



国际华人传承协会  
*International Chinese Inheritance Association*

2024 SPRING EDITION

# INHERITANCE

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EDITION

# JOURNAL



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# EXCLUSIVE DIALOGUING WITH MASTER INTERVIEW WITH

## What sparked your interest in Family Offices

I have been involved in the financial sector and focused on the field of asset management for more than 30 years. I have heard about “family office” for a long time, which has accounted for more than 50% in Europe and the United States since the 20th century, and in recent years, it has also been developing like a mushroom in the Asia-Pacific region (e.g., Hong Kong, Singapore, Shanghai, Shenzhen, etc.), with the smallest bank setting up a “family office department,” and the largest well-known investment banks and private organizations investing a lot of manpower and resources. The growth in a short period of time has been astonishing, and it makes me even more convinced that this blue ocean market has opened up business opportunities in the Asia-Pacific region!

## What are the essential qualities for entering the family wealth management field?

My decades of experience have taught me that the top-tier clientele values trust and privacy above all else. We act as stewards of our clients' wealth, providing comprehensive services and maintaining the highest levels of confidentiality. Our interactions with clients are extremely close, and we go to great lengths to safeguard their interests. We have the authority to protect our clients' entrusted assets from third parties or organizations. The primary requirement for entering the family wealth management field is the ability to put oneself in the client's shoes and understand the challenges they face. Often, succession tools alone cannot resolve family emotional conflicts, which is where succession planners step in to mediate. Secondary requirements include professional skills and communication abilities to effectively match the right resources with the right people, maximizing efficiency.

Family Inheritance Planner Association (AFIP)  
Asia Pacific Regional Director &  
Senior Certified Advisor

ROME CHAN

More than 30 years in the  
overseas asset management field.



# What motivated you to introduce the

## Certified Family Wealth Inheritance Planner (CFWIP) Certification Course to the Asia Pacific region?

In traditional Chinese culture, succession is often based on gender, seniority, or perceived competence. However, not all children are suited to take over the family business. Many family businesses fail to survive beyond the third generation, often due to the inability of inheritors to manage the assets effectively. Family wealth advisors play a crucial role in ensuring the sustainability of family businesses. By utilizing various succession tools and incorporating advice from professionals across diverse fields, family wealth advisors help family businesses achieve a smooth transition and continued innovation.

Having the privilege of serving as the Asia Pacific Regional Director for AFIP, I naturally aspire to replicate the success of family wealth management practices in Europe and North America in the Asia Pacific region. Education is the cornerstone of progress, and this inspired me to introduce the AFIP's Certified Family Wealth Inheritance Planner (CFWIP) Certification Course to the region. The CFWIP program, a well-established international certification, equips participants with the knowledge and skills necessary to excel in family wealth management.

The CFWIP program is open to anyone interested in entering the family wealth management field, regardless of their background, whether in finance, accounting, law, or simply seeking to gain expertise in this area.

# Core Values of the Certified

## Family Wealth Inheritance Planner (CFWIP) Certification Course

The CFWIP program's unique design draws inspiration from various international financial certifications. Its recognition in the financial world stems from its ability to provide significant advantages to its holders. Unlike traditional paper-and-pencil exams, the CFWIP certification emphasizes teamwork and collaboration. Unlike conventional certification programs, the CFWIP program utilizes a case study approach, where each group is assigned a real-world case encountered by AFIP. Through case analysis,



each group must develop a comprehensive solution, demonstrating their teamwork skills.

While entering the family wealth management field may seem to require only professional expertise, the reality is that it demands well-rounded professionals who can integrate their knowledge and communicate seamlessly with their team to provide clients with viable solutions. They must also actively listen to client needs and tailor solutions to achieve client satisfaction. While this may sound achievable, it requires adaptability, communication, and the ability to navigate challenges effectively. Successfully earning the CFWIP certification signifies a strong foundation in family wealth management and the ability to meet the essential requirements for this field.

With over a thousand certifications issued to date, AFIP has also established partnerships with relevant industries worldwide to provide CFWIP holders with access to a wider range of opportunities and resources. Many CFWIP holders have expressed their gratitude to AFIP for equipping them with the skills to navigate the challenges of this dynamic field.

# Understanding the Pulse of the Global Economy

## Seizing New Opportunities for Family Wealth



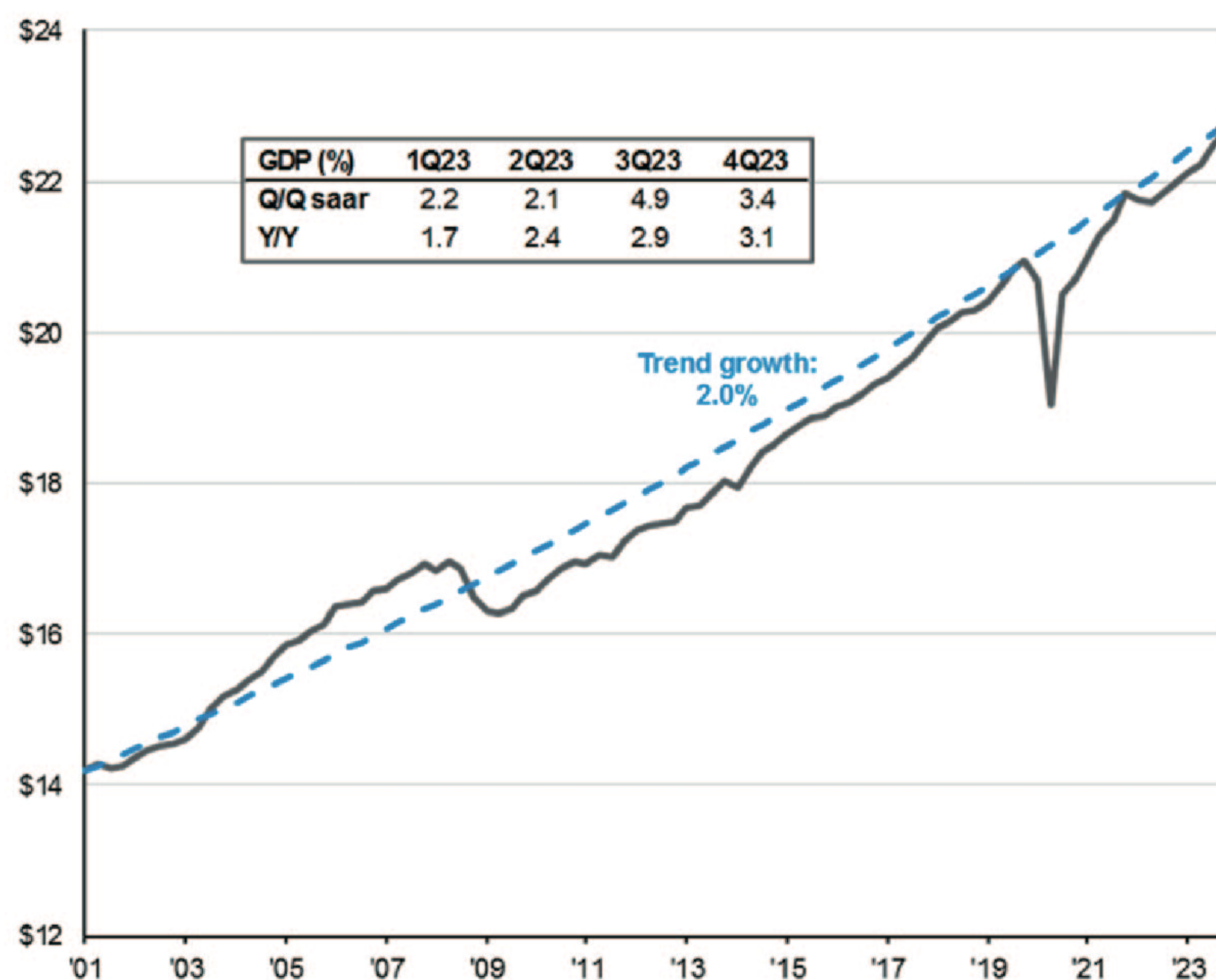
## The U.S. Economy

### I A Soft Landing with Underlying Risks

The U.S. economy appears headed for a soft landing, with moderate consumption growth fueled by falling inflation and rising real wages. However, this positive outlook is tempered by several risks, including upcoming elections, rising interest rates, and geopolitical tensions.

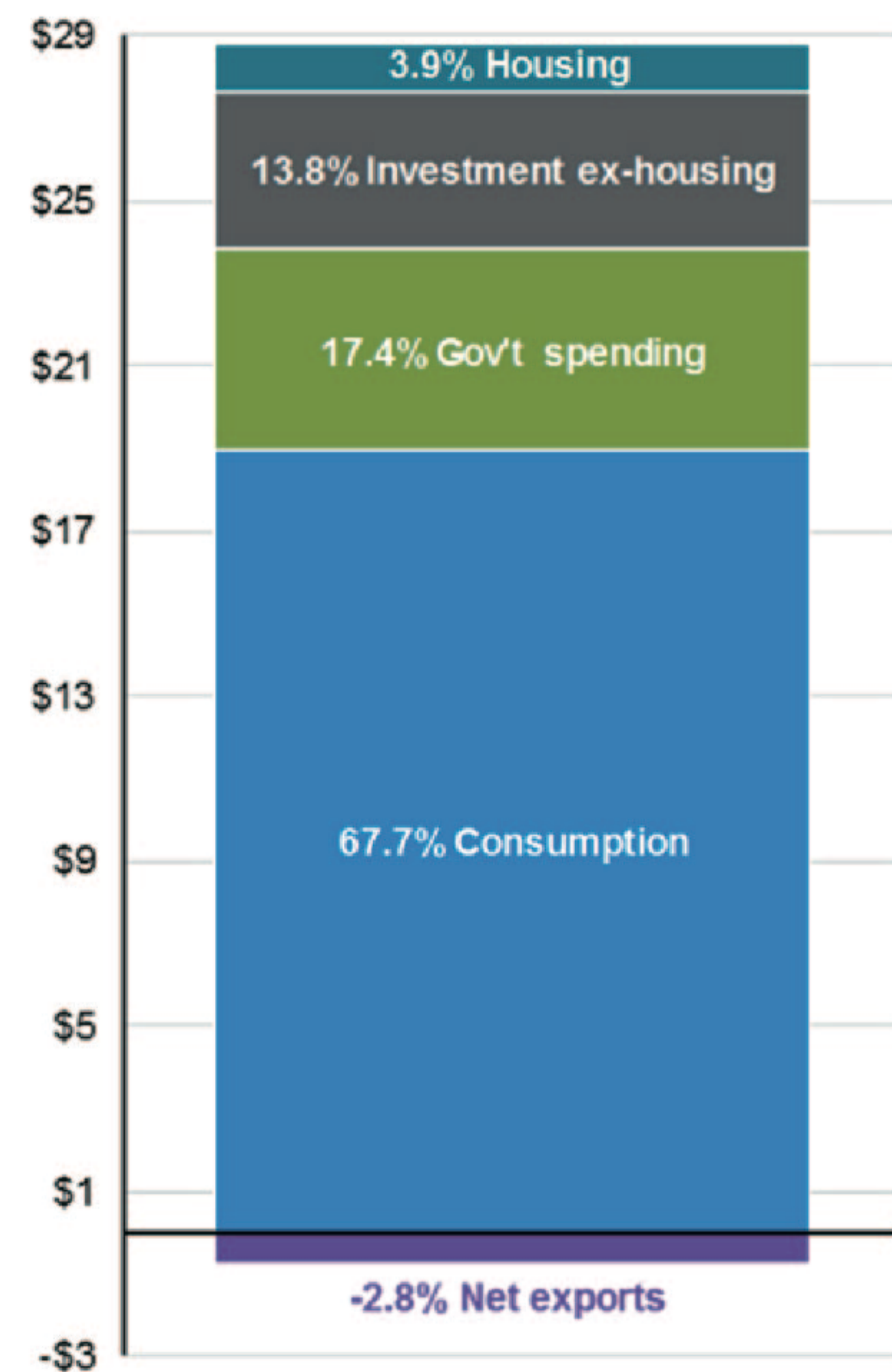
#### Real GDP

Trillions of chained (2017) dollars, seasonally adjusted at annual rates



#### Components of GDP

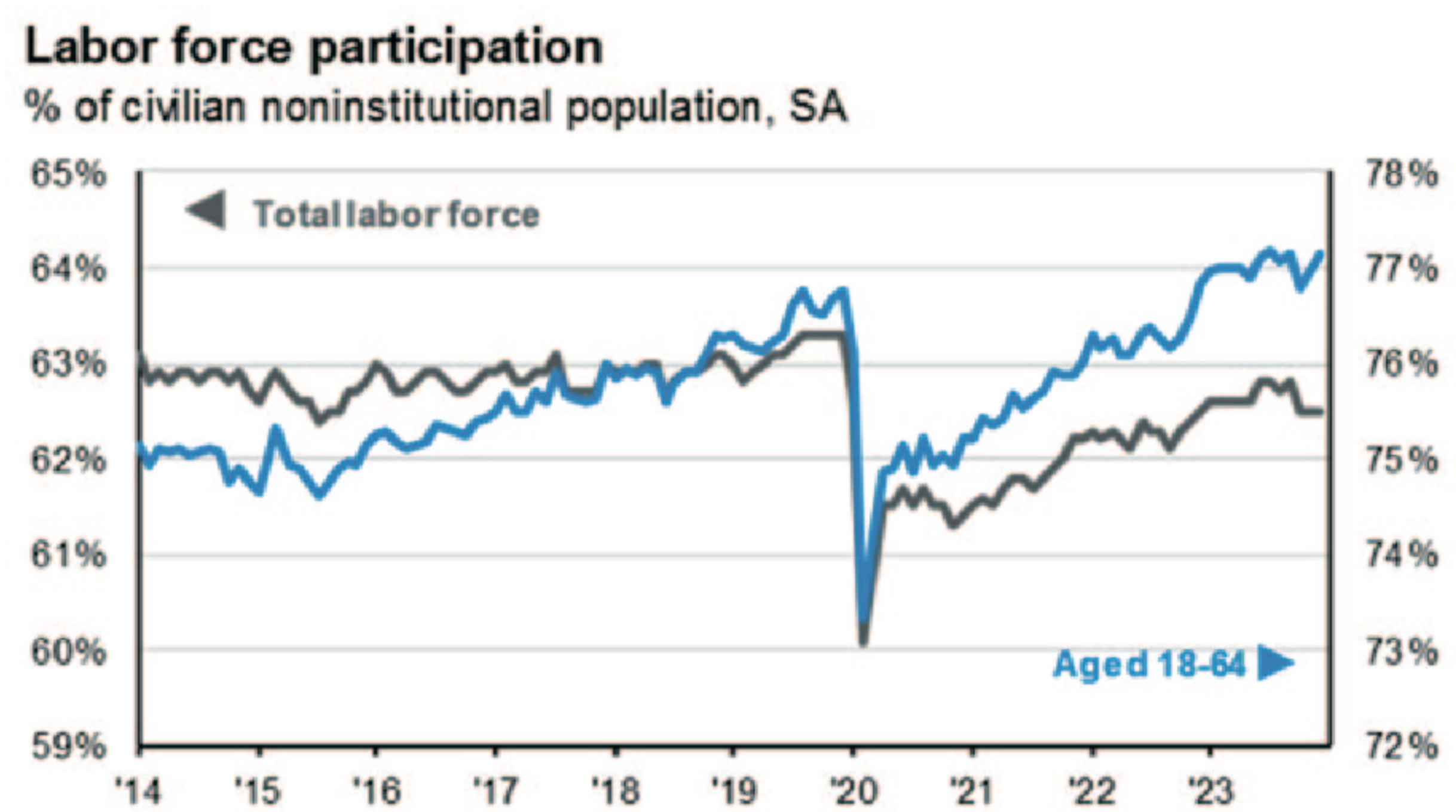
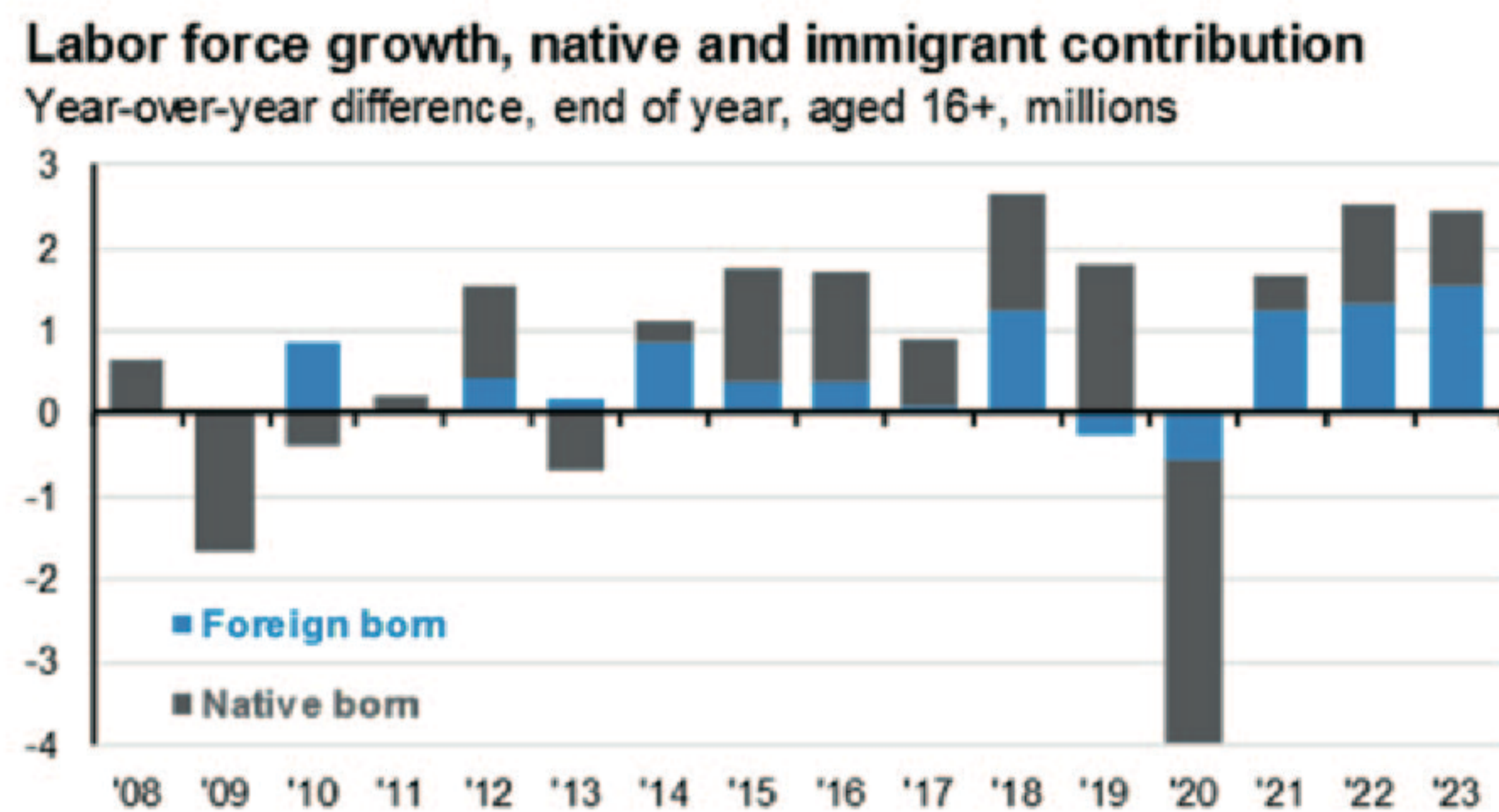
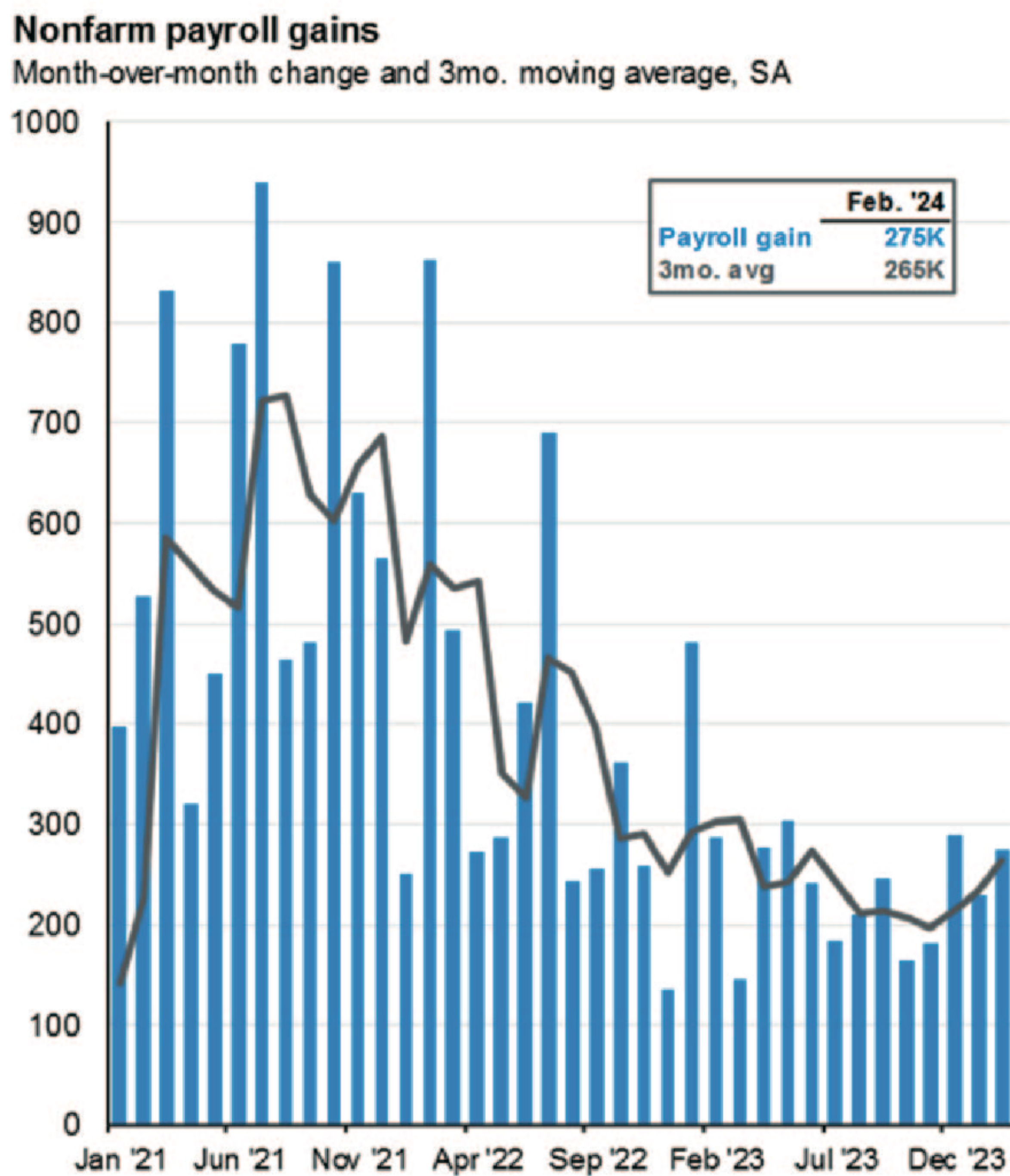
4Q23 nominal GDP, USD trillions



Source: BEA, FactSet, J.P. Morgan Asset Management.

# Labor Market Strength to Continue

The U.S. labor market boasts strong growth, fueled by increased participation and immigration. This has led to impressive job gains without inflationary pressures. With job openings remaining high, even moderate economic growth should translate to steady job creation. While continued immigration may keep the unemployment rate between 3.5% and 4.0%, the overall labor market outlook remains positive.



Source: BLS, FactSet, J.P. Morgan Asset Management.



## Inflation Expected to Gradually Normalize

Recent months have shown some stalling in disinflation efforts, raising concerns about inflation sticking above the Fed's target. However, factors like stable supply chains, moderating wage growth, and falling prices in key sectors like housing and auto insurance should nudge inflation back down to the Fed's 2% target.

# Earnings Growth

## I A Broader Picture

After a sluggish 2023, corporate profits are expected to experience healthy growth in 2024. However, cautious management outlooks and falling inflation pose downside risks to analyst expectations of double-digit earnings growth. Nevertheless, with the "Magnificent 7" dominating earnings growth last year, a broader spread of profitable companies is likely to emerge, presenting new investment opportunities.

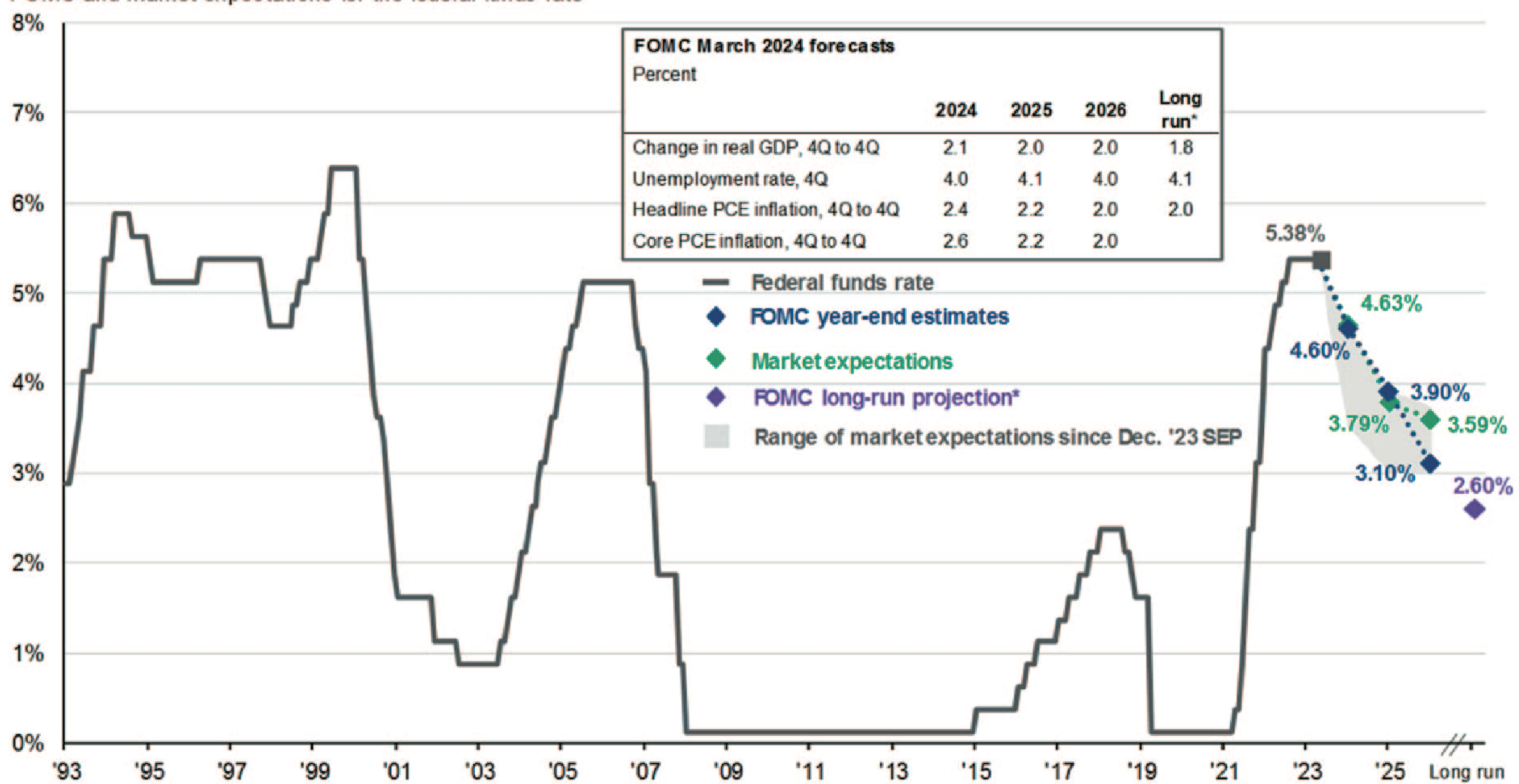
# Federal Reserve

## I Cautiously Optimistic

The Fed has made significant progress in curbing inflation, although recent positive economic data prompted them to hold rates steady in March. The committee remains biased towards rate cuts, but they need further confirmation of inflation's sustained decline towards their target before taking action.

### Federal funds rate expectations

FOMC and market expectations for the federal funds rate



Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

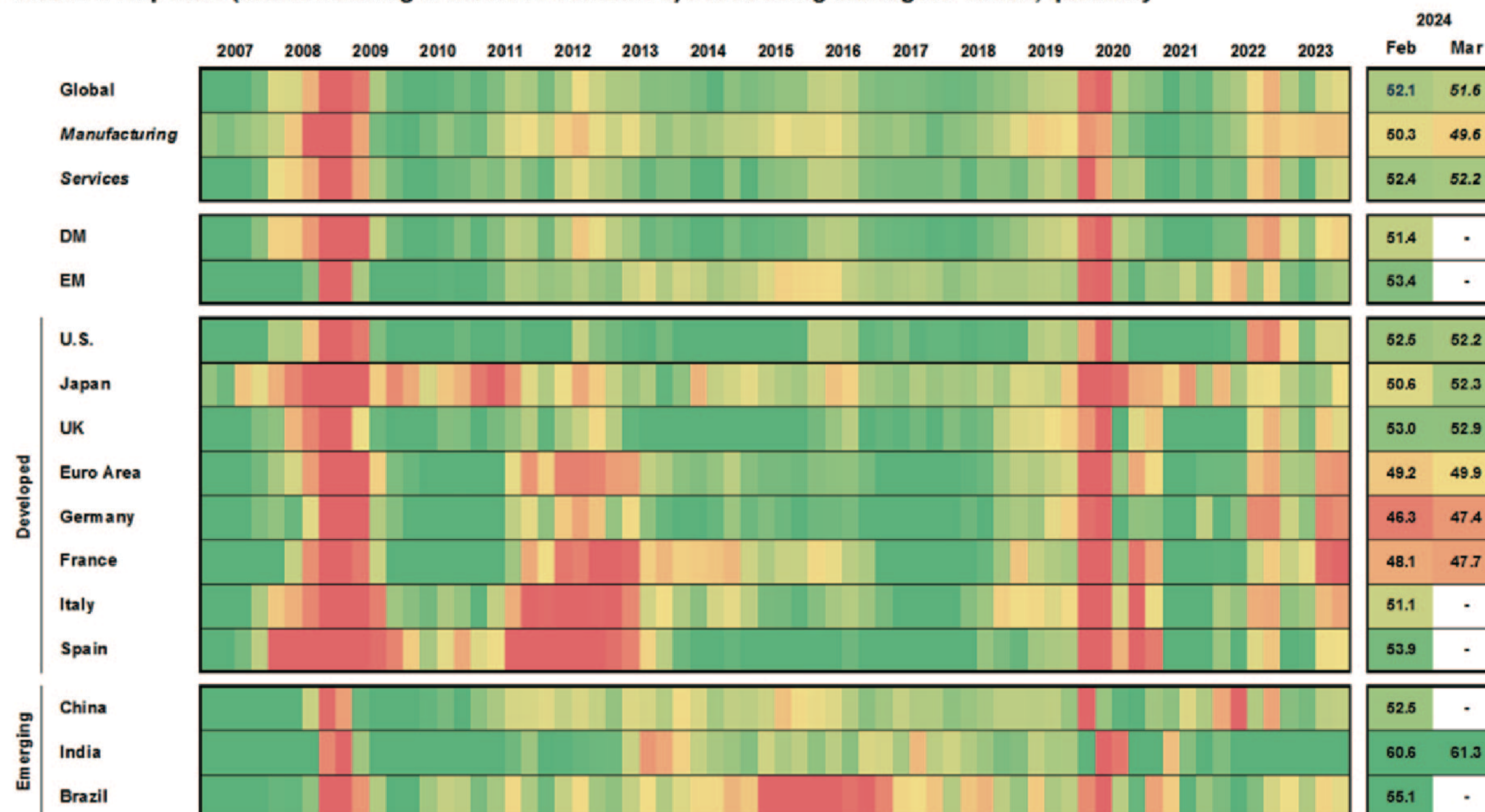


# Global Growth

## I A Mixed Bag

While the global economy struggled last year, 2024 could see a more positive performance for some regions like Japan and parts of Europe. Conversely, economies like China may continue to weaken without significant policy intervention. Despite the expected slowdown in U.S. consumer activity, growth differentials between the U.S. and other economies could narrow, leading to potential upside surprises in global markets.

Global Composite (manufacturing & services combined) Purchasing Managers' Index, quarterly



Source: J.P. Morgan Economic Research, Standard & Poor's, J.P. Morgan Asset Management.



## Bonds

### | A Source of Income and Diversification

The early months of 2024 saw bond struggles as strong economic data dampened market expectations for rate cuts. However, with market and Fed expectations now aligned, interest rate volatility is expected to subside. Even if economic resilience keeps rates from declining significantly, fixed income can still play its traditional role of providing portfolio stability and income.

## Cash

### | Opportunity Cost vs. Long-Term Investment

While holding cash provides liquidity, investors may be tempted to lock in current yields above 5% before they drop. However, holding excessive cash comes with an opportunity cost. Historically, there has always been a better asset class for capital deployment after peak interest rates. Investors should consider putting long-term funds to work in long-term opportunities rather than staying on the sidelines in cash.

# Guardians of Family Legacy

## The Functions and Value of Family Offices



Traditionally, family offices have been established exclusively for ultra-high-net-worth individuals and families to manage their complex financial affairs, preserve wealth across generations, and achieve their philanthropic and legacy goals. These offices serve as central hubs for coordinating a wide range of services, including investment management, tax planning, estate planning, lifestyle management, and governance. The value of family offices lies in their ability to provide a comprehensive and personalized approach to wealth management that goes beyond traditional financial services. They take into account each family's unique circumstances, values, and aspirations, ensuring that their wealth is managed in a way that aligns with their long-term objectives.

### Family Offices key advantages



#### Personalized Wealth Management

They tailor investment strategies, tax planning, and estate planning to meet the specific needs and goals of each family.



#### Unified Management

They consolidate and coordinate a wide range of financial and non-financial services under one roof, providing a holistic view of the family's wealth.



#### Conflict Resolution

They facilitate communication and collaboration among family members, helping to resolve conflicts and promote unity.



#### Philanthropic Guidance

They assist families in establishing and managing their philanthropic endeavors, ensuring that charitable giving aligns with their values.

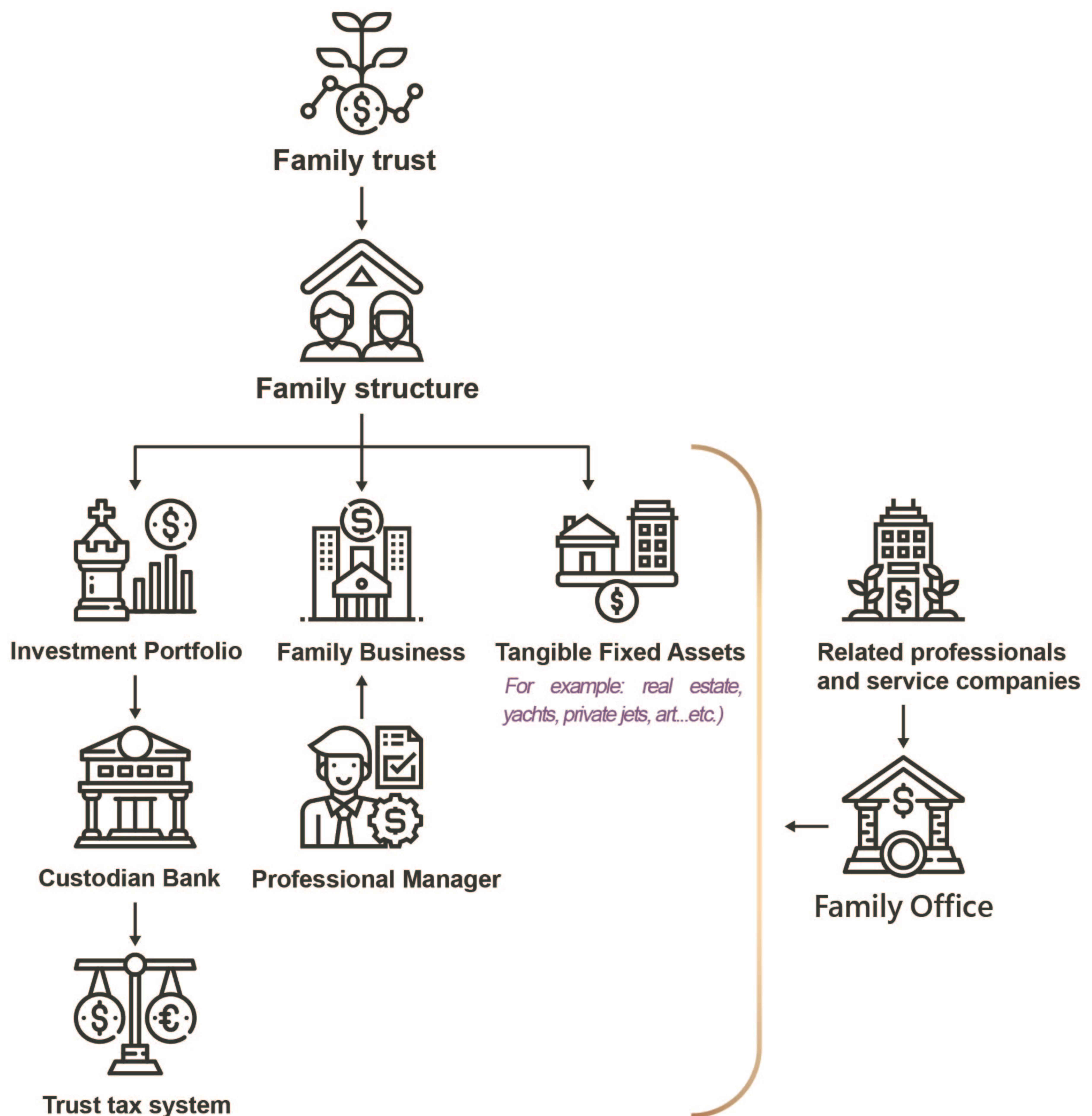


#### Legacy Planning

They develop and implement strategies to protect and transmit wealth to future generations, ensuring the continuity of the family's legacy.

# The Typical Family Trust Family Office Structure

The structure of a family office is often linked to a lifetime trust, and a well-structured trust can provide lifelong support for a family and those close to them.



# Family Office Spotlight

## Diversified Asset Integration Management

### Diversified Asset Management

Family offices play a crucial role in managing and preserving the wealth of ultra-high-net-worth individuals and families. To effectively achieve this goal, family offices must embrace a diversified asset management approach, encompassing a wide range of asset classes beyond traditional financial instruments.

### Asset Custody Diversity

Offshore trust accounts extend beyond the custody of cash and digital assets, encompassing a broader spectrum of asset types. These include, but are not limited to:

#### Real Estate

Offshore trusts can hold ownership of real estate properties worldwide, providing a secure and confidential framework for managing and transferring property assets.

#### Art and Collectibles

Valuable art collections, antiques, and collectibles can be safeguarded within offshore trusts, ensuring their preservation and seamless transfer across generations.

#### Business Interests

Offshore trusts can effectively hold and manage ownership stakes in businesses, including both domestic and international entities.

## Portfolio Expansion

Offshore trust accounts can serve as a gateway to investing in a diverse range of fixed-income products, such as:

#### Bond investment

Offshore trusts can hold bonds and debentures issued by governments, corporations, and other entities, providing a stable stream of income and diversification within the investment portfolio.

#### Savings Insurance Plans

Offshore trusts can integrate savings insurance plans, offering protection against unforeseen events while accumulating wealth over time.

#### Fund investment

Offshore trusts can invest in a variety of fund products, including mutual funds, hedge funds, and private equity funds, providing exposure to various asset classes and investment strategies.



Cash



Cryptocurrency



Insurance



Equity



Bond



Fund



Artwork



Real Estate

# EXCLUSIVE INTERVIEW

## Greater Bay Area

Family Office Association

**President**

**Hui-Fen Lee**

Hui-Fen Lee is the Director of Research at Solowin (Asia) Holdings and has over 15 years of experience in the securities and financial services industry. She specializes in equity investment and IPO financing. She has been a guest host on numerous financial programs in Mainland China and Hong Kong and has written columns for several financial newspapers and magazines, providing professional analysis of market trends and new investment directions. She is also a member of several service organizations and chambers of commerce.



### What are the Advantages

#### of the Limited Partnership Fund (LPF) Structure over Traditional Funds?

(including private equity funds and venture capital funds) to establish and register in Hong Kong, and also helping family offices to operate better in Hong Kong to bring capital into real industry companies, including start-ups in the innovation and technology sectors in the Greater Bay Area.

A Limited Partnership Fund (LPF) is a fund structured as a limited partnership to manage investments to generate profits for its investors. A fund qualified for registration under the Limited Partnership Fund (LPF) regime must be composed of one general partner (GP) who has unlimited legal liability for the fund's debts and obligations, and at least one limited partner (LP) whose legal liability is limited.

Since August 31, 2020, LPF structures can be established under the Limited Partnership Fund Ordinance (LPFO). Applicants can apply to the Hong Kong Companies Registry to establish an LPF under the applicable requirements of the LPFO, specifying the proposed address, business location and investment scope, the proposed general partner (GP) and proposed investment manager (IM), and the proposed "responsible person", who must be an authorized institution, licensed corporation, accountant or legal professional, to perform the LPF's anti-money laundering / counter-terrorist financing functions.

Applications for registration of LPFs must be submitted by a registered Hong Kong law firm or a Hong Kong lawyer who can practice in Hong Kong. If the Companies Registry accepts the application form that contains the necessary documents and information and the applicant has paid the relevant application fee, the LPF can be successfully registered.

Since an LPF is not an independent legal entity, the general partner (GP) of an LPF will act and exercise its powers on behalf of the LPF. The general partner (GP) is ultimately responsible for the management and control of the LPF and has unlimited legal liability for all debts and obligations of the LPF. However, if the general partner (GP) appoints an authorized representative (AR), the general partner (GP) and the authorized representative (AR) shall be jointly and severally liable and shall jointly bear the ultimate obligation to the LPF.

Limited partners (LPs) have limited liability and their legal liability for the debts and obligations of the LPF is limited to the amount of capital they have agreed to contribute, provided that the limited partner (LP) is not involved in the management of the fund.

The LPFO specifically lists several activities or behaviors that limited partners (LPs) can engage in without being considered to be involved in the management of the fund, such as participating in decisions involving actual or potential conflicts of interest, although the activities or behaviors listed are not an exhaustive list of all activities or behaviors that limited partners (LPs) can engage in without being considered to be involved in the management of the fund.

### What are the typical participants in a qualified LPF?

General Partner (GP), Investment Manager (IM), Auditor, Authorized Representative (AR), Limited Partner (LP) and Responsible Person.

# EXCLUSIVE INTERVIEW

**Timeless**  
**Family Offices**  
**— Vice President**

## Ryan Tan

**International Chinese Inheritance Association**  
**Senior Special Instructor**

Master's degree in finance from the United States, former investment director of a well-known investment bank, and assisted companies in listing in the United States. With over 10 years of PE equity investment experience, he is proficient in company valuation, industry analysis, and operational structure.



### **Protecting Family Assets with Wisdom: Strategic Application of Family Offices and Trusts in Asia**

Trusts in Asia Family offices and family trusts in Asia have become important tools for wealth management and inheritance planning in recent years. With the rapid economic development of Asia, many family businesses have also grown stronger, and these family offices play a central role in managing and protecting family wealth.

The establishment of family offices is mainly to centrally manage family assets, including investment management, financial planning, legal affairs, and inheritance planning. Through a professional management team, family offices can not only provide asset allocation advice, but also assist families in wealth appreciation and risk control on a global scale. In addition, family offices are often involved in planning education and charitable activities for family members, which are all important aspects of maintaining family cohesion and social responsibility.



Family trusts are another common wealth management tool, especially in Asia. Family trusts are usually established by family members to transfer part of their wealth or assets to trusts for management by trust companies or professional trustees. The purpose of this is to protect assets from potential future lawsuits or debt risks, and at the same time to facilitate tax planning and inheritance of assets. The establishment of a family trust can be permanent or for a limited period, depending on the purpose of the establishment and the needs of the family. In practice, family offices and family trusts often complement each other. Family offices not

only assist families in establishing and managing trusts, but also provide wealth management and strategic planning on a broader level. For example, family offices can assist family members in understanding and complying with tax and legal regulations in various countries, and avoid unnecessary legal obstacles in cross-border asset transfer and investment. However, despite the wide range of applications of family offices and family trusts in Asia, they also face many challenges. These challenges include communication and decision-making issues within the family, reliance on professional talents, and increasingly stringent interna-

tional regulatory environments. Therefore, for families planning to establish family offices or family trusts, choosing the right consultants and management teams and formulating wise strategies are the keys to ensuring success and sustainability.

## Malaysia Family Inheritance Association President

Graduated from the Faculty of Law in the United Kingdom, Vicky has more than 10 years of practical experience in a leading trust company in Kuala Lumpur, assisting in the management and planning of family trusts, insurance trusts, charitable foundations, corporate succession trusts, family offices and more.

# VICKY



### **The Tapestry of Southeast Asian Families: Culture and Wisdom Passed Down Through Generations**

In many societies in Southeast Asia, family heritage is not only a transmission of culture, but also a continuation of a way of life. Family heritage often involves the transfer of knowledge, skills, beliefs, and occupations among family members, which are the cornerstones of these social structures and cultural identities.

First, family businesses are particularly prevalent in Southeast Asia, and many are passed down through generations. From small family farms to large conglomerates, family members are taught from an early age to inherit and carry on the family business. In Indonesia and the Philippines, for example, family-owned businesses often control a significant portion of the local economy and are the backbone of the community. The legacy of these businesses is not only a transfer of wealth, but also a symbol of family honor and status.

Secondly, the transmission of religious and cultural beliefs is also a very important part of the family. For example, Thai and Burmese families teach their children the teachings of Buddhism, which shape their worldview and daily behavior. The elders of the family pass on these beliefs and values to the next generation through stories and daily conversations.

In addition, traditional arts such as dance, music and handicrafts are often passed down through the generations. In Cambodia, the Apsara dance is passed from mother to daughter, not only as an artistic expression but also as a way of preserving the country's cultural heritage. In Vietnam, where traditional hats and other handicrafts are made, the passing on of skills helps to maintain the livelihood of the artisans and support the local economy.

Finally, family elders are often seen as a source of wisdom and experience. Their stories and teachings serve as a bridge between the past and the future, allowing younger generations to understand their roots and identity. This transmission of wisdom from one generation to the next not only strengthens family cohesion, but also allows culture to be preserved and flourish.

Overall, family heritage in Southeast Asia is a multifaceted process that encompasses everything from economic activities to cultural practices. This heritage is not only a continuation of the past, but also a guarantee of future possibilities, allowing culture and family identity to continue to develop and adapt in modern society.







Certification Course

# Certified Family Wealth Inheritance Planner

[Certified Family Wealth Inheritance Planner Certification Course] provides high-net-worth individuals and families with comprehensive wealth planning through trusts. From legal, financial and practical analysis aspects, we provide the most professional and comprehensive course content.



Taught by senior instructors, full Chinese instruction, no need to go abroad



Interactive teaching mode, lively but not stiff



Full of practical information, refuse to talk on paper



International professional certification for the wealth inheritance industry

Taipei 2-day class  
2024 FRI & SAT

05/31  
06/01

10:00-17:00

Primasia Conference & Business Center



Scan

## Section 1

Four Core Questions for High-Net-Worth Individuals on Financial Freedom

## Section 2

Effective Tools for Family Inheritance and Wealth Protection

- Offshore Trusts and Onshore Trusts
- Offshore Trust Case Analysis

## Section 3

Family Office - The Crown Jewel of the Global Wealth Management Industry

- Functions and Benefits of Family Office
- How to Establish and Best Family Office Locations or Regions

## Section 4

Certified Family Wealth Inheritance Planner - Wealth Manager for High-Net-Worth Individuals

- How to Gain Customer Trust and Effectively Provide Diversified Services
- Finding Effective Solutions in a Turbulent International Market

## Section 5

Global Asset Planning Practical Case Introduction

- Framework Establishment and Operation
- Sharing of Results and Graduation Ceremony

## Professional Insights

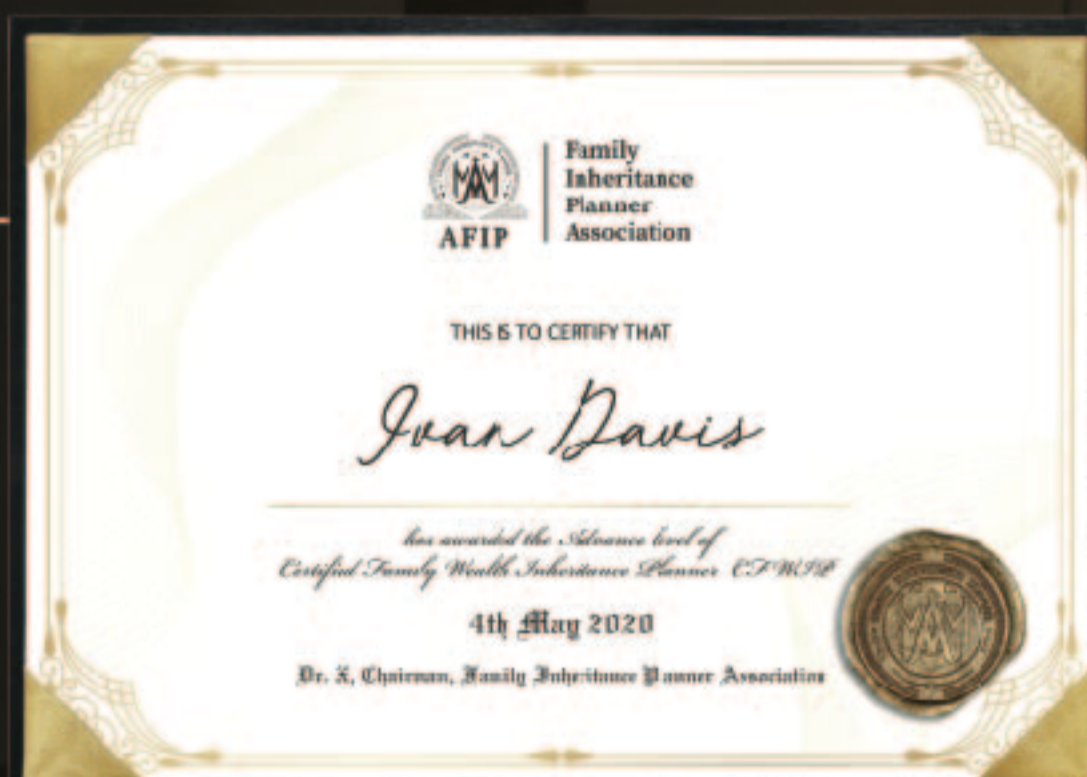
2024

Analysis of the Latest Family Heritage Trends

## Certification Body



Family Inheritance Planner Association



Certification of Family Wealth Inheritance Planner

## Certified Senior Instructor

Leading Experts Guiding Achievements

Over 30 Years of Experience in Overseas Asset Management



Rome Chan

American Family Inheritance Planning Association (AFIP)  
Asia Pacific Director and Senior Certified Instructor

## Building the Foundation for Family Legacy

# Introduction to the Certified Family Wealth Inheritance Planner (CFWIP) Certification Course

The Certified Family Wealth Inheritance Planner (CFWIP) Certification Course is developed by the American Family Inheritance Planning Association (AFIP) to provide global family businesses and high-net-worth individuals with professional knowledge and skills in family wealth inheritance planning.

With decades of experience in education, research, consulting, asset management, and trust services, AFIP delivers high-quality certification courses to learners worldwide.

## Course Highlights

### Developed by a Renowned Institution

AFIP is the originator of the "Certified Family Wealth Inheritance Planner" (CFWIP) course, with extensive experience in family wealth inheritance planning practices.

### Global Perspective

AFIP offers specialized consulting and courses on international family wealth inheritance planning, family offices, trust services, and asset management in various regions worldwide, helping learners grasp the latest trends and practices in global family wealth inheritance planning.

### Rigorous Course Standards

The course design aligns with the standards of Certified Public Accountants (CPAs) and Chartered Financial Analysts (CFAs), ensuring that learners acquire high-level professional knowledge.

## Course Outline

### Establishing Family Wealth Inheritance Concepts

Helps learners understand the importance of family wealth inheritance, its five key objectives, and the pathway to becoming a family wealth inheritance planner.

### Mastering Family Wealth Inheritance Tools

Familiarizes learners with common family wealth inheritance planning tools such as wills, insurance, domestic and foreign trusts, closed-end companies, and charitable foundations.

### Expertise in International Tax Planning

Understands the diverse tax environments of different countries, grasps the latest industry legal information, and develops effective international tax planning strategies for family businesses and high-net-worth individuals.

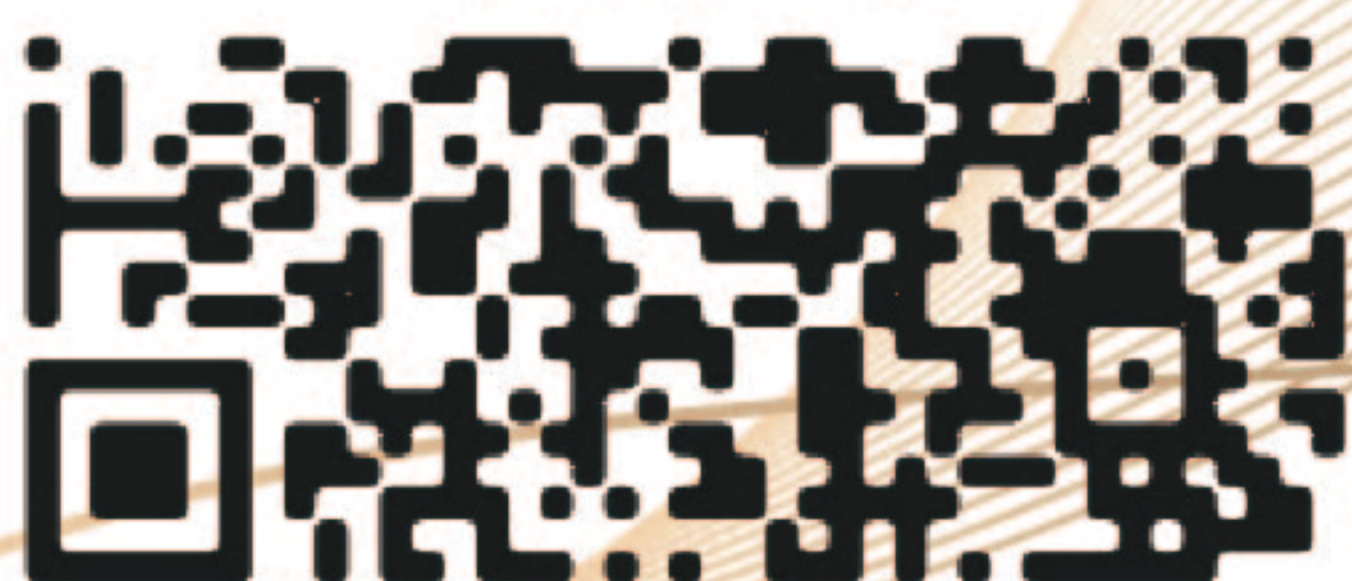
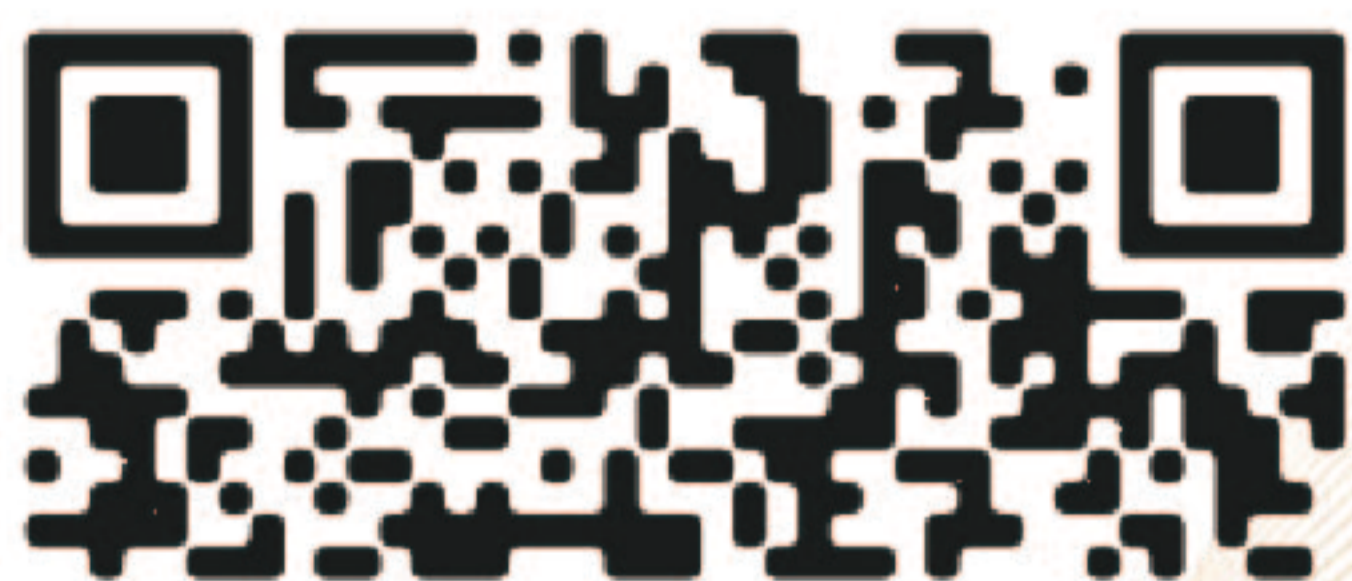
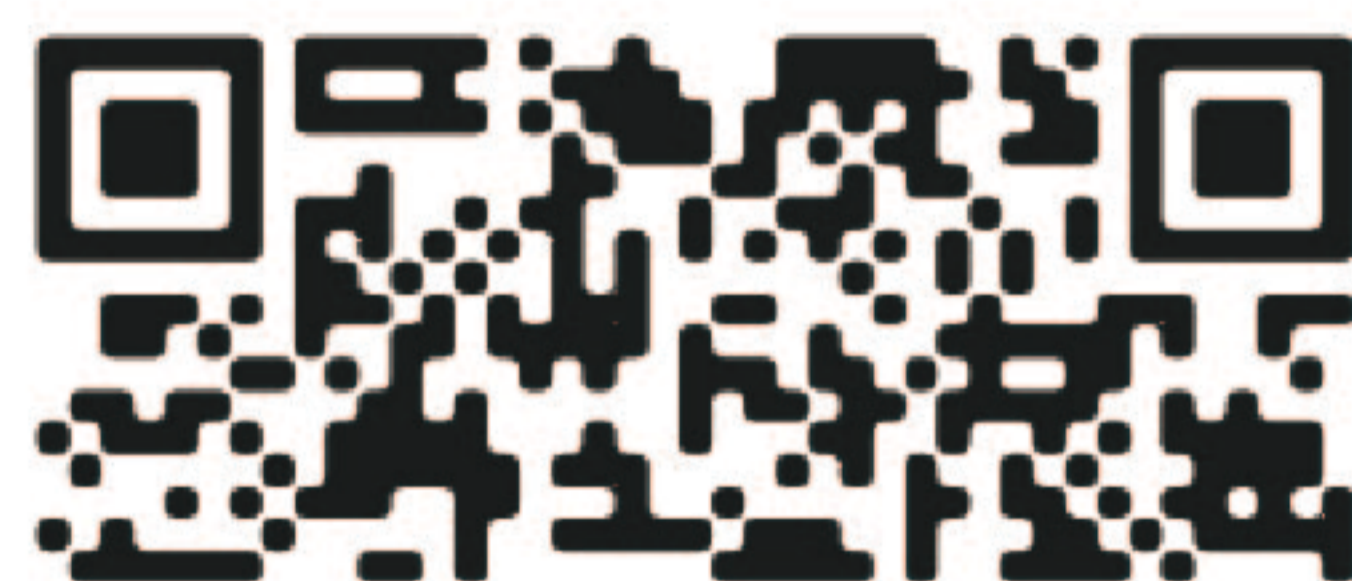
### Establishing Family Office Structures

Learns about the origins, functions, and operational models of family offices, assisting family businesses and high-net-worth individuals in establishing efficient family wealth management systems.

## Course Objectives

- Master the theoretical and practical knowledge of international family wealth inheritance planning.
- Skillfully apply various family wealth inheritance planning tools.
- Develop effective family wealth inheritance planning strategies for family businesses and high-net-worth individuals.
- Establish efficient family office operational systems.

Jointly Issued



*INHERITANCE JOURNAL*

