

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