RISK PROTECTOR

Find Your Exposure. Protect Your Personal Assets. Protect Your Business.

BUSINESS AND DIRECTOR RISK IDENTIFIER

Tool # 1 - Your Personal Exposure

Exposure Diagnostic

WHAT THIS TOOL DOES AND WHY IT MATTERS

This tool is designed for one purpose: to help you identify whether you may have a personal liability exposure as a director. It won't give you legal advice and it won't tell you that everything is fine. What it does is ask the questions your advisers haven't and flag the areas where your personal assets could be at risk. Using this tool does not create a solicitor-client relationship. Any legal documents referred to in this tool are prepared by an independent Australian law firm engaged by Risk Protector. That firm acts solely for Risk Protector and does not act for, or advise, you.

Most directors assume their structure protects them. Most have never been told all the ways it can fail. This tool starts that conversation.

Read each question and tick YES, NO or UNSURE honestly. There are no wrong answers. Only honest ones. Count your YES and UNSURE answers in the Score Summary at the end. This draws out your total risk exposure.

Pay close attention to Parts B and C on ATO direct exposure and Personal Guarantee risks. A YES or UNSURE answer in those sections takes your risk level to critical and demands immediate action.

PART A: ATO and Director Penalty Notice Exposure

The questions below cover your exposure to ATO recovery action and Director Penalty Notices (DPN's). DPN's are either Lockdown or Non-Lockdown. The difference matters enormously. If you don't know which type applies to your company, that's already a problem.

#	Question	YES	NO	UNSURE
1	Do you know whether your company currently has any unpaid PAYG withholding or superannuation owing to the ATO?	☐	☐	☐
2	Have you received any ATO correspondence in the last 12 months, whether directly or via your bookkeeper or accountant? This includes letters, SMS, portal messages and phone calls.	☐	☐	☐
3	Do you know whether any ATO debt in your company has been reported to a credit reporting agency?	☐	☐	☐
4	Do you know the difference between a Lockdown DPN and a Non-Lockdown DPN? When the ATO issues one, your company's unpaid tax debt becomes your personal debt. Do you know which type your Company's current position would attract?	☐	☐	☐

PART B: ATO Direct Exposure

Answer these questions carefully. A YES or UNSURE response here places you in a high-risk category regardless of your answers elsewhere.

#	Question	YES	NO	UNSURE
5	Is your company currently on an ATO payment arrangement and is it functioning on time every single time?	☐	☐	☐
6	Do you know whether the ATO has registered any charge or security position over your company?	☐	☐	☐
7	Have you received any informal ATO contact in the last 12 months outside of formal written correspondence? This includes phone calls, emails or verbal approaches, either directly or through your bookkeeper or accountant.	☐	☐	☐

PART C: Personal Guarantee Exposure

Personal guarantees are one of the most commonly misunderstood risks directors carry. Most people who gave one no longer remember exactly what they signed.

#	Question	YES	NO	UNSURE
8	Can you say with certainty that no personal guarantees exist across your business facilities, leases or credit arrangements?	☐	☐	☐
9	Are you fully aware of your own personal guarantee exposure across your business facilities, leases and trade credit accounts?	☐	☐	☐
10	Have you read and understood every personal guarantee you've signed? Do you know the exact dollar amount and conditions?	☐	☐	☐
11	Do personal guarantees given by other directors in your company put your position at risk if they can't honour their guarantee/s?	☐	☐	☐
12	Do you have a written summary of every facility carrying a personal guarantee that lists the amounts and conditions?	☐	☐	☐
13	Have any of your personal guarantees been independently reviewed in the last 12 months by someone qualified to assess them?	☐	☐	☐

PART D: Trust Structure and Asset Protection

Many directors believe their trust structure insulates them from personal liability. In most cases it doesn't do what they think it does.

#	Question	YES	NO	UNSURE
14	Do you know who the appointed Appointor is in your family trust and who takes over if that person is unable to serve?	☐	☐	☐
15	Has your trust deed been reviewed by a specialist in the last three years to confirm it's fit for purpose for your current situation?	☐	☐	☐
16	Are you aware that when you act as both a company director and a trustee of a related trust, the ATO can pursue you personally for unpaid trust tax obligations?	☐	☐	☐
17	Are your distributions across multiple entities structured in a way the ATO could successfully challenge?	☐	☐	☐
18	Have you created Protected Entitlements in your trust so that unpaid beneficiary entitlements don't sit exposed on the trust balance sheet?	☐	☐	☐
19	Is your family home held in a structure that is completely separate from your trading company and its creditors?	☐	☐	☐
20	Are your business assets held in a trust structure that keeps them quarantined from your personal estate?	☐	☐	☐

PART E: Director Obligations and Misconduct

Directors carry statutory obligations that don't disappear because you weren't aware of them. Ignorance isn't a defence once a claim is made.

#	Question	YES	NO	UNSURE
21	Are you the sole director of your trading company? If so, do you have a backup director or an accountable succession plan in place?	☐	☐	☐
22	Have you ever been a director of a company that entered external administration? If so, do you have documentation confirming you were clear of misconduct?	☐	☐	☐

YOUR SCORE SUMMARY

Add up your YES and UNSURE answers across all sections and write the total in the boxes below.

YES AND UNSURE ANSWERS	NO ANSWERS
____ out of 22	____ out of 22

IMPORTANT QUESTIONS TO REVIEW SEPARATELY

Questions 4, 6, 8, 10, 19 and 21 carry the highest individual risk weighting. Any YES or UNSURE answer to any of these questions carries a critical obligation to act without delay, regardless of your total score.

WHAT YOUR SCORE MEANS

Score Range	What It Means
0 to 7 out of 22	Your exposure appears limited at this point. That doesn't mean there's nothing to watch. Some structural gaps only become visible when circumstances change. A free A13 Structural Exposure Assessment will confirm where you actually stand.
8 to 9 out of 22	You've identified issues across several areas. Some will be more urgent than others but the combination matters. Directors in this range often carry more personal exposure than they realise. Don't assume distance from the day-to-day protects you.
10 to 22 out of 22	Your personal exposure is at a critical level. The circumstances you've described create a pattern that has cost other Australian directors everything. Get the A13 Structural Exposure Assessment done before anything else.

WHAT TO DO NEXT

The structural exposure this tool has helped you identify is real. These gaps exist on directors' files across Australia every day. They're more common than most advisers realise and fixing any one of them requires a thorough understanding of how your overall position works as a whole.

The good news is that this can all be addressed. Our advisory conferences have helped Australian directors resolve exactly these kinds of situations. The next step is free and it carries no obligation of any kind.

The Risk Protector A13 Structural Exposure Assessment

This is a free forensic assessment available to Australian directors. It works through all 13 risk areas and takes your position apart piece by piece to find what's actually sitting unresolved.

Found something concerning? It won't soften what it finds but you'll come away knowing where to start.

No obligation. No sales pitch. No punches pulled.

outcome in your circumstances. Before acting on anything this tool identifies, obtain independent professional advice relevant to your circumstances.

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