

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT,
IN AND FOR PALM BEACH COUNTY, FLORIDA

IN RE: THE MARRIAGE OF:

CASE NO.: 5020 [REDACTED] DR00 [REDACTED] XXXXNB

[REDACTED],
Petitioner/Husband,
and

FAMILY DIVISION "FI"

[REDACTED],
Respondent/Wife,
and

[REDACTED]
[REDACTED],
Third Party Defendant,
and

[REDACTED]
[REDACTED],
Third Party Defendant,
and

[REDACTED],
A Florida Limited Liability Company,
Third Party Defendant.

_____/

**ORDER ON HUSBAND'S MOTION TO BIFURCATE THE VAILIDITY OF THE
MARCH 22, 2000, ANTENUPTIAL AGREEMENT**

THIS MATTER came before the Court upon Husband's Motion to Bifurcate the Validity of the March 22, 2000, Antenuptial Agreement, through their respective counsel. The Wife was present and represented by Eddie Stephens, Esquire and Caryn A. Stevens, Esquire. The Husband was present and represented by [REDACTED], Esquire. While the only relief sought in the Husband's motion was to bifurcate the proceedings, of which an Agreed Order was already entered on July 21, 2022; by consent of the parties, the Court addressed the validity of the Agreement at the March 22, 2000.

The Court, having reviewed the file, heard and considered the testimony and credibility of the witnesses, reviewed all exhibits, heard and considered all arguments of counsel and being otherwise fully advised in all premises, finds as follows:

1. At issue in this hearing was the validity of the parties March 22, 2000, Antenuptial Agreement (hereafter “Agreement”). The Wife asserts the purported Agreement is invalid due to the Husband’s failure to disclose his financial net worth.

2. The Agreement erroneously states, “no disclosure is necessary under Florida law.” The only evidence of financial disclosure made to the Wife was a statement in the purported Agreement, that the Husband’s assets “are in excess of Four Million Dollars (\$4,000,000)”. The Husband failed to provide any other specifics as to his net worth.

2. The Wife’s challenge to the Agreement was based on the “Indirect Method” provided by *Casto v. Casto*, 508 So.2d 2016 (Fla. 1987). As such, the Wife had the initial burden to establish that at the time of execution, the Agreement was unreasonable. The burden then shifts to the Husband to rebut the presumption by showing there was either a full financial disclosure was made to the Wife by the Husband before signing the Agreement, or the Wife had a general and approximate knowledge as to the extent of the Husband’s net worth and income at the time. *Casto* at 333.

3. ██████████, Esquire testified that he is an attorney in good standing with the Florida Bar. According to his testimony, he represented the Wife in connection with the execution of the Agreement in 2000. Mr. ██████████ candidly acknowledged having no recollection of being hired by the Wife and/or any of the facts and circumstances surrounding the execution of the Agreement, including but not limited to whether the Wife had any questions or whether the

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Husband and/or his attorney ██████████, provided any financial disclosures prior to the execution of the Agreement. Mr. ██████████ stated that had any financial disclosures been provided, his practice would have been to have the parties initial and attach the disclosures to the Agreement. Mr. ██████████ did not recall seeing the Husband's net worth statement, and had no idea how they arrived at the \$4 million reference in the Agreement.

4. ██████████, Esquire testified that he is an Attorney in good standing with the Florida Bar, and that he represented the Husband during the execution of the Agreement. When asked if the agreement was fair to the Wife, Mr. ██████████ responded “[i]t was fair to his client [the Husband].” Mr. ██████████ then rationalized that the agreement was fair, even though it waived the Wife's right to alimony and marital enhancement of the Husband's pre-marital assets, because he believed the Wife would someday receive a substantial inheritance from her family which, pursuant to the terms of the Agreement, would be the Wife's separate property should the parties divorce. Mr. ██████████ conceded he did not know whether the provisions in the Agreement were actually fair to the Wife; however his belief was that in 2000, prenuptial agreements did not require financial disclosures.

5. Mr. ██████████'s belief that financial disclosure was not required in 2000 is erroneous. As cited above, the Florida Supreme Court decided *Casto* in 1987, which unequivocally established the necessity of financial disclosure when an “indirect challenge” is lodged.¹

¹ *Casto* also provides a “direct method” to challenge the validity of the agreement which occurs when one spouse does not enter into an agreement freely and voluntarily. To be clear, the Wife stipulated on the record that she sought only to invalidate the antenuptial agreement in this case based on the “indirect method.”

6. Additionally, Mr. ██████████ incorrectly assumed if the Wife received a substantial inheritance from her family during the marriage (which she did not) that the agreement would be fair for the Wife. Florida Law clearly provides that any inheritance received by the Wife would be separate non-marital property. *See* Florida Statutes §61.075(6)(b)(2). While the Wife waived rights to alimony and equitable distribution, she did not obtain any additional benefits and/or protection, as any inheritance (if received) would be non-marital. Accordingly, the Husband failed to establish that the Agreement was fair to the Wife.

7. According to the testimony, after approximately twenty-two years the Wife has not received any inheritance from her parents.

8. Mr. ██████████ testified that the \$4 million reference in the Agreement came from a “net worth” statement that was prepared for estate-planning purposes (Wife’s Exhibit 1). No evidence was presented establishing the Wife ever received a copy of the net worth statement.

9. Ultimately, the Husband acknowledged the net worth statement did not include his real estate holdings worth approximately \$1,000,000.00. Despite the obvious omission of his real estate holdings, even if the Court were to assume the net worth statement was provided to the Wife, the Husband refused to admit or acknowledge the it was inaccurate.

10. The Husband conceded he did not disclose his income to the Wife prior to the execution of the Agreement. In essence, according to his testimony, the Wife should have had an understanding of his net worth as he paid for their entertainment and travel expenses. The Husband did concede the Wife had no knowledge of his ownership interests in multiple international businesses.

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11. Initially, when asked what his income was in 2000, the Husband stated it was “probably close to a million dollars a year.” Later, he stated his income was approximately \$100,000.00 to \$300,000.00. When questioned on re-direct by his attorney, the Husband said his income was approximately \$500,000.00.

12. The Court does not find the Husband’s testimony credible or reliable.

13. According to the Wife’s testimony, she had no understanding of the Husband’s net worth; she did not receive any financial disclosure from the Husband; and that she signed the agreement the same day it was presented to her.

14. The agreement provides that upon a divorce, the Wife would become the income beneficiary of a trust to be established by the Husband in the event the parties divorced. The trust would be funded and capped at \$500,000.00. Upon the Wife’s death, remarriage, or upon the establishment of a supportive relationship, the money in the trust would be returned to the Husband’s control. Assuming a generous interest rate of 5%, this would generate income for the Wife of \$25,000 per year or \$2,083 per month.

15. According to the Husband’s forensic accountant, ██████████, CPA, “one could read the trust as being the trustee can distribute the corpus as well as the income or include the trust corpus 1.2 million to 1.8 million, over 4 million bucks, that’s about 30 to 45 percent.” Mr. ██████ gave no explanation as to how the corpus of the trust would be 1.2 million to 1.8 million, when Mr. ██████ testified the trust would be funded at the time of the divorce and capped at \$500,000. Further, Mr. ██████ erroneously based his analysis assuming the Husband’s net worth was \$4 million at the time of execution of the agreement.

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16. As detailed above, the Court finds the Wife has met her burden of demonstrating that at the time of execution the Agreement was unreasonable. It was unfair and unreasonable for the Wife to enter into the purported Agreement without having a full knowledge of the Husband's net worth and income. The Court finds the agreement is unfair, as it would not provide adequate support for the Wife in the event of a divorce after a long-term marriage from a self-proclaimed multimillionaire businessman Husband.

17. Further, the Court finds that the Husband failed to rebut the presumption by showing there was either a full, frank disclosure to the Wife by the Husband before signing the agreement, or that the Wife had a general and approximate knowledge of the extent of the Husband's net worth and income at the time of the agreement. The Wife had no specific nor approximate knowledge of the extent of the Husband's net worth when the Agreement was executed.

Based on the forgoing it is hereby

ORDERED AND ADJUDGED that the parties Antenuptial Agreement dated March 22, 2000 is **INVALIDATED** and hereby **SET ASIDE**.

DONE and **ORDERED** in CHAMBERS, in Palm Beach Gardens, Palm Beach County, Florida on this _____ day of January 2023.

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 Karen M. Miller Circuit Judge

██████████ 01/11/2023
Karen M. Miller
Circuit Judge

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Copies Furnished to:

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[REDACTED]
[REDACTED], *Counsel for Husband and Third Party Defendants* [REDACTED]

[REDACTED]
[REDACTED]”

[REDACTED]
[REDACTED], [REDACTED]
[REDACTED]”