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# Estate Planning-the journey all clients travel

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# What is estate planning?

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- Planning for the inevitable
- Having consideration for the possible
- Helping ensure the wishes of the client are met
- Reducing cost, minimizing complexity and mitigating challenge
- Assisting the next generation to cope with wealth
- Wills, Enduring Powers of Attorney (EPAs), Trusts

# Why you need to assist your clients to “get it right”

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- The weakest link argument
- The majority of New Zealanders have not sorted their estate planning
- Plan for the client rather than plan for the portfolio
- Enable the client to meet their goals and objectives
- Create a solid relationship with ‘the next generation’

# How does estate planning fit within your advice process?

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- Is estate planning raised in your initial Client Questionnaire or ongoing Annual Review process?
- Do you check the nexus between financial & investment advice, asset ownership and beneficial interest is in harmony?
- How does your advice affect the client's estate planning objectives?
- Are you involving the client's estate planning adviser?

# Life Events 1-Starting out in Life

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## Facts ....

- Single person
- KiwiSaver balance \$17,000.00
- Group Life Cover through employment
- Planning to travel
- Separated Parents
- Has Replacement Income Insurance
- Has just purchased first home



# Life Events –Starting out in Life

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The issues.....

- With no will, the Administration Act will be applied to deal with the estate
- If travelling who has authority to manage assets
- Inheritance from Parents(2)
- Potential new relationship

# Life Events-Starting out in Life

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## The Solution.....

- Get will in place
- Get an Enduring Power of Attorney in Place
- Consider Establishment of Trust
- Have Parents establish Inheritance Trust



# Life Events 2 -Marriage

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The facts.....

- Bill & Mary engaged
- Wedding date set for three months
- Have assets owned individually
- Have assets owned jointly
- Elderly Parents



# Life Events-Marriage

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The issues....

- Effect of Marriage
- Ownership of assets
- Potential inheritances
- Property Relationships Act

# Life Events-Marriage

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## The Solution.....

- New Wills
- Contracting out agreement
- Consider Separate Trusts or Inheritance Trusts
- Review ownership of Assets
- Enduring Powers of Attorney

# Life Event 3 - Children

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The facts.....

- Children born of relationship
- Children of previous relationship
- Child adopted out
- Child with Physical & Mental Issues



# Life Events-Children

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The issues.....

- Equity
- Greater Needs of children with Issues
- Guardianship
- Age of Inheritances

# Life Events-Children

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The solution....

- Wills-age of inheritance, appointment of Guardians, provision for different classes of children
- Trust- Inter Vivos Trust, memorandum of wishes, Protective Trust pursuant to will

# Life Events 4 - Divorce/Separation

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The facts.....

- Client recently divorced
- Has assets owned jointly & individually
- Has current will made when married
- Not reviewed since Divorce/Separation
- Has EPA's in favour of Former Spouse



# Life Events-Divorce/Separation

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The issues....

- Will –effect of divorce/separation
- Appropriateness of Will
- Appropriateness of EPA's



# Life Events-Divorce/Separation

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## The Solution.....

- New Will
- New EPA's & revocation of old EPA's
- Establish Trust

# Life Events 5 - Establishing a Business

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The facts.....

- Client recently established a company with 2 Friends
- Three Shareholders
- Three directors
- Personal Guarantees given
- Owns own Home
- Is Co-Trustee with other Shareholders of each others Trusts
- Has investment portfolio with you



# Life Events-Establishing a Business

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The issues.....

- Personal Liability
- Director liability
- Trustee Liability
- Continuity of Business
- Protection of business from death
- Protection of Family Home

# Life Events-Establishing a Business

The solution.....

- Establish Family Trust to own lifestyle assets
- Separate Trust to own Company shares
- Buy/Sell Agreement
- EPA's re Business interests
- EPA's re Personal assets

# Perpetual Guardian – Who are we?

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- Perpetual Guardian (2014) is the combination of NZ Guardian Trust (1882) & Perpetual Trust (1884)
- We have a national presence with a team of over 200
- Largest Trustee in the charitable sector in NZ
- Fiduciary specialists

# How we can help you

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- You deliver great service
- You exceed client expectations
- You improve retention and NPS
- You meet compliance requirements
- We work with your clients and they remain YOUR clients
- We focus on meeting the clients objectives as a neutral party
- We embrace technology efficiencies
- We keep you informed