

Financial Remedies Case Law Update

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[EC v EC \[2026\] EWFC 275](#) concerned the validity of a pre-nuptial agreement (“PNA”) entered into by the parties in 2008. At a preliminary issue hearing, Mr Justice Peel considered W's case that the PNA should be disregarded in its entirety on grounds including undue influence or inappropriate pressure, lack of independent legal advice, lack of understanding of its implications, and misrepresentation or inadequate financial disclosure.

Peel J concluded that the parties had entered into the PNA freely and with a full appreciation of its implications, that there was no vitiating factor and that there was nothing which justified reducing the weight to be attached to it. He therefore held that the PNA was “**presumptively dispositive**”[91].

W's needs remained to be determined at a subsequent hearing as part of the overall section 25 Matrimonial Causes Act 1973 exercise. Peel J also gave guidance on the use of preliminary issue hearings to determine challenges to PNAs, emphasising that although such a course is available, it is likely to be the “exception rather than the rule” [9].

[EC v EC \[2026\] EWFC 275](#)

Background

H was aged 81 and W 73 at the time of the hearing. This was H's second marriage and W's third. They began living together in December 2007, signed the PNA on 30 October 2008 and married on 27 December 2008. They had no children together. They separated in mid-2025 after a marriage of approximately 16½ years.

The great majority of the wealth had been accumulated by H before the marriage through property investment. H's case was that the parties' assets were worth approximately £42 million net, whilst W considered it to be closer to £50 million. H's business interests included a substantial property-holding company established in 1971.

W had also been successful before the marriage, running three children's nurseries. She maintained that she reduced her involvement in her businesses during the relationship and subsequently assisted H with aspects of his businesses and cared for him as his health declined. Peel J found, however, that her involvement in H's businesses had been limited to the smaller companies and that she had played no role in the two main businesses.

Most of H's property portfolio had been acquired before the marriage and there had been little property churn thereafter. Peel J considered that any subsequent increase in value was therefore likely to have resulted largely from passive or latent growth. He expressed doubt that W would have any meaningful sharing claim even if the PNA were ultimately disregarded.

The Pre-Nuptial Agreement

The PNA was a document of three pages which Peel J described as “admirably clear and easy to understand.”[21]

It recorded that H had existing assets including the former matrimonial home, said to be worth approximately £1.5 million, and a 91% shareholding in his principal company, whose capital assets were stated to have a gross value of approximately £36 million. W's assets were recorded as being worth approximately £2 million.

The broad effect of the agreement was that [21]:

- each party would retain property held in their respective sole names, including property subsequently acquired in their sole name;
- each bears responsibility for their own debts
- each would retain their own pensions and savings;
- neither would make a claim against the other's business interests established before the marriage;
- jointly acquired assets were presumed to be shared equally; and
- H would make testamentary provision permitting W to remain in the family home for a period following his death.

The PNA did not expressly exclude claims for periodical payments. If applied according to its terms, W would retain her own assets, then worth approximately £942,000 together with modest other assets, and half of the parties' jointly owned US property portfolio, worth approximately £1.625 million before tax.

Preliminary Issue

W commenced financial remedy proceedings in August 2025. In April 2026, Peel J directed that the case should be listed for a preliminary issue hearing concerning the PNA.

The issues identified by the court were whether:

1. whether the PNA was valid or had been vitiated;
2. the weight attributable to it should be reduced;
3. the meaning of it;
4. whether the parties had a full appreciation of its implications; and
5. what impact it should have upon the substantive financial remedy proceedings.

W sought to have the PNA disregarded in its entirety. Her grounds of challenge were:

1. undue influence/inappropriate pressure;
2. lack of independent legal advice;
3. lack of understanding of its implications/consequences;
4. misrepresentation of assets, lack of financial disclosure or mistake; and
5. failure to meet her needs.

Peel J determined that the question of needs should be left until the subsequent disposal hearing [4]. Peel J considered the appropriateness of determining the status of a PNA as a preliminary issue. He accepted that this was a legitimate case management option and referred to [BI v EN \[2024\] EWFC 200 \(Fam\)](#), in which Cusworth J had identified circumstances in which early determination of the validity of an agreement might avoid unnecessary valuation, accountancy and tax evidence. However, Peel J emphasised that such a course is unusual. Ordinarily, it will be quicker and less

expensive to determine the PNA alongside all the other section 25 factors at the final hearing. Doing so also enables the court to hear all the evidence together and assess the case “in the round” [7].

The particular circumstances justified a preliminary hearing in [EC v EC](#), given that there was court time available and the parties were also available. In any event the case could not proceed immediately to final hearing because further valuation evidence was likely to be required. Peel J nevertheless emphasised that: “I am not for one moment suggesting that this will generally be the appropriate way forward when a PNA is in dispute.” [9]. He considered preliminary determination of a PNA likely to be the exception rather than the rule. Even where findings are made at a preliminary hearing, the court must subsequently consider all the section 25 factors in the round before determining the overall outcome, and the same judge should ordinarily deal with both stages.

The Relevant Law

PNAs

Peel J referred to his summary of the principles governing PNAs in [AH v BH \[2024\] EWFC 125](#). That summary identified [Radmacher v Granatino \[2010\] UKSC 42](#) as the leading authority and set out the principal propositions derived from it.

The overarching obligation remains to achieve a fair outcome by reference to the section 25 criteria. A PNA is an important relevant factor, but it is not determinative merely by virtue of its existence and the weight attributable to it will depend upon the circumstances.

The principal propositions include:

- for a PNA to carry full weight, each party must have entered into it freely, without undue influence or pressure and with an appreciation of its implications;
- each party should possess the information material to their decision and intend that the agreement should govern the financial consequences of the marriage ending;
- duress, fraud or misrepresentation may negate the effect of an agreement, whilst undue pressure or exploitation of a dominant position may reduce or eliminate the weight attributable to it;
- the parties' age, maturity, previous relationships and the circumstances existing when the agreement was executed may all be relevant;
- respect should be afforded to the parties' autonomy in deciding how their financial affairs should be regulated;
- [the court should give effect to an agreement freely entered into with a full appreciation of its implications unless it would be unfair in the circumstances prevailing to hold the parties to it](#); and
- needs and compensation are more readily capable of making it unfair to hold the parties to an agreement than the sharing principle.

Ultimately, it remains the court, applying the Matrimonial Causes Act 1973, which determines the outcome.

Non-Disclosure

Of relevance was the Court of Appeal decision in [Helliwell v Entwistle \[2025\] EWCA Civ 1055](#). In *Helliwell*, the wife had disclosed assets of £18.2 million in a PNA but had failed to disclose further assets worth £47.8 million. The undisclosed assets were approximately 73% of her true wealth. The Court of Appeal held that the deliberate and fraudulent non-disclosure vitiated the PNA. Peel J distinguished between deliberately failing to disclose the existence of a substantial asset, as

occurred in *Helliwell*, and questions concerning the accuracy of an approximate valuation of assets whose existence was known. Peel J also referred to [LIN v PAR \[2025\] EWFC 401](#). Non-disclosure may be fraudulent or inadvertent. Where it is intentionally fraudulent, materiality is presumed and the burden falls upon the representor to establish otherwise. Where non-disclosure is inadvertent, the representee bears the burden of establishing materiality.

The Court's Decision

The circumstances surrounding the PNA

Peel J placed considerable weight upon the contemporaneous documentary evidence. The PNA had been executed almost 18 years before the hearing and the parties' recollections were inevitably affected by the passage of time. Although the parties disagreed about who had first proposed the PNA, Peel J preferred H's evidence that it had been W's suggestion. Peel J found that regardless of who initiated it, both parties were willing participants.

Both had been married and divorced before, were mature, had accumulated assets independently and did not intend to have children together. Peel J described the circumstances as a “paradigm” case for a PNA [43]. The agreement had been negotiated with the assistance of specialist solicitors over approximately two months and signed two months before the wedding. During that period neither W nor her solicitors raised concerns about its terms, the disclosure provided, pressure upon W or her understanding of the agreement. Peel J's overarching finding was that both parties had entered into the agreement “willingly and freely, with a full appreciation of its meaning and implications.” [70]

Undue influence and inappropriate pressure

Peel J rejected W's case that she had been subjected to undue influence or inappropriate pressure. The contemporaneous correspondence showed an amicable process. There was no evidence that W had expressed concern to her solicitors about being pressured.

W relied in part upon her understanding that the marriage might not proceed unless the PNA was signed. Peel J observed that there is likely to be some degree of pressure in many PNA cases because the parties appreciate that a marriage might not proceed in the absence of agreement. The critical question is whether the pressure is undue. Referring to [MN v AN \[2023\] EWHC 613 \(Fam\)](#), Peel J noted that it is not, without more, unfair or undue pressure for a party to say that they will not marry without an acceptable PNA. On the facts, there was no undue pressure. W had willingly signed an agreement which reflected the parties' intentions and which both understood.

Independent legal advice and understanding

Peel J also rejected W's contention that she had not received independent legal advice. The solicitor's file demonstrated that W's solicitor had taken her through the terms of the PNA and explained the relevant legal framework. Although W had denied this in her written evidence, she accepted evidence that those matters had in fact occurred. The Judge found W's evidence on this matter to be inconsistent. The solicitor's contemporaneous letter recorded that W understood the agreement and was happy to accept the deed as drafted. Peel J was satisfied that W was fully aware of the implications and consequences of signing it.

Financial disclosure and misrepresentation

Peel J rejected W's challenge based upon misrepresentation, inadequate disclosure and mistake, describing that aspect of her case as having been “reconstructed by W ex post facto” [82]. The financial disclosure contained within the PNA was undoubtedly approximate. However, both parties understood that it was approximate and neither sought further details. W knew that H was considerably wealthier than her and was aware of the existence of assets beyond those individually identified in the PNA. Peel J considered that the parties had a sufficiently broad understanding of each other's financial positions for the purposes of the agreement.

This distinguished the case from *Helliwell*. In *EC v EC*, the challenge at its highest concerned the quantification of assets rather than concealment of their existence. Peel J found no non-disclosure. Even if there had been some deficiency, it would have been unintentional and immaterial. W herself had accepted in evidence that she would have entered into the PNA even if H's wealth had been as high as £70 million. The PNA had also incorrectly described H as the legal owner of the former matrimonial home when it was in fact owned by a trust of which he was the principal beneficiary. Peel J did not consider this sufficient to vitiate the agreement. W had subsequently been informed of the trust structure and did not seek further information or amendment of the PNA.

The parties' subsequent conduct

Peel J also regarded the parties' conduct during the marriage as significant. Their financial affairs had broadly been conducted consistently with the PNA. They kept their assets separate other than the jointly acquired US property portfolio, did not operate a joint account and did not mingle their resources. H had also provided for W financially throughout the marriage and made testamentary provision for her, consistently with the matters contemplated when the PNA was entered into.

Needs

Peel J did not determine W's needs claim at the preliminary hearing. W sought approximately £2.563 million for housing, a car and furnishings together with annual income of £74,000. The PNA did not exclude periodical payments. The appropriate provision for W's needs was therefore left to the final hearing, at which the court would undertake the overall section 25 exercise having regard to the PNA, H's assurance that W would be looked after, the marital standard of living, the length of the relationship and the parties' resources. Peel J considered that “needs should always have been the focus of W's case” [90], rather than the unsuccessful attempt to invalidate the PNA.

Determination of the Preliminary Issue

Peel J concluded that there was no vitiating factor requiring the PNA to be disregarded and nothing which justified reducing the weight attributable to it. The PNA was therefore “presumptively dispositive.”

Although W was not technically barred from pursuing a sharing claim in respect of post-2008 growth, Peel J considered such a claim “highly improbable” [92]. The purpose of the PNA was to protect the parties' separate assets and businesses; most of H's property portfolio had been acquired long before the marriage; and any increase in its value was likely predominantly to represent passive growth.

Conclusion

EC v EC provides a useful application of the *Radmacher* principles to a challenge brought many years after a PNA was executed. It demonstrates that the court will examine the circumstances surrounding an agreement closely but will respect the parties' autonomy where mature and independently advised parties freely entered into an agreement with an adequate understanding of its implications.

The case is also useful on financial disclosure in PNAs following *Helliwell v Entwistle*. The judgment demonstrates the distinction between deliberate concealment of the existence of substantial assets and parties knowingly proceeding on the basis of approximate financial information. Full forensic disclosure is not necessarily required in every case: the question is whether the parties possessed the information material to their decision and had a sufficient appreciation of the implications of the agreement. In EC v EC both parties deliberately proceeded on a broad understanding of their respective wealth and the alleged deficiencies were neither fraudulent nor material.

Describing the agreement as “presumptively dispositive” did not make it contractually binding or remove the court's obligation to determine a fair outcome. W's needs remained capable of justifying provision beyond the strict terms of the agreement, and those needs were reserved for the final hearing.

Finally, the case provides useful case-management guidance. A challenge to a PNA can be determined as a preliminary issue, particularly where doing so may narrow the subsequent issues and avoid unnecessary valuation or expert evidence. However, Peel J made clear that this is likely to be the exception rather than the rule. Ordinarily, the preferable course will be for the court to determine the PNA alongside the other section 25 factors at final hearing so that the evidence and the fairness of the overall outcome can be considered in the round.



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