

SAMPLE ASSET PROTECTION “THE PROTECTOR” LETTER

This letter may be used to recommend The Protector to clients – an asset protection system to shield existing value in assets into a Trust without capital gains tax and stamp duty consequences.

**IMPORTANT INFORMATION ABOUT THIS DOCUMENT**

This letter has been designed to encourage clients to implement a sophisticated but simple asset protection strategy. Importantly it is not advice but a call to action being an appointment to find out more about how asset protection can help protect their family wealth. The LightYear Docs strategy solution – the Protector may protect and quarantine existing equity or value in assets such as homes, investment properties, equity and trust investments, cars, artwork and social media. The quarantining is from litigation and family provisions claims and for the benefit of the client’s bloodline or lineage if desired.

**ESTATE PLANNING OPPORTUNITY:** *Apart from the immediate benefits the Protector has during their life for transferring wealth equity from an individual (and even a trust if warranted) to a protected trust, the strategy also ensures the asset so transferred sit outside the individual’s Will so it precludes the operation of the various State family provisions and succession acts which enable a wide range of family and non-family members to make a claim on a deceased’s estate.*

**Importantly the path to Asset and Estate Planning success starts with a conversation with the client.**  For that we have prepared this letter – *Protecting your Family’s Assets during life and after death*.

From a legal perspective The Protector built on LightYear Docs has been signed off by Abbott & Mourly lawyers so there is no legal professional privilege issues in producing The Protector for your client.

**Legal Sign Off Option**

If you would like to book in a time for a client/adviser face to face meeting with a lawyer to discuss, finalise and provide specific legal sign off on The Protector with your client then please contact [tanammourlis@abbottmourly.com.au](mailto:tanammourlis@abbottmourly.com.au) to book a time. The fee for a one hour session - $495 where The Protector prepared on the LightYear Docs platform can be reviewed and signed off by Abbott & Mourly lawyers. This is a discount from our normal $750.

**Note:** You may reproduce all or any part of this text in hard copy and/or in electronic format, without asking for permission from LightYear Docs if you are a registered LightYear Docs user.

Adviser/Accountant Name

Firm Name

Address

City, State, Postcode

Date

Client Name

Address

City, State, Postcode

Dear Mr./Ms. [Client Name]:

**PROTECTING YOUR FAMILY’S ASSETS DURING LIFE AND AFTER DEATH**

We are writing to all our clients about the opportunity of protecting your assets from any litigation or government claim plus a family provisions claim in the event of your departure. Litigation and family provisions claims are rife and may arise from someone falling in your home or an investment property, if you are a professional - a professional indemnity claim and definitely a claim on your estate upon your death. G*iven Australia has the most lawyers per head of population in the world it is not surprising.* After all they have to live somehow!

**A Real Case in Point:** A family provision claim on your estate assets may result in long and costly court proceedings. In Western Australia in 2018 the judge of the WA Supreme Court castigated lawyers who had taken five years and $500,000 in legal fees to challenge a $600,000 estate consisting only of the deceased’s home. This is happening every day in Supreme Courts around Australia and we do not want that to happen to you.

We are writing to let you know some exciting news that we have teamed up with Lawyers and specialist asset protection and estate planning advisers, Abbott & Mourly to provide “The Protector” an asset protection trust package, which not only provides asset protection, but ensures that your assets are held for the benefit of those beneficiaries in your lineage or bloodline that you want. This will ensure that your hard built assets are kept in the hands of your lineage.

**The Protector – Sophisticated Asset Protection**

The Protector involves the creation of a special purpose Trust for the beneficiaries of your lineage or bloodline that you desire, including yourself and your spouse. If you have an existing trust this may prove suitable unless it is also potentially openly exposed because it runs a business or service. Once the asset protection trust is established we transfer the equity in your current assets, including your family home, into the trust and then lend it back to you for your use. This means no tax or stamp duty issues but more importantly vital protection!

**As your adviser** we strongly recommend that together we undertake a simple three step process to see whether The Protector is for you:

1. Determine the value of all assets (net of liabilities) that are in your name and thereby exposed – see the worksheet over to get you started.
2. Set up an appointment to go through the process for implementing The Protector, how to ensure there are no tax consequences and who is to benefit from these assets during your life and also post your death for generations to come.
3. Establish the chain of documentation, execute the relevant deeds and place them in our digital vault and provide copies for your safe keeping.

The first two steps are complementary to our existing clients – *normally $750*. Given the litigious society we live in and where state governments, the ATO and other federal agencies can garnish (take) monies from your bank for unpaid debts, and the danger of leaving your estate exposed to long and costly litigation from a family provisions claim, we feel that it is important for all of our clients to examine the process and determine whether or not to protect their assets and legacy with The Protector.

And to get things started we have attached a simple sheet where you can determine, roughly, the assets – their value – any monies owing on them – the net value of the asset and ultimately your total net equity that is exposed and ready for protection. Once you have completed this you can make an appointment with XXXX to look at your options or alternatively make the appointment and we can work through your net equity position.

Let’s work together now to take that weight off your shoulders.

Sincerely,

Name of Professional

DATA CAPTURE – Determining your Net Equity

This is a simple process and the exact value of an asset such as a family home does not need to be determined, just an approximate amount. All major assets should be included such as:

1. Family homes
2. Investment properties
3. Shares, managed funds, unit trusts and other investments
4. Cars
5. Artwork
6. Bikes, furniture and other items that are of a reasonable value

|  |  |  |  |
| --- | --- | --- | --- |
| ASSET - NAME | VALUE $ | LIABILITY $ | NET VALUE $ |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| NET EQUITY – SUM OF ALL NET VALUES |  |  |  |