



IOOF

# WEALTHBUILDER

## Example strategy 8 Getting your affairs in order



Issue

In today's world more and more financial planning scenarios impact the next generation.

**John** is a retired 64 year old who has recently been diagnosed with a terminal illness and is seeking advice to get his affairs in order.

- He wants to ensure that when he passes away, his wealth will be distributed to his children quickly, efficiently and without any hassle.
- Majority of his funds are held in superannuation, both accumulation and account-based pension, which have significant taxable components.
- There could be a substantial death benefit tax liability after he passes away and he wants to make sure all funds are arranged to go his children.



Solution

John can withdraw the funds in full from the super fund invest them into a new bond, and nominate his children as the beneficiaries.

- John can withdraw the funds fully or partly from the superannuation environment while he is still alive as there is no tax liability.
- Funds could then be invested into a bond and nominate the adult children as beneficiaries.
- If John passes away the funds are paid directly to the beneficiaries outside of the estate.



Outcome

- Funds are paid directly to the nominated beneficiaries and with no personal tax liability.
- As an investment in IOOF Wealthbuilder does not form part of the estate, they will not be subject to the costs and delays associated with obtaining probate and cannot be directly contested either.
- This option also works very well for a simple estate planning option for non-concessional funds.

**For further information about IOOF WealthBuilder, please contact your financial adviser, call client services on 1800 002 217 or visit [www.ioof.com.au/wealthbuilder](http://www.ioof.com.au/wealthbuilder) to obtain a copy of the product disclosure statement.**

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