

## Rock-solid asset protection in Switzerland and Liechtenstein

Financial success makes any investor a potential target for litigation, and wealth has never been as vulnerable as it is today. For most people, the complexities of offshore trust solutions for asset protection can be daunting. However, money invested in a Swiss or Liechtenstein insurance policy is **one of the simplest and safest ways to increase your protection from legal assault**. Switzerland's and Liechtenstein's long tradition of providing confidentiality and safety to investors is extended to Swiss insurance policy. This is vital to investors who want to ensure that their growing investments are not subject to claims by individuals or governments.

A Swiss or Liechtenstein insurance policy will give you this extraordinary level of asset protection **if** it meets the following conditions:

- You have designated your spouse or descendants (i.e. children) as beneficiaries, or
- You designate anyone as an irrevocable beneficiary, and
- Designation of either beneficiary described in numbers 1 and 2 occurred more than 12 months prior to bankruptcy proceedings or the seizure of assets, and
- The designation of beneficiary was not made with the intent to damage creditors.

### **Asset Protection in Switzerland – a summary based on Legal Option by Baker & McKenzie, Zurich**

#### **Asset Protection in case of bankruptcy**

The insurance policy will be protected by Swiss law against any debt collection procedures instituted by the creditors of the policy owner and will also not be included in any Swiss bankruptcy procedure in this regard.

#### **Protection in case of a foreign judgment**

Even where a foreign judgment or court order expressly decrees the seizure of such policy, or its inclusion in the estate in bankruptcy, such an insurance policy may not be seized in Switzerland or included in the estate in bankruptcy.

#### **Protection even under duress**

If an insurer receives a letter from the policy owner revoking the beneficiary designation, the insurer may come to the conclusion that the instruction received from the policy owner does not express the policy owner's true intent and was forced upon him by the foreign judge or court.

### **What about Asset Protection in Liechtenstein?**

Liechtenstein financial laws were originally derived from Swiss banking and insurance laws. Since Swiss insurance law has been adopted by Liechtenstein back in 1941, investors investing in Liechtenstein insurance policies enjoy the same level of asset protection.