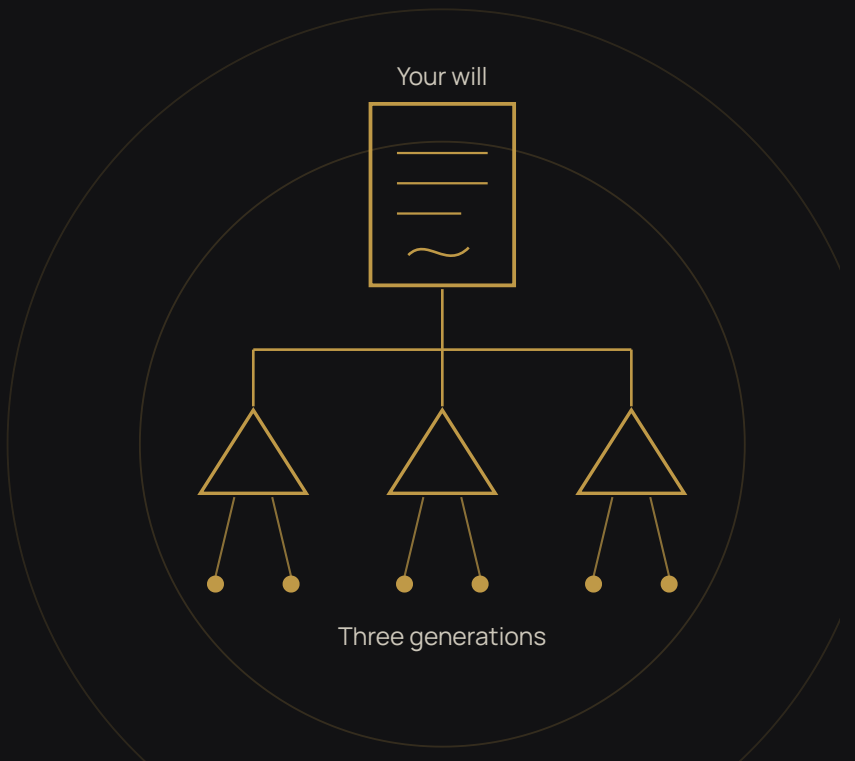
GLOBAL WEALTH
CLUB

Estate Planning and Risk Management

Wills, powers of attorney and insurance: protect your family, fund your plan, and leave a legacy, not a problem.

Global Wealth Club

8 SECTIONS · WORKING EXAMPLE · FAQ APPENDIX



3 generational testamentary trust wills, what your will does not cover, financial and medical powers of attorney, and life, TPD, trauma and income protection insurance.

OVERVIEW

What matters most

Good estate planning answers four questions: who gets your assets, who decides if you can't, what happens to your business, and whether your family is funded.

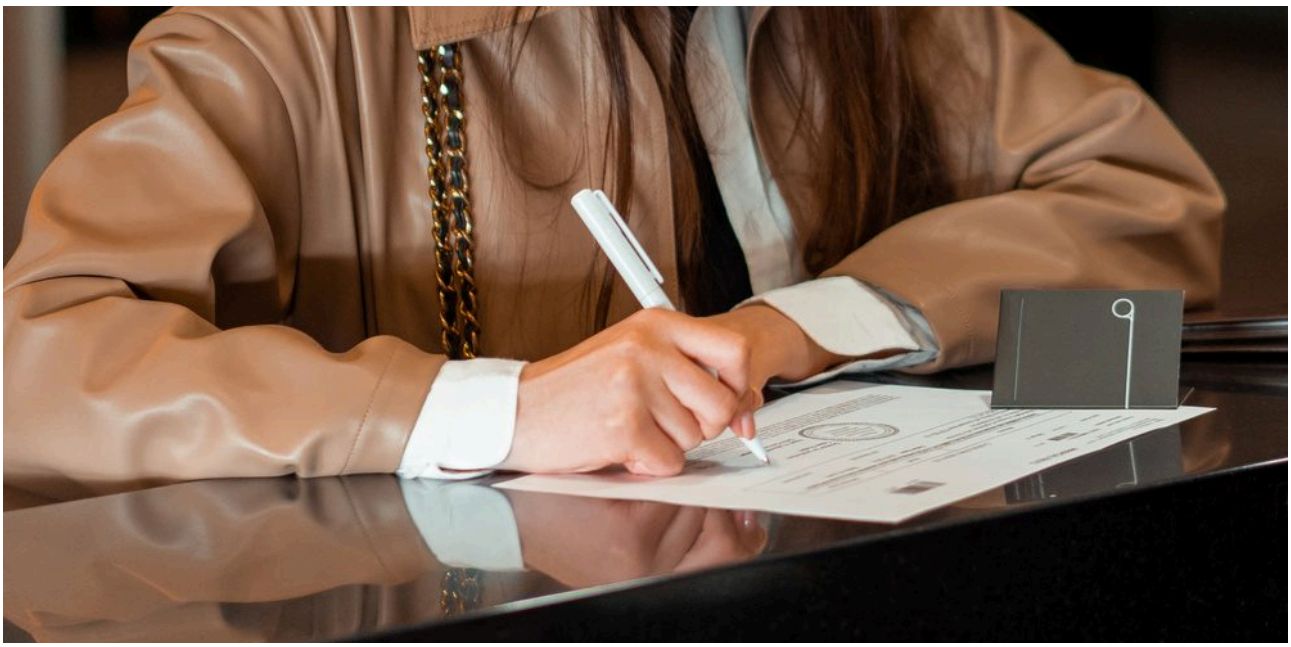
1 **A 3 generational testamentary trust will protects what you leave.**
Each child's inheritance sits in its own trust, protected from tax shocks, a child's divorce and a child's bankruptcy.

2 **Your will does not cover everything.**
Family trusts, companies, super, jointly owned property, life insurance and your business all pass by their own rules.

3 **You need financial and medical powers of attorney.**
Both must be enduring, with a back-up, or a government tribunal may decide for you.

4 **Insurance makes sure the plan is funded.**
Life, TPD, trauma and income protection cover pay out when your family needs it most, and how each policy is owned matters.

5 **Plan while you are healthy, and review it.**
Insurance is easier to get, and your documents only work if they match your life today.



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01

SECTION ONE

Why Estate Planning Matters

You worked hard, you built assets, you protected them. But who gets them?



THE BIG PICTURE

Estate planning answers four questions

Who gets your assets?

Your will, and the structures behind it.

Who decides if you can't?

Your financial and medical attorneys.

What about your business?

Your succession plan and buy-sell agreement.

Is your family funded?

Life, TPD, trauma, income protection and key person cover.

A REAL EXAMPLE

Sandy's story: no will, no say

Sandy's husband died without a will. Their main asset was the family home. Under the intestacy laws in her state, she received only part of his estate. The rest went to his two brothers, whom he had not spoken to in over 20 years.

★ IN SIMPLE TERMS

Most people spend a lifetime building their wealth, and five minutes planning who gets it. Without a will, the law writes one for you.

02

SECTION TWO

Your Will: Standard or 3 Gen Testamentary Trust?

Two kinds of will, and why the difference matters.



OPTION 1

A standard will

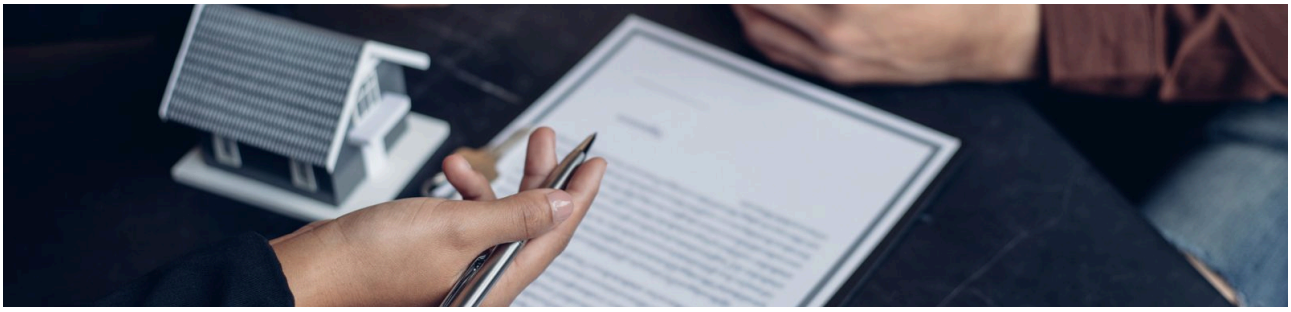
From a will kit, a one-page template or a standard lawyer's will. You choose who inherits and who your executors are, so it is much better than nothing. But each inheritance passes straight into your loved one's own name, with no protection from tax, the Family Court or creditors.

OPTION 2 · OUR PREFERRED APPROACH

A 3 generational testamentary trust will

Everything a standard will does, plus a separate trust for each of your loved ones, created by your will when you die. Your child controls their trust, but the assets are not in their personal name, and they can benefit their own children and grandchildren too.

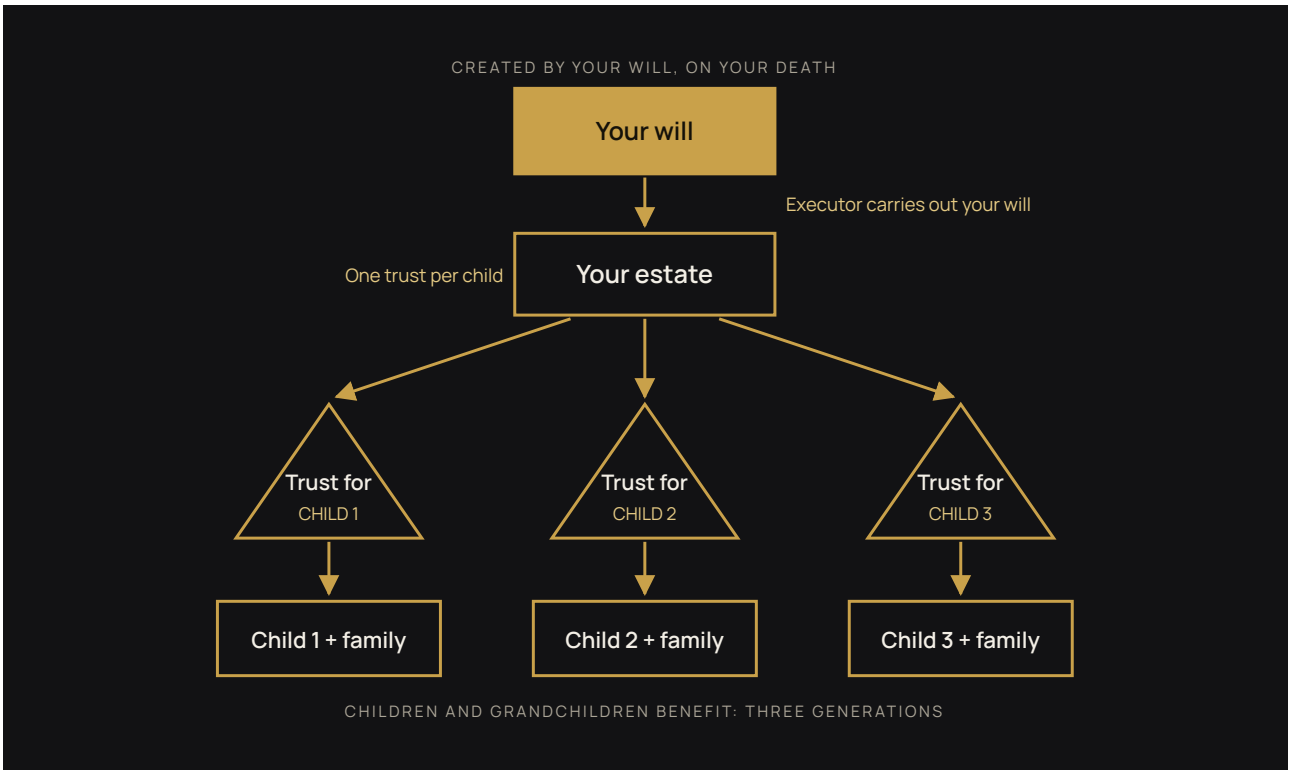
- ✓ **Tax savings:** less stamp duty, CGT and income tax for your loved ones.
- ✓ **Family Court protection** if a child's marriage breaks down.
- ✓ **Bankruptcy protection** from a child's creditors.



HOW IT WORKS

A trust for each child, created by your will

Nothing changes while you are alive. On your death, your executor sets up a testamentary trust for each child, and their share of your estate goes into it.



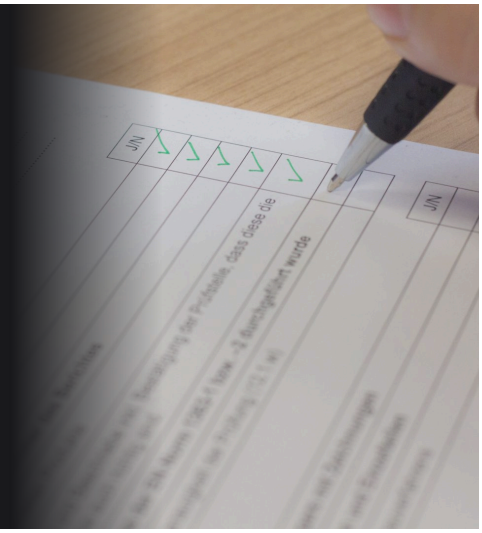
	Standard will	3 Gen testamentary trust will
Stamp duty and CGT when children divide assets	Can be triggered	**Can usually be avoided**
Investment income for young children	Penalty tax rates	**Taxed at adult rates**
A child's divorce	Inheritance counted in the settlement	**Usually protected**
A child's bankruptcy	Inheritance goes to creditors	**Held in trust, protected**

03

SECTION THREE

Protection From Tax, Divorce and Bankruptcy

The three reasons a testamentary trust will matters, with real examples.



REASON 1 · TAX SAVINGS

Three children, three townhouses

Fred and Mary have three children and three investment townhouses near the beach. Their standard will leaves each child a third of everything. After Fred and Mary die in a car accident, the children agree to take one townhouse each.

Then the shock arrives. The stamp duty office says each child "transferred" their share to the others, and the ATO says the same for capital gains tax. Stamp duty plus CGT comes to **over $150,000**. With a 3 generational testamentary trust will, the properties can be allocated between the children's trusts without the same tax hit.

REASON 1 · INCOME FOR YOUNG CHILDREN

Children taxed as adults

Normally, children under 18 pay penalty tax on investment income. Income from a testamentary trust is taxed at adult rates, so each child gets their own tax-free threshold. Your super and life insurance can be paid to your estate and flow into the trust too, then be invested for the family.

★ IMPORTANT: THE PROPOSED TRUST TAX CHANGES

The May 2026 Federal Budget announced a 30% minimum tax on discretionary trusts from 1 July 2028. Testamentary trusts that existed on Budget night are left out, but trusts created by a will after that may not be, which would reduce the income tax benefit. It is not law yet. The divorce and bankruptcy protection, and the stamp duty and CGT benefits, are not affected.

REASON 2 · FAMILY COURT PROTECTION

Alex's marriage breaks down

Alex inherits $1 million from his parents, and then his marriage breaks down. Under a standard will, his inheritance goes into the property pool, and his ex-spouse could walk away with part of Mum and Dad's money.

With a testamentary trust, the inheritance is held in trust and is usually protected. The Family Court can look through a trust, but it rarely does, and mostly where the child has tried to hide family assets.

REASON 3 · BANKRUPTCY PROTECTION

What if Alex is bankrupt?

Alex owes $850,000 to his creditors when his parents die and leave him $1 million. Under a standard will, the trustee in bankruptcy takes it. With a testamentary trust, it is held for him until he is discharged, with help towards his living costs in the meantime.

★ THE RESULT

Alex decides whether to pay his creditors, not the government. You pay enough tax in your lifetime. Your family should not pay it again on your estate.

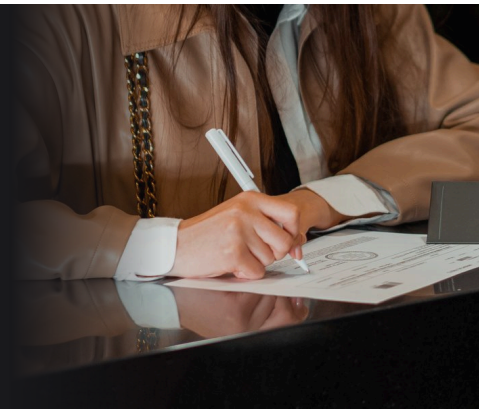


04

SECTION FOUR

Getting the Details Right

The clauses and choices that make a will work.



Executors

As a rule, make all your adult children executors unless you have a reason not to, and always name back-up executors.

Inheritance age

Often 25 to 30, or staggered, for example half at 25 and half at 30.

Guardians

Name a guardian for children under 18. The Court gives strong weight to your wishes.

Several levels of beneficiaries

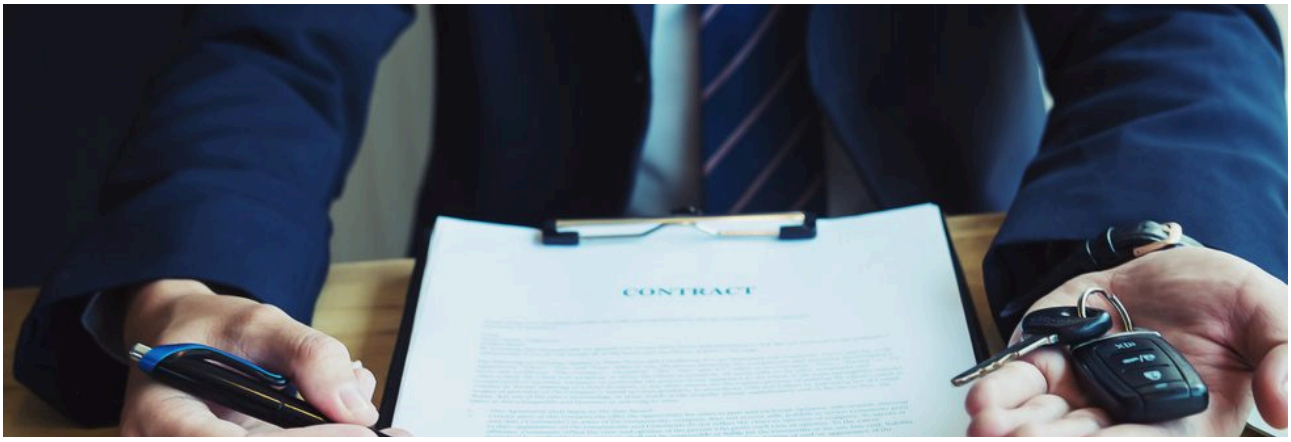
For example your partner first, then your children, then each child's family if a child has died, then others.

Special needs or spendthrifts

A protective trust, with clear paperwork recording your reasons.

Specific gifts

Use a limit, for example $10,000 or 10% of the estate, whichever is less, so a gift cannot swallow the estate.



MORE LAWYER'S TIPS

Small things that make a big difference

- **Will challenges.** The rules on who can challenge differ by state. Generally, assets "in the estate" can be challenged. The answer is to move key assets out of the estate, for example into a discretionary trust set up during your lifetime, with the control clause naming the next controller directly rather than referring to your estate.
- **Settle where possible.** Will disputes can get very expensive.
- **Letter of wishes.** What you want and why. It is not part of the will, but your executor can be told to consider it.
- **Explanatory paperwork.** Keep a record of your assets, accounts and passwords, so your executors can find everything.
- **No codicils.** Add-ons to a will can get lost. If you want to change your will, redo it.
- **Overseas assets.** With significant assets outside Australia, have a will in that country too, with clauses so the two wills do not conflict or double up.
- **Charitable foundation.** You can leave the remainder of your estate to your own foundation, so it benefits causes you care about.



05

SECTION FIVE

What Your Will Does Not Cover

Assets that pass by their own rules, not by your will.



Asset	Passes by	What to do
Family trusts	The trust deed	**Name who takes over as appointor and director when you die**
Companies	Share ownership and the constitution	**Plan who gets the shares and the directorships**
Superannuation	The super fund trustee	**A binding death benefit nomination, kept up to date**
Jointly owned property	Automatically to the other owner	**Check how each property is owned**
Life insurance	Whoever is nominated on the policy	**Nominate your estate where it suits your plan**
Your business	Your buy-sell agreement	**A shareholders and buy-sell agreement, funded by insurance**

★ SUPER: NAME YOUR BENEFICIARY

Without a binding nomination, the fund trustee decides who gets your super, especially in industry funds. Some nominations lapse after three years.

IN BUSINESS WITH PARTNERS?

Your business needs its own succession plan

If you own a business with others, your will alone cannot decide what happens to your share. That needs a shareholders agreement and a buy-sell (succession) agreement, funded by insurance. See our brochure, **Business Succession Planning and Managing Risk**.

06

SECTION SIX

Powers of Attorney

A will works when you die. A power of attorney works while you are alive.



A REAL EXAMPLE

Fred's story

Fred collapses at work with a brain tumour and is rushed to hospital in a coma. Mary is handed urgent documents to sign for him. She can't: there is no power of attorney. She leaves his bedside for an emergency tribunal hearing. They own their home 50/50, so she needs the tribunal's approval to sell it for his care, and it says no.

Financial

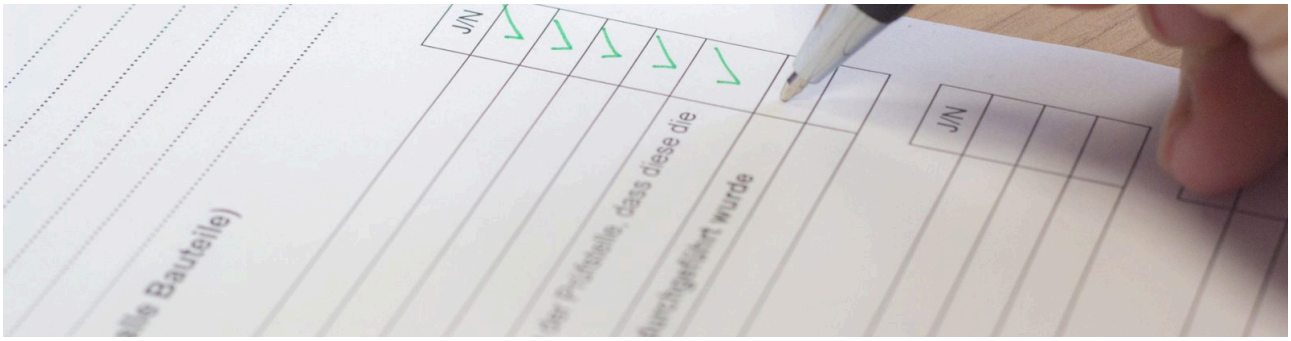
An enduring power of attorney: banking, bills and investments, buying and selling property, signing contracts and tax documents, and running your business affairs.

Medical and lifestyle

An enduring guardian and health directive: medical treatment and care, where you live and who cares for you, your end of life wishes, and speaking with doctors for you.

★ YOU NEED BOTH. NEITHER COVERS THE OTHER.

A financial attorney cannot make health decisions, and a medical guardian cannot touch your bank account. Both must be **enduring**, so they keep working if you lose capacity. Without them, a tribunal decides, often appointing the Public Trustee, who charges fees for every step. The names of these documents differ by state.



CHOOSING YOUR ATTORNEYS

Who should act for you?

1. **Someone you trust completely.** They will sign documents and manage money in your name.
2. **Appoint a back-up.** In case you and your partner are hurt in the same accident. Otherwise your children may argue, and the tribunal may hand it to the Public Trustee.
3. **They have legal duties.** They must act in your best interests, or face serious penalties.

★ GOOD TO KNOW

Being married does not let your partner sign for you or sell property you own together. If there is no one you trust, an accountant, lawyer or the Public Trustee can act, under strict legal accountability.

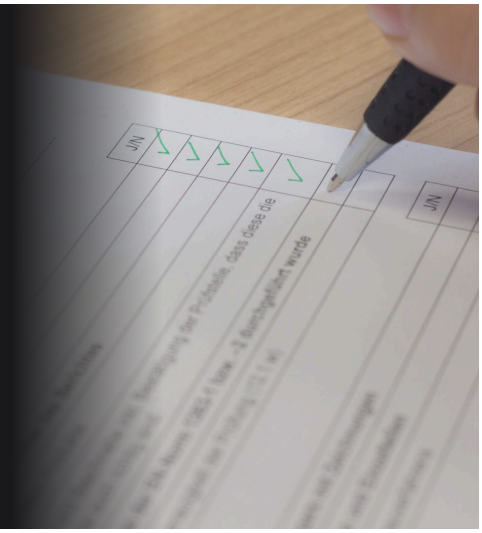


07

SECTION SEVEN

Risk Management: Insurance

Making sure the plan is funded when it is needed most.



Your will decides who gets what. Insurance makes sure there is enough to go around, and that debts do not swallow what you leave.

01 · LIFE INSURANCE

A lump sum if you die

Pays a lump sum on death, and usually on diagnosis of a terminal illness. It clears debts such as the home loan, and provides for your partner and children. Paid to your estate, it can flow into your testamentary trusts.

02 · TPD (TOTAL AND PERMANENT DISABILITY)

A lump sum if you can never work again

Pays a lump sum if illness or injury means you are unlikely ever to work again. It pays off debts and covers the cost of care and changes to your home. Check the definition: "own occupation" cover pays if you cannot do your own job, while "any occupation" cover only pays if you cannot do any job you are suited to.



03 · TRAUMA (CRITICAL ILLNESS)

A lump sum on a serious illness

Pays a lump sum if you suffer a listed condition, such as cancer, a heart attack or stroke, even if you recover and return to work. It gives you time off to recover, pays for treatment, and takes the pressure off your family.

04 · INCOME PROTECTION

A monthly income if you cannot work for a while

Replaces part of your income, often up to about 70%, while you are off work through illness or injury, after a waiting period. Premiums are usually tax deductible, and the payments are taxed as income.

05 · KEY PERSON AND BUY-SELL COVER

Protecting your business

Key person cover protects the business if it loses someone vital. Buy-sell cover funds the purchase of an owner's share if they die or become disabled. Both are explained in our **Business Succession Planning and Managing Risk** brochure.



WHO OWNS THE POLICY MATTERS

Inside super, outside super, or in the business

	Inside super	Outside super
Who pays	Your super balance, so less out of pocket today	You or your business
Life cover	**Yes**	**Yes**
TPD	"Any occupation" only	**"Own occupation" available**
Trauma	Not available	**Yes**
Paid out	Through the fund trustee, which can be slower, and can be taxed if paid to adult children who are not dependants	**Directly to you or your estate, usually tax free**

- **Paid to your estate:** the money can flow into your testamentary trusts for tax-effective income for the family.
- **Business-owned:** key person and buy-sell cover need the right owner, set up alongside your agreements.
- **Many people use both:** some cover in super for cost, and the rest outside for better definitions and control.

> ★ PLAN WHILE YOU ARE HEALTHY
>
> Cover is easier and cheaper to get before a health problem appears. Insurance is arranged through a licensed adviser, who recommends the right policies for you.



A WORKING EXAMPLE

How much cover does the Taylor family need?

Mark and Kate Taylor are both 42, with two children aged 8 and 11. Mark earns $180,000 and Kate earns $70,000. They owe $650,000 on their home and $50,000 on a car. What would Kate and the children need if Mark died or could never work again?

What Kate and the children would need	Amount
Pay off the home loan and car loan	$700,000
Children's schooling and costs to age 18	$200,000
Replace part of Mark's income for 10 years, invested	$800,000
Funeral, legal and estate costs	$30,000
Total need	$1,730,000
Less Mark's super and the cover already in it	($430,000)
Extra cover to consider	**About $1.3 million in life and TPD cover**

★ PUTTING IT TOGETHER

With a 3 generational testamentary trust will, Mark's life cover is paid to his estate and into a trust for Kate and the children. The investment income can then be shared with the children at adult tax rates. Kate needs her own cover too, and both should consider trauma and income protection.

Figures are examples only. A licensed adviser works out the right amounts for you.

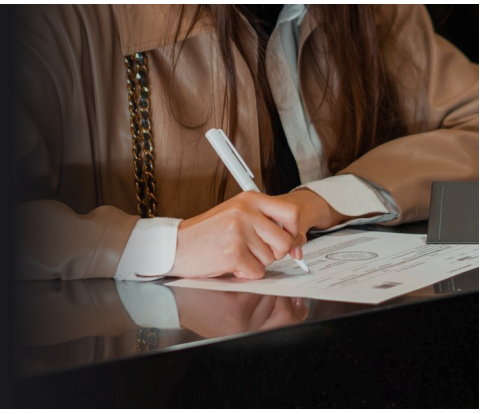


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SECTION EIGHT

Your Action Plan

A checklist, and when to review it.



- **Testamentary trust wills** for you and your partner.
- **Financial power of attorney,** enduring, with a back-up.
- **Medical power of attorney:** guardian and health directive.
- **Super nominations:** binding, and up to date.
- **Trust and company control:** appointors, trustees and directors.
- **Buy-sell agreement** if you have business partners.
- **Insurance review:** life, TPD, trauma, income protection and key person.
- **Regular review:** every 3 to 5 years, or on life changes.

REVIEW WHEN LIFE CHANGES

Change	Why it matters
Marriage or separation	Can change or cancel parts of your will
Children or grandchildren	New beneficiaries and guardians
A new business or property	New assets and structures to cover
Moving overseas	Different laws and tax rules apply



THE PROCESS

How it works

Who does it: YOU GWC

1	Find your current wills and powers of attorney, check your super nominations, and list any business partners and insurance policies.	YOU
2	We look at your whole picture: assets, structures, super, insurance and family.	GWC
3	We design your estate plan and instruct qualified lawyers to prepare your wills and powers of attorney.	GWC
4	We introduce you to a licensed adviser to review your insurance.	GWC
5	You sign your documents, update your super nominations and put your cover in place.	YOU
6	Review it all every 3 to 5 years, or after a big life change.	YOU

NEXT STEPS

Who decides for your family: you, or the government?

- **Become a free member at www.globalwealthclub.com.** You will find free videos on estate planning, wills, powers of attorney and insurance, and you will be notified of free podcasts, masterclasses, events and updates on the topic.
- Any questions? Email clients@globalwealthclub.com and we will be in touch to discuss.
- Let us know if you would like a proposal with our package price.

Yours in freedom,

The Global Wealth Club

APPENDIX

Frequently Asked Questions

Wills, attorneys and insurance.

Who should be my executor?

Someone you trust, often the people who benefit under the will. Fred and Mary are each other's executors first, then their adult children, with back-ups named.

Can someone challenge my will?

Certain people, such as a spouse, partner, child or grandchild, can ask the court for a larger share. Who can challenge differs by state. Recording your reasons, and holding key assets outside your estate, makes a challenge much harder to win.

I have a child with a disability. What should I do?

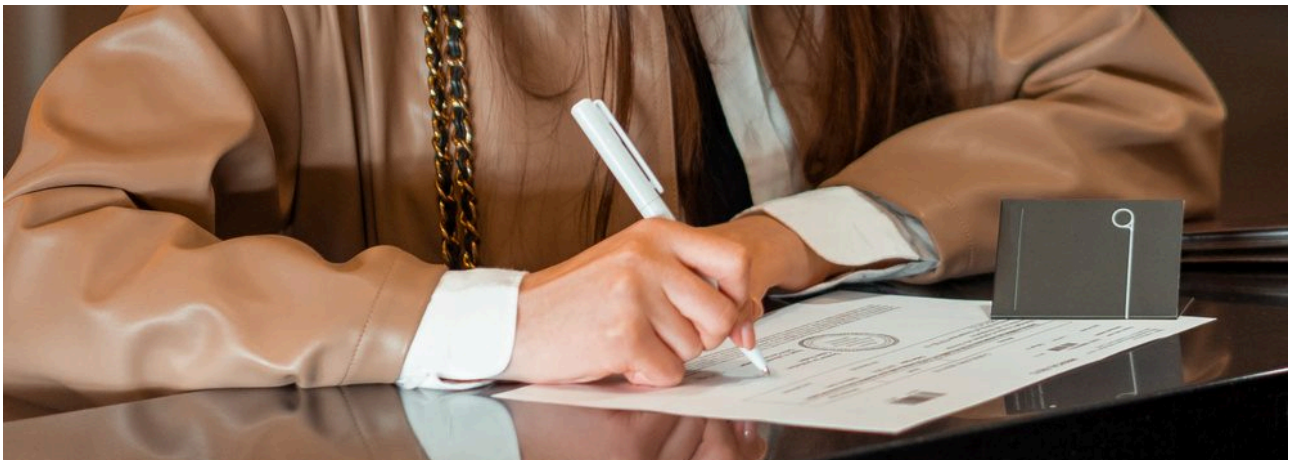
Hold their share in a properly structured protective trust, and in some cases a special disability trust, with an executor who knows your child well.

Do I need a power of attorney if I am married?

Yes. Being married does not let your partner sign for you or deal with property you own together if you cannot.

Should my insurance be inside or outside super?

Often both. Cover in super is paid from your balance, but has limits: no trauma cover, "any occupation" TPD only, and possible tax if paid to adult children. Cover outside super gives better definitions and control. A licensed adviser can recommend the mix.



Who should my life insurance be paid to?

Often your estate, so it passes under your will and into your testamentary trusts. For business cover, the policy owner and beneficiary must match your buy-sell agreement.

How much cover do I need?

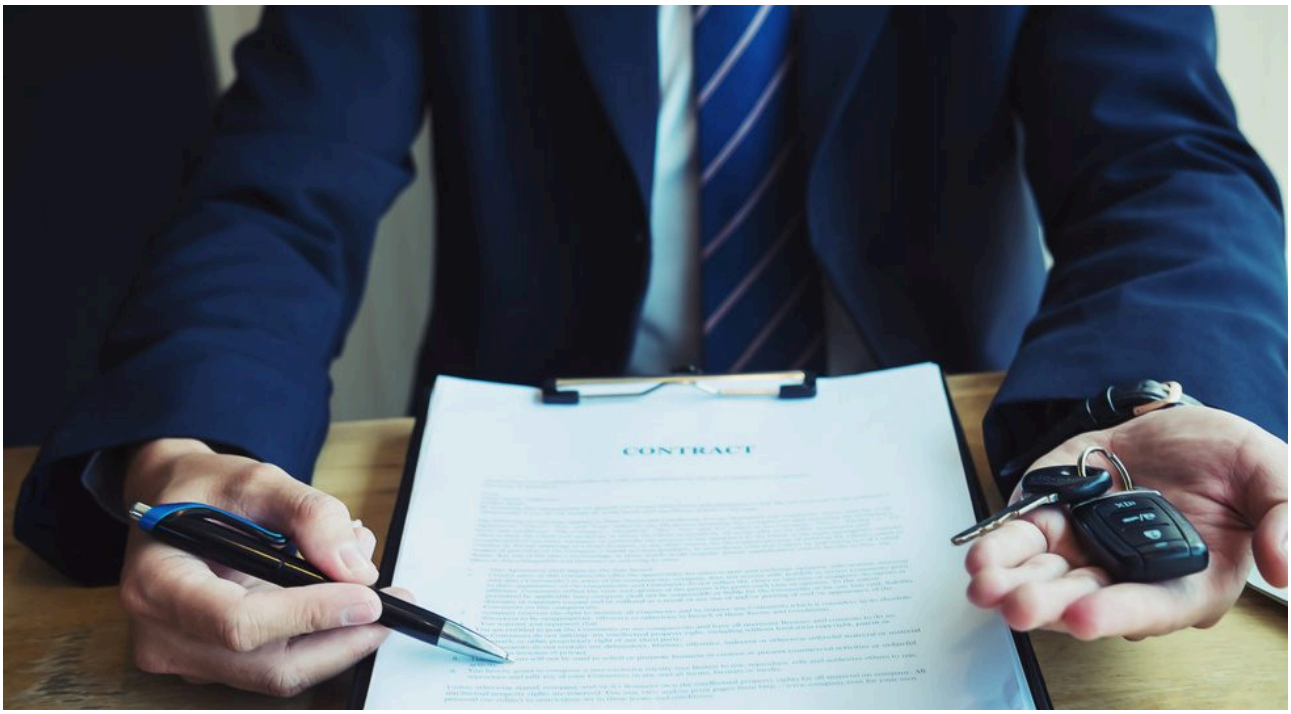
Enough to clear your debts, provide for your family's living costs and your children's education, and cover any business obligations, less what your super and other assets already provide. See the Taylor family example in Section 7.

Do I need a will in another country?

If you hold significant assets overseas, usually yes, written so the two wills do not conflict.

How often should I review my estate plan?

Every 3 to 5 years, and after any big change: marriage, separation, children, a new business or property, or moving overseas.



General information only, not personal tax, legal, financial or insurance advice. Insurance is arranged through a licensed adviser. Laws differ by state and change over time, and the Budget trust measures described are not yet law. Figures are examples only. Confirm with a qualified adviser before acting.