

Asset Protection

by Ann Janssen

In estate planning

As part of your estate planning, we look at how to protect your assets so that they pass to your intended beneficiaries. The use of testamentary trusts is a great way to protect your inheritance from going “L” shaped at the next generation (that is to in-laws or third parties on the later death of your beneficiary).

Other measures, such as joint tenancies, binding nominations (for super) and mutual wills may be appropriate to siphon assets to certain beneficiaries and shield them from potential litigation (family provision claims).



Asset protection generally

Estate First can advise you on the various structures appropriate for you to achieve greater asset protection for your hard earned wealth, including:

- Use of trusts, how to structure them for additional protection and what to hold in them. Discretionary Trusts (sometimes called "Family Trust") offer asset protection in various situation because they quarantine the assets of the trust;
- Use of companies, when to use them and when not to. Companies are separate legal entities from the persons who control them and again offer asset protection in a number of circumstances, particularly in business. However, companies do not necessarily receive the same capital gains tax concessions as individuals and trusts, so advice should be taken before using them to hold investments;
- Binding financial agreements between you and your partner to protect assets in the event of relationship breakdown. One of the best ways to preserve your assets in the event of relationship break down is to enter into a Binding Financial Agreement with your partner. These agreements can be entered before or after the relationship commences;
- Buy/Sell agreements, partnership and shareholder's agreements to protect your business interests in the event of your death, your business partner's death (or incapacity) or a break down in the relationships.

This information is general in nature and should not be acted upon without first obtaining legal advice on your particular situation. To find out more or to make an appointment, phone us on 1300 132 567 or email us info@estatefirst.com.au