

General Information

TRUST AND ESTATE PLANNING

A trust is an entity created to hold assets (or property) managed by a designated individual or a company (known as the trustee) according to instructions of an individual or company (known as the settlor) typically set out in a trust deed. Normally, the trust is created by the settlor's signed declaration instructing the trustee regarding ownership, investment and distribution of assets designated to be owned under the trust.

The purposes of a trust may include:

- (1) Distributing assets to intended recipients;
- (2) Minimizing risks of complicated and litigious estate proceedings;
- (3) Protecting assets from the settlor's creditors;
- (4) Separating ownership of assets among or between individuals or companies;
- (5) Maintain privacy in ownership of assets.

The first two purposes are the main reasons for creating trusts in estate planning. We advise clients as to advantages of creating a trust(s) as an adjunct consideration along with the completion of a will for better management and distribution of property. A trust assists beneficiaries by ensuring assets owned by the trust are protected from others and properly invested until distribution. Also, trusts can seek to minimize taxes payable upon death so beneficiaries obtain maximum financial benefits upon distribution of assets.

Another common purpose of a trust is to maximize protection of assets from being seized to satisfy a judgment obtained by a creditor. We are also well-versed such asset protection strategies and providing our clients with numerous tax saving devices. We advise on various kinds of trusts including: Hong Kong Trusts & Estate Planning

Asset protection trusts;

- ❖ Charitable trusts;
- ❖ Inter vivos trusts;
- ❖ Discretionary trusts;
- ❖ Education trusts.

We also advise on trusts and estate planning matters involving parties and/or assets located in foreign jurisdictions using lawyers qualified to practice in other jurisdictions.