Introduction on how we do a presentation.

We are now going to cover how to present a Protective Property Trust (PPT ) to your clients and to do this we are going to use the client instruction. I won’t go into the obvious details of filling in names and addresses etc., but this is the crux of the presentation that we do.

Now the first thing to say is that I don’t like just seeing a client and start filling out a form as at that stage they have not committed to anything .What we do is firstly look at their family tree, and the assets and liabilities and then we do the presentation. So below is the script for the presentation.

**The Presentation**.

Having taken out our client instruction here script that I’d say to our customers who are Jim and Jan Jones.

What I’d like to do Jim and Jan is first of all have a look at your assets and liabilities, and then your family tree, and then you can tell me what you’d like to do, is that okay?

Okay, is it fair to assume that if one of you passes away, everything passes to the survivor and then onto the children ?’ (Client answers yes) So, that’s what we call a basic will, and I really don’t like them, and let me show you why. What I’m going to do is I’m going to talk to you about estate planning, now estate planning consists of three parts.

1. Making a will. I think we all know that making a will allows you to pass your assets through to your loved ones.
2. I’m going to talk about trusts, how to protect those assets, and we’ll talk about that a bit later.
3. And I will talk about lasting powers of attorney. Now a Lasting Power of Attorney is for while your alive but unable to conduct your affairs. Now, they come in two parts, firstly one for finances, and secondly one for health, and you appoint attorneys to act on your behalf when you can’t. Typically, they will be your spouse and your children.

Now, to put all this estate handling in place is about the cost of a holiday, the only difference is, when you fly away to Spain or Portugal, or wherever you went last year, when you land back at the airport , obviously the holiday is a bit of a distant memory, but you’re already thinking, ‘Where am I going next year?’, and more importantly, ‘How can I pay for it?’ With estate planning other than a few tweaks, once its paid for its paid for, you never pay again.

Now, you can say to me today, ‘Tim, I’d like to put the full estate plan in place. I want to put in part of it’, or, ‘I want to put in none of it’, and its entirely up to you.

However, at the end of this I’m going to ask you a couple of things, and you can say a number of things to me. Hopefully it will be, ‘Yes Tim, we love it. We see the advantages and how this can work for us , we want to go ahead’, and we would love that, and if it is a yes from you, then can I just say that from my perspective and from the company’s, we will do everything we can to support you not only now but also in the future as far as your wills and estate plans are concerned.

But it might not be a fit for you, and that’s fine, that will be a no, but please do me the courtesy of not saying you want to think about it, because you and I know that’s a no.

**So, let me show you how this works.**

Let’s have a look at your main asset, which is your house. Now, you own it jointly, so we’ve got Jim and Jan. What I’m going to do is, I’m going to look at an example of where Jan dies first, it will be exactly the same if Jim died, but here Jan died first. So, under this basic will, remember the one I said I didn’t like, Jan has passed the house and everything to Jim.

Now on the face of it that looks fine, but Jim lives another 35 years, he meets a young lady, not unreasonably, and they get married. Now obviously she’s not as good as you Jan, it doesn’t work out and they get a divorce.

Can you see, this half of the house , Jan`s half that Jan thought was going to the children, goes in a divorce settlement to the young lady.

Now, less likely, but Jim could go into business and go bankrupt, and because the whole house is now owned by Jim it’s the whole house that can be taken by the bankruptcy court.

Finally, Jim could go into care when he’s older, and because he owns the house it’s the whole house that’s assessed for care-costs.

And all the time Jan thought that her half was going to the children and it never gets there and the crying shame is that this need never happen, and it would be the same of course if Jim died first.

And actually, it gets worse, because six years before Jan died, she had a stroke, and what it meant was she couldn’t get up the stairs. So, the family had a meeting and said, ‘Let’s move to a bungalow’, the only problem is of course, she couldn’t sign the documents and therefore the move couldn’t go ahead. So, the only option for the family was to go to the Court of Protection, and that cost thousands of pounds, and took months and months to sort out. And again, this never need happen.

So what could we do about it ?

Well, remember the house, remember you own it jointly the first thing that Jan could do is make a will, and in this will is a particular trust called a Protective Property Trust, and this in effect ringfences her half of the house. So, when she dies her half of the house goes into the trust, and it’s in favour of the three children. Now the first thing that Jim will say is, ‘Well, hang on a minute, where can I live?’ Well, under the terms of trust he has a right to live in the house, he has a right to move, he can live in it for the rest of his life, but he never owns it.

So, now let’s have a look when he meets his young lady. He lives for 35 years, meets the young lady, it doesn’t work out and he gets divorced. Can you see, he’s never owned Jan`s half, it is owned by the trust and therefore it won’t go in the divorce settlement. It would be exactly the same if he went bankrupt, or indeed if he went into care, because he doesn’t own it, he can’t lose it, and on his death its guaranteed to go to the children.

Can you see the huge advantages of good estate planning?

And if we look at our scenario six years earlier, Jan had a stroke and she couldn’t get up the stairs, so the family decided to move to the bungalow. Well, of course this time the move could go ahead. Why? Because what she could do is make a Lasting Power of Attorney for her finances, and one for her health and welfare. So, *now* when she needs to sign, although she can’t, she hasn’t got the capacity to do so, her attorneys i.e. her spouse and children, they can, and the move can go ahead.

**So, what does estate planning do?**

It allows you to pass your main asset, your house, through safely to your children and the generations.

Now, I’m going to talk about the full lifetime estate plan, it consists of:

* A will.
* A trust.
* Two lasting powers of attorney.

‘Let me just ask you Jim and Jan, how much is your house worth?’

‘It’s worth £300,000’.

‘Well, the great news is, that for just £995 per person, you can put all this plan in place. Can you see the huge advantages, and the peace of mind such planning will give you?’