



# The Leading Member – a dynamic Succession and bloodline/lineage solution

## Deep Dive & Training Session

This webinar will commence at 12.00pm ADST.

Please use the chat feature to ask any questions throughout the webinar.



24 February 2022

# The Problem

1

Discretionary Trusts look like asset protection structures but are really tax minimisation plays

2

First is the duration of the trust – 80 years may seem a long time but if there is a large amount of wealth stored in there it can create CGT and duty problems.

3

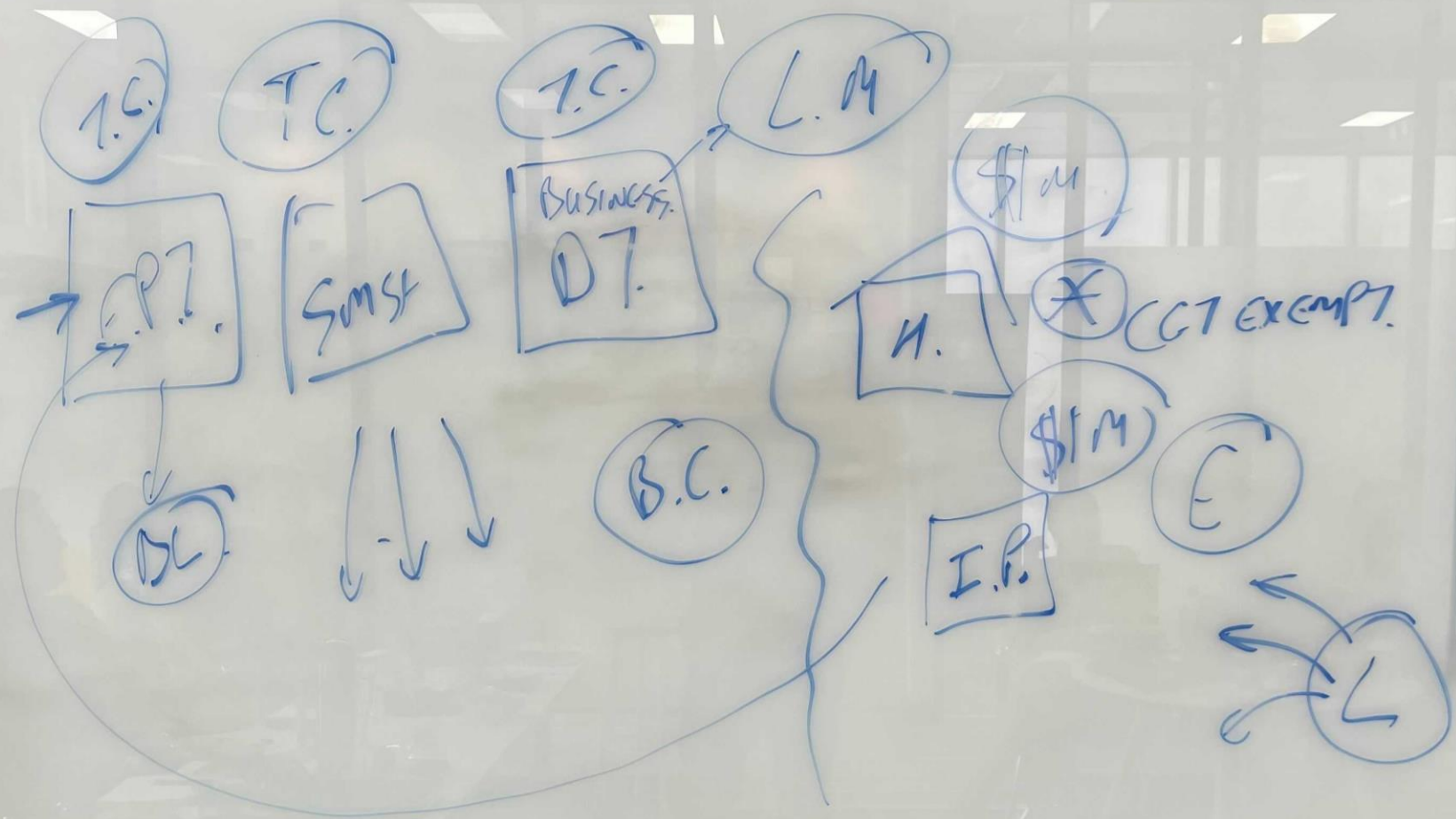
The Appointors need REAL THINKING. Who they are, what impact may arise and is there a line of succession. Let me tell you a disaster from the Abbott & Mourly client archives

4

Most important of all is NEVER have individual trustees and with companies – who takes over in death – not only directorships but SHAREHOLDING

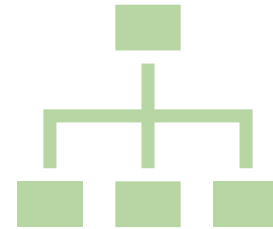


**Protecting Family Wealth with succession, asset protection and bloodline planning**



- Post-it
- ① L.M
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  - ✓ ② LM
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# Leading Member Discretionary Trust



Find out why it is different here -  
[Leading Member Trust Summary.docx](#)

## Key takeaways for advisers:

It is premium solution and should be advised upon on a case by case basis

The chain of succession is all important as the beneficiaries flow from the Leading Member Appointor(LMA)

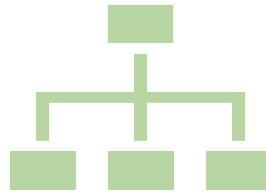
LMA is principal beneficiary as is bloodline children, grand children, great grandchildren plus any entity they are beneficiary or member

# Corporate Trustee for LMDT



Find out why it is different here -

[Discretionary Trustee Company upgrade to Leading Member Trustee Company Marked Up.pdf](#)



## Key takeaways for advisers:

It is important for the Leading Member Appointor to be the only shareholder

Can have other directors if spouse or children want to be part of the equation as LM is Chair and has veto

There is auto-succession in the event of death, divorce, death or dementia

Non-dividend paying shares

Easy to upgrade – three minutes

# Leading Member SMSFs

1

The Leading Member has the power, if acting as a Trustee, to appoint and remove any Trustee plus appoint and remove any Member of the Fund

2

Using the LightYear Docs EPOA, members of the Fund can transfer their trusteeship or directorship to the Leading Member under ATO ruling: [SMSF ruling 2010/2](#)

3

The Leading Member SMSF Corporate Trustee has the same in-built solutions that can be found in the LMDT corporate trustee

4

Changing the constitution or the governing rules of the Fund is not financial advice, nor is it the provision of a legal service as only a data entry process

# How to do

1

You can do by way of separate documents: Leading Member Discretionary Trust Corporate Trustee and then Leading Member Discretionary Trust. The same with SMSFs.

2

We have combined Leading Member SMSF deed and corporate trustee upgrade in the Strategy Automation section of the site

3

The Leading Member Discretionary Trust Corporate Trustee with the upgrade for the discretionary trust to a Leading Member Discretionary Trust will be automated by next week

4

Better still use the Moat and Castle for your client families





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