

Own nothing, control everything

Litigation is America's fastest growing business because plaintiffs have everything to gain and nothing but a few hours' time to lose, says Hillel Presser, author of "Financial Self-Defense."

Even if a case seems ridiculous — like the man in Haro, Spain, who struck and killed a teenager with his luxury Audi in 2004 and then sued the boy's family for damage to his bumper — defendants are encouraged to settle.

"It's sometimes the only way to avoid potentially astronomical legal fees," Presser stated.

If you haven't already taken steps to protect your assets, that's one New Year's resolution you'll be glad you made and followed up on, Presser stated. While it helps to have the assistance of a lawyer who specializes in asset protection, there are many things you can do yourself.

"You shouldn't have any non-exempt assets in your name," Presser says.

Presser suggests these resolutions for safeguarding your wealth in the event of a lawsuit:

■ Inventory your wealth.

Figure out how many assets you really have — most people have more than they think. Take stock of valuable domain names, telephone numbers, intellectual property, potential inheritances, and other liquid and non-liquid assets. That way you can then work on actions to cost effectively keep them safe.

■ Set your goal.

Setting your 2013 asset protection goal is your first step to becoming protected in the new year.

For instance, you could plan to execute an estate plan or set up a trust for your children in 2013.

Decide what assets you want to protect in the new year and a realistic timeline for

implementation. Then — and most importantly — stick to your plan. Asset protection works only if you follow through.

■ Protect your home.

Find out how much of your home is protected by your state's homestead laws and then encumber the remaining equity. Encumbering a home's equity can be accomplished by recording a mortgage against it, refinancing a current mortgage or even taking out a lien of credit using your home as collateral.

Another great strategy to protect your home is to transfer its title to a protective entity such as a limited liability company, trust, limited partnership, etc.

■ Get everything out of your name.

The worst thing you can do as far as exposure is titling all of your assets to your personal name. That doesn't mean you have to lose control of them — the goal of asset protection is to "own nothing, but control everything."

In 2013, work on moving your assets out of your personal name and into the name of protective entities such as limited liability companies, trusts, limited partnerships, etc.

■ Buy adequate insurance and protect your loved ones.

Make sure you have adequate insurance coverage in the event a job loss, natural disaster, or even a tragic loss of life. Those include — but are not limited to — your car, home, and other valuables.

Presser's law firm represents individuals and businesses in establishing comprehensive asset protection plans. He is a graduate of Syracuse University's School of Management in Syracuse, N.Y., and Nova Southeastern University's law school in Fort Lauderdale, Fla., and serves on Nova's President's Advisory

Council. He also serves on the boards of several nonprofit organizations for his professional athlete clients. He is a former adjunct faculty member for law at Lynn University in Boca Raton, Fla.

