



## Millionaire kids ...poor dad

With good nutrition and improved health care, children in Malaysia are now growing up big, strong and healthy. With good education, they are now growing up smarter and more savvy. Besides being smart and healthy, some of the young ones want to get rich quick.

A father was heard asking his son, what he would like to be when the son grew up? Son replied, "I want to be a millionaire when I grow up". The father was astonished and said, "Son, to be a millionaire, you have to work hard". The father was taken aback when his son replied, "Dad, you work hard, I just want to inherit the millions from you". Yes, children nowadays are growing up smarter than we think. Where do they get their knowledge? Did they get it from school? Or is it from television? Or did they get it from the internet? Answer: they got it from all these sources.

What should the father do? Work hard and of course, work smart. Take care of the kids

of course. But is he going to pander to the son's wish?

Some financial planning is definitely needed here. Luckily for him, we now have many qualified financial planners in Malaysia to help him out. One convenient and less expensive way would be for him to buy a million ringgit insurance policy. He can then assign or nominate the insurance policy to the son. This way the father can be sure he is leaving a substantial amount when he is gone.

However, if the father were to pass away while the son is still a minor, who would look after his interest? The son may be too young to inherit and know what to do with the money. Being a rich kid now, the son may not like to work. How will the father ensure that the son does not squander the money or gamble it away? Will the son's education be taken care of?

Besides insurance, what about the other properties which the father might have?

Besides the son, the man may also have other children and his wife to think of. Who will look after them? How can he prevent the family members from fighting over his hard earned assets and make sure that the assets go to whoever he wants in the manner he likes?

Questions, questions and more questions. Yes, but these are very good questions and must be asked by every responsible adult who is concerned about the welfare of their loved ones. What the man should do is to ask a Professional Estate Planner to write a Will for him and set up a testamentary trust for his son and other siblings. In his Will, he can even appoint a guardian to look after his minor children, and executors whom he can trust to execute his wishes.

Since the son must attain 18 years of age to receive his inheritance, a Trustee is needed to look after the inheritance. The father can even specify that the son receives his inheritance upon attainment of an older age,

say 30 years of age, when he is more matured or spell out conditions to fulfill, such as attaining an university degree.

Appointing a Trustee to look after his son's money is very important and must be

considered very carefully because if a wrong choice is made, there may not be anything left when he comes of age. An individual person may have personal priorities and may not have the expertise to handle the boy's inheritance. A better solution for the father is to appoint a Trust Corporation to be the Trustee of the son's inheritance.

A Trust Corporation is governed by the law and will act in the best interests of the beneficiary without fear or favour. Knowing that his son's interest would be well taken care of, the father can rest in peace with the Trustee making his wishes come true when his time comes.

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A contribution by Rockwills International Group on things that matter to you. Please direct feedback and queries to:

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