



**creating
value across
generations**

**we
believe
in**

we believe everyone has the right to

PRIVACY

ASSET PROTECTION

TAX EFFICIENCY

This is why Primus Trust Corp. carefully manages international trust shelters for asset, investment and privacy protection as well as estate and tax planning.

ASSET PROTECTION AND MARRIAGE



**THE PROBLEMS ASSOCIATED
WITH PRENUPTIAL AGREEMENTS**

Prior to marriage, it is important to consider how our personal assets can be protected in case of a divorce. A frequently used method to achieve this is a prenuptial agreement. However, there are multiple problems associated with prenuptial agreements:

- A prenuptial agreement is a consensual agreement between a couple before marriage. For a person about to marry someone, asking for a prenuptial agreement is often difficult; it may lead to the marriage being cancelled.
 - A prenuptial agreement requires full financial disclosure. Very few couples are willing to share every aspect of their financial affairs with each other.
 - A prenuptial agreement, if wrongly prepared, can be invalidated by a court upon application by a party in a divorce.
 - Even if a prenuptial agreement is correctly drafted, there is no guarantee that it will be enforced. The aggrieved party may claim that the prenuptial agreement was not fair: it was signed under duress, under influence or there was no disclosure or representation.
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Should
have chosen
prenup trust!



PROTECTING YOUR ASSETS WITHOUT THE NEED FOR A PRENUPTIAL AGREEMENT

Primus Trust Corp., a Hungarian licensed professional trustee offers the opportunity for future spouses to fully protect their assets without the need for a prenuptial agreement.

A future spouse acting as settlor is able to create a Hungarian trust by transferring his or her assets to Primus Trust Corp. acting as trustee. By doing so, an irrevocable trust can be created, which ensures protection from creditors, claimants of lawsuits and potential future ex-spouses. The beneficiary of the trust may be freely selected by the settlor; this may even be the settlor alone.



Compared to domestic, US based trusts, a Hungarian trust offers an additional layer of asset protection, given that Hungary does not recognize US civil court judgments. Creditors, claimants of lawsuits and potential future ex-spouses must take legal action in Hungary against the settlor and the trustee, and must prove that the transfer of the trust asset was a fraudulent one. The burden of proof lays on the plaintiff, and the fraudulent transfer must be proven beyond reasonable doubt.

A Hungarian trust is an asset protection method that also does not harm the relationship of couples about to get married. It may be set up by the settlor without the knowledge of his or her spouse.



**Primus Trust Corp.,
as a responsible
trustee, provides
comfort to its
customers in the
form of a financial
guaranty of
EUR 5 million.**

**Our indemnity
insurance has
been issued by
the UK based
Lloyds Syndicate.**

highlights of the hungarian trust

- No dual ownership concept
- Flexibility
- Strict fiduciary duties
- The trustee is subject to a duty of confidence
- Licensed trustee
- Several types of trust
- Possible to set up an irrevocable trust
- The trustee is a NON-US person
- Possible to appoint a protector (corporate protector as well)
- Asset tracing
- Right to revoke the trustee at any time
- Right to change the governing law at any time
- Tax neutral treatment
- Tax compliance
- Tax free asset transfer
- Segregated trust assets
- Segregated bank and security accounts for every trust
- No publicly available information about the settlors and beneficiaries
- Monthly financial reports to the costumers



The main features of Hungarian trust law provide effective barriers to creditors, ex-spouses and state authorities attacking trust assets held in a Hungarian Trust

- Practical Barriers – the creditor must appoint a locally registered attorney at law, appearing in local Courts, and Hungarian is the language of the procedures.
- Enforcement of Foreign Judgments – Hungarian courts do not recognize US civil court judgments. Only Hungarian law is applicable to Hungarian Trusts.
- Barrier to claims for fraudulent transfer – Hungarian courts require proof beyond reasonable doubt (criminal standard).
- Procedural law – prevents 'fishing expeditions' by creditors, and the trustee is under a strict duty of confidentiality.



**The marriage is compatible
with asset protection!**

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