

Sustainable Family Wealth Strategies Series

WILL WRITING ≠ SUCCESSION PLANNING

Confiance Family Office @ September 2024



When it comes to managing one's estate, many individuals often conflate Will writing with wealth succession planning, assuming they serve the same purpose. However, this misunderstanding can lead to inadequate preparations for the future. While a Will primarily outlines how assets will be distributed upon death, wealth succession planning encompasses a far broader strategy that considers the complexities of financial management, family dynamics and long-term legacy preservation. Understanding the difference is crucial for ensuring a smooth transition of both assets and values to the next and future generations.

Streamlining Wealth Succession Across Generations

Ensuring a Smooth Transition: Understand the Difference

Aspect	Will	Succession Planning
Instrument	Will	Trusts, Private Foundation, Family Office
Scope of Planning	Focuses on asset distribution upon death	Holistic approach encompassing financial, legal, and emotional aspects
Tax Implication	Ineffective to address changing tax regimes	Include strategies to minimize estate and inheritance taxes
Business Continuity	Unable to consider operational strategies that may change over time	Ensures smooth business operation and transition after death
Family Dynamics	Does not facilitate dissenting kindred relationships	Involves communication and mediation to manage dissenting family objectives
Philanthropic Goals	Less flexible, it requires legal revisions for changes and is limited to asset distribution at death	Highly flexible, encourages proactive family engagement, enabling ongoing and long-term contributions
Living Benefits	Does not address incapacity management	Includes provision for managing health and finances while incapacitated
Long Term vision	Provides immediate post-death distribution	Requires a forward looking approach for multiple generations
Flexibility and adaptability	Static documents that may become outdated	Ongoing process that adapts to changing circumstances and goals
Legacy beyond assets	Focuses primarily on material possessions	Emphasizes the transfer of values, teachings, and family culture

Streamlining Wealth Succession Across Generations

In summary, the distinctions between will writing and wealth succession planning are significant and impactful. A will serves a limited function by addressing only asset distribution whereas wealth succession planning offers a comprehensive solution that safeguards assets, minimizes taxes, and fosters family unity across generations. By recognizing the importance of a well-thought out succession plan, individuals not only secure their financial legacies but also instill their values and teachings in their heirs. Ultimately, investing in thorough wealth succession plan will provide a lasting legacy that transcends mere financial inheritance.



Secure Your Family's Legacy – Confiance FO

We recognize that each family is unique and requires customized strategies. Confiance Family Office, part of the Confiance Group of Companies, offers specialized services to optimize family business operations and enhance wealth management. Our experienced team excels in tailored solutions that able to develop an effective wealth succession plan. At Confiance Services, we focus on your priorities:

- ◇ Company Secretarial
- ◇ Accounting & Treasury
- ◇ Labuan Business Set-up
- ◇ Training & Development
- ◇ Tax Compliance & Advisory
- ◇ Payroll & HR Management
- ◇ Trust & Fund Administration
- ◇ Strategies & Advisory

For more information, visit www.myconfiancegroup.com.

We are confident of our service deliveries and strive to earn your trust in us – **CONFIANCE**.

Contact your Family Wealth Sustainability Advisor today to discover customized strategies to secure your family's legacy and successful wealth planning:

Catherine YUAN (Principal Advisor, TEP, Labuan Trust Officer) |
+60 10 - 940 7200 | **Catherine@myconfiancegroup.com**