



WHAT ADVANTAGES DOES AN ASSET PROTECTION TRUST OFFER OVER OTHER ENTITIES THAT PROTECT ASSETS, SUCH AS A LIMITED LIABILITY COMPANY OR LIMITED PARTNERSHIP?

APTs have the distinct advantage of permitting the Trustee to make distributions to *or for the benefit of* any one or more of the trust beneficiaries. Consequently, if a beneficiary had creditor concerns, including the grantor, the Trustee can economically benefit the beneficiary without the beneficiary receiving trust assets (for example, making a mortgage payment or paying litigation fees). An LLC or LP must make its distributions directly to its owners, instead of for their benefit, which allows creditors to collect such distributions.