BEFORE THE WEDDING · BUSINESS OWNERS

What your client owns on the wedding day should be on paper by the wedding day.

Your business-owner clients are the ones most likely to marry with a lot already built, and the least likely to have written any of it down. A prenup helps. The numbers behind it are what make it hold up.

An illustrative client

He's 37 and owns 70% of a distribution company he started at 30. He has a brokerage account in his own name that he funds from quarterly distributions, and a 401(k) from his years before the business. He's engaged, and he plans to sign whatever agreement his attorney puts in front of him.

Where it usually goes wrong

The business has no starting value

In many states, growth in a business during the marriage can be marital even when the business came first, especially when the owner's own work drives the growth. Without a value on the wedding date there's no starting line, and ten years later someone has to rebuild it from old returns and memory.

The account he keeps feeding

Distributions earned during the marriage, deposited into an account he opened before it, mix marital money into separate money. The account keeps his name. It may not keep its character.

An agreement with nothing behind it

Attorneys draft what they're given. A prenup that names "the business" without a value, a valuation date or the ownership documents leaves the hardest question for later, when nobody agrees on anything.

What we build before the wedding

A pre-marital balance sheet his attorney can attach to the agreement as an exhibit:

- Every asset as of a set date, with the statement or document that supports it
- A business valuation as of that date, with the operating agreement and ownership records
- Retirement, brokerage and bank balances by account
- Real estate, rental properties, LLC interests, equity compensation and debts
- A short plan for keeping separate money separate after the wedding: which account receives what

His attorney drafts the agreement. We give the attorney the numbers and the documents to stand on.

Overleaf: where you come in, and a checklist for your client.

OVERLEAF

Where you come in

You usually hear about an engagement before anyone else on the financial side, and you already hold the statements. That makes you the natural person to raise it, early enough for the work to be simple.

The clients who skip this step find out years later that "it's always been mine" wasn't enough. By then the statements are gone, the business has tripled, and the answer gets argued rather than documented.

My role is the paperwork behind the agreement. You keep the client.

BEFORE THE WEDDING: A CHECKLIST FOR YOUR CLIENT

1. Choose one date to value everything as of.
2. Gather statements for every retirement, brokerage and bank account as of that date.
3. For the business: the operating agreement, ownership records, recent tax returns, and a valuation as of that date.
4. For real estate and rentals: deeds, mortgage statements and a current value.
5. List equity compensation, LLC interests and debts.
6. Decide which account receives what after the wedding, and keep separate money separate.
7. Give the balance sheet and the documents to the attorney drafting the agreement, well before the wedding.

WORKING WITH TIDAL POINTE

Our commitments to you

- Your client stays your client. We work alongside you the whole way.
- With your client's OK, you're kept in the loop as things move.
- When it's done, you get a clean baseline to plan from.

What your client will experience

1. A first conversation about what matters to them
2. Documents through a secure portal, never email
3. Their options modeled in plain numbers
4. A settlement they understand, and back to you

When both spouses are your clients

We can serve as a neutral for both of them, so you never have to take a side.

Have a situation in mind? Talk it through with me first.

Twenty minutes, no client names needed. You'll know whether and how I can help before you say a word to your client. **calendly.com/bob-tidalpointe/advisor-case-consult**

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SOUND GUIDANCE THROUGH THE SHIFTING TIDES

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Illustrative example; the client described is fictional and not drawn from any matter. General education only, not legal or tax advice. Property rules vary by state, and the agreement itself is drafted by the client's attorney.