

4 REASONS TO CONSIDER USING A TRUST TO PROTECT ASSETS

By Sally Hanley-Whitworth, CFP® | Executive Vice President, Wealth Services

When thinking about legacy and assets, it's nice to think that matters will unfold precisely as we want them to. Of course, that doesn't happen all that often. While there are no complete guarantees, there are ways to protect your assets and legacy by using a trust.

When trying to decide how to best keep your assets intact and legacy whole, a trust can be one way to do that. Here are four reasons to consider using a trust to protect your assets:

No. 1 | Distributing Assets to Family Members

It's not an uncommon worry—what happens if a child or grandchild gets access to their inheritance before finishing college or reaching some other goal? Will a suddenly “rich” child squander the parent's legacy before it reaches the grandchildren? There may be a desire to ensure that a special needs child will be cared for, even if the parents become incapacitated.

The right trust can provide this ability as part of [your estate planning efforts](#). It's possible to set up trusts that come with specific instructions, to ensure that the funds will be used exactly as you requested. A knowledgeable lawyer who specializes in trusts and a financial advisor can help craft the right trust to meet specific needs and requirements.

No. 2 | Meet Philanthropic Goals

It's natural to want to leave a legacy behind. When you wish to donate to charity in the future, or leave a legacy that better the world, a trust can help achieve this goal. Charitable trusts can be designed to help direct assets toward favored causes.

Charitable trusts can also be structured to work while you are still alive. This type of trust is one way to provide income for yourself, distribute assets to good causes, and even to receive a tax benefit.

With the right trust arrangement, it's possible to protect your assets, help those in need, and even secure a legacy for children and grandchildren.

No. 3 | Protect Assets from Others

Depending on how a trust is structured, it's possible to use one to protect assets from creditors and the government as they are passed down to heirs. Additionally, depending on the circumstances and the trust, it is possible to use this tool to protect some assets in a divorce.

Whether you are concerned about being sued, or worried about what happens during an economic event, assets have a better chance of being protected when they are placed in a trust before the situation arises. Speak with a knowledgeable attorney about the potential protections, and to learn how a trust can potentially protect assets from others, even while you are still alive and able to access them.

No. 4 | Professional Management

Creating a trust and appointing professionals to manage the assets can help avoid some of the pitfalls that come with managing the assets yourself or relying on family members to manage the assets.

For starters, there is the peace of mind that comes with having a professional manage your trust should you become unable to manage your own affairs.

Additionally, it can result in a smooth transition to heirs, who could be unsophisticated investors without the knowledge and means to understand asset management. Without guidance, their mistakes could lead to significant financial woes.

A trust with professional management can also help preserve family unity. A professional can manage the trust and take on the fiduciary responsibility. There will be less chance of family discord in this case than if one of the children or another relative is appointed to be in charge of managing the assets in the trust.

As you consider the future, a consultation with a financial advisor will help you determine if a trust is the right move for you.

For more information, please call **407.585.1160**

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