

# PROTECTING YOUR ASSETS THROUGH LIFE INSURANCE

A few months ago, I discussed "homestead protection," making an individual's home virtually untouchable to creditors.

Life insurance policies are another excellent way to protect an individual's assets from creditors and judgments under the favorable laws for debtors in the

state of Florida.

Florida Statute 222.14 states: "The cash surrender per values of life insurance policies issued upon the lives of citizens or residence of the state upon whatever form, shall not in any case be liable to attachment, garnishment or legal process in favor of any

creditor of the person

whose life is so insured or any other creditor or person who is beneficiary of such annuity contract, unless the insurance policy or annuity contract was



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affected for the benefit of such creditor."

This means that individuals can buy life insurance policies that have cash value and exempt the life insurance policies from creditors. This protection afforded through a life insurance policy allows an individual to guarantee a certain amount of money to his or her estate without fear of all of the assets being gobbled up by creditors.

Therefore, a person can have cash value on his or her life insurance and no creditor can touch the poli-

lent intent, i.e., intent to defraud creditors, the money will not be protected by creditors pursuant to the "Uniform Transfer Act" of Florida Statute 726.101.

That is why it is essential to take advantage of the protection afforded under the law before creditor problems arise.

Due to the importance of ensuring this protection for you and your family, it is appropriate to consult with an attorney to ensure that you obtain the protection you are seeking through life insurance policies or any asset protection methods.

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cy, with the exception of that person's spouse in a divorce proceeding or the government. The law makes it clear that the life insurance itself on the death benefit accrues only to the benefit of the beneficiary and cannot be subject to the claims of creditors unless the insurance policy was designed to pay off creditors.

Life insurance policies with cash value are useful in devising minimal plans to shield an individual's assets under Florida law in the event of accumulation of debt or judgments entered against an individual. It is important to note that if there is any fraudu-

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