

Bob and Mary Divorce Settlement General Information

Bob and Mary, high-school sweethearts, have been married for 25 years. Their relationship throughout the last 5 years however, has been tumultuous. Mary is a highly touted plastic surgeon in Beverly Hills. Mary feels her success was a direct result of Bob's support. Bob did not attend college. Rather, with only a high-school diploma, Bob worked odd jobs while Mary was attending UCLA Medical School. Using his unusual business savvy, Bob provided Mary with living expenses and paid her tuition with—
tuition.—

Upon graduation, Mary formed a Professional Corporation, at which point she hired Bob to conduct the business functions of her plastic surgery operation. Mary's medical practice has been highly successful, due in part to Mary's superior skill with a scalpel, and Bob's aggressive business strategies. Bob is not paid salary; rather income earned from the Professional Corporation is transferred into Bob and Mary's joint account (current holdings approximately \$3 million).

One year after Bob and Mary married, Bob's mother gifted a house to Bob. The gift was intended solely for Bob. Expecting their 1st child, Bob and Mary decided to hold joint title in the house. The house is now paid in full and owned in fee. Currently, Bob and Mary have 2 children: Adrian and Sam. Adrian is attending her 2nd year at UCLA, while Sam goes to a private *high* school. Bob, Mary, and Sam still live in the same Beverly Hills home along with their dog Scruffy. Unlike many Beverly Hills families, Bob and Mary do not have many material possessions. The two do however have a rare Porsche collection.

What was seemingly a model of family success has become tainted. Bob has recently learned that Mary has been having an affair with actor and client, Mr. Hollywood. As a result, Bob has filed for divorce. Publicizing Mary's affair would have adverse effects on both her and Mr. Hollywood's careers. Accordingly, Mary has entrusted her attorney to "fix the problem." Embarrassed, Bob has likewise agreed to negotiate in good faith with Mary in hopes of keeping Mary's affair quiet.

Attorneys for Bob and Mary have agreed to meet, in an attempt to effectuate a settlement agreement and bypass California's Community Property Scheme.

Note:

- As a general rule, any property belonging to an individual before marriage would remain their property upon divorce; whereas property acquired after marriage is considered community property, and divided equally.
- Both attorneys have authority to conclude this matter.

Confidential Facts for Mary

Mary has informed you that it is very important for her to keep her plastic surgery practice. She no longer wants Bob involved in any aspect of her business. If absolutely necessary, she is willing to offer Bob a severance package, including a reasonable lump sum payment and back pay for his previous work that he considers uncompensated.

Additionally, Mary wants sole custody of their minor son, Sam. She is willing to agree to visitation, but she is adamant about retaining sole custody. Joint custody is just not an option. Sam attends a private high school in the neighborhood, and Mary is insistent that Sam remain there. Mary also wants to keep Scruffy, the family dog, as Sam would be devastated without him.

Mary wants to keep the house because of its convenient location. It is near both Sam's school and Mary's office. Although Mary does not care much about Bob's rare Porsche collection, she knows how much he loves the cars and hopes that you will be able to use them as a bargaining tool.

Mary has a feeling that Bob is also having an affair with the office receptionist, although Mary has no confirmation of this and does not have any facts upon which to base the assumption. Nonetheless, Mary wants you to be aware of her suspicion, particularly because Bob is acting so upset about Mary's affair; she knows he will attempt to use it as leverage.

Finally, Mary wants Bob to remain quiet about her affair. She absolutely refuses to sign any agreement unless it contains a confidentiality clause regarding her affair and anything related to it. Mary does not want gossip of her affair spreading and affecting her clients' opinions of her. She is already distraught about the rumors spreading regarding their separation and pending divorce.