RISK PROTECTOR

Your First Line of Defence Against Director Liability, ATO Enforcement and Asset Exposure

BUSINESS & DIRECTOR RISK IDENTIFIER TOOL — NO. 4

Personal Guarantee Exposure Identifier

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WHAT THIS TOOL DOES — AND WHAT IT DOES NOT DO

A personal guarantee is one of the most dangerous documents a director can sign — and one of the least understood. Most directors have signed multiple guarantees across bank finance, commercial leases and trade credit accounts without ever calculating their combined exposure or understanding precisely what can be called against them personally. This tool is designed to help you see the full picture of what you have committed to.

This is not a diagnostic. It does not measure the severity of your exposure or tell you how to manage it. What it does is reveal whether your personal guarantee position carries risks that could reach your home, your savings and your personal assets if called. Your score at the end will tell you whether this needs to go further.

1	Read each question and tick **YES**, **NO** or **UNSURE** honestly. If you genuinely do not know the answer to a guarantee question — that uncertainty is itself a risk signal.
2	The **RISK column** shows the consequence level if your answer is NO or UNSURE. HIGH means direct personal asset exposure. MEDIUM means a developing vulnerability that needs monitoring.
3	Count your NO and UNSURE answers in the Score Summary at the end. Your HIGH risk gap total is your most important result.
4	If RED or AMBER risk gaps are present the next step is clear, free and waiting for you at the end of this tool.

SECTION 1 — Guarantee Awareness & Documentation

Do you actually know what you have signed and what it covers?

#	Question	YES	NO	UNSURE	RISK
1	Can you state your total personal guarantee exposure across ALL facilities — bank finance, leases and trade credit — as a single combined dollar figure right now?	☐	☐	☐	HIGH
2	Have you read and understood every personal guarantee document you have signed — including the specific trigger conditions and the scope of what can be called?	☐	☐	☐	HIGH
3	Do you hold a current written summary of every facility carrying a personal guarantee — with lender name, facility type, amount and key terms documented?	☐	☐	☐	HIGH
4	Do you know which of your personal guarantees are unlimited — meaning there is no cap on the amount that can be recovered against you personally?	☐	☐	☐	HIGH
5	Have any of your personal guarantees been independently reviewed by a specialist in the last three years?	☐	☐	☐	MEDIUM

SECTION 2 — Personal Asset Exposure

If a guarantee is called tomorrow, which of your personal assets are directly in the firing line?

#	Question	YES	NO	UNSURE	RISK
6	Is your family home held in a structure — such as a trust, in your spouse's name or in a separate entity — that is completely outside the reach of your personal guarantee obligations?	☐	☐	☐	HIGH
7	Are your personal savings and investments held separately from any structure that a creditor could reach through your personal guarantee position?	☐	☐	☐	HIGH
8	Do you know exactly which personal assets would be exposed if your largest personal guarantee was called in full tomorrow?	☐	☐	☐	HIGH
9	Has a specialist ever reviewed whether your personal asset holding structure adequately protects your assets from personal guarantee exposure?	☐	☐	☐	HIGH
10	Are you confident that none of your personal guarantees can be triggered by events outside your direct control — such as a co-director's actions or a business partner's default?	☐	☐	☐	HIGH

SECTION 3 — Guarantee Terms & Trigger Conditions

Do you understand exactly when and how your guarantees can be activated against you?

#	Question	YES	NO	UNSURE	RISK
11	Do you understand the cross-collateralisation position across your guarantees — meaning whether one default could trigger multiple guarantees simultaneously?	☐	☐	☐	HIGH
12	Do all your personal guarantees clearly specify a maximum dollar amount — or do any of them contain unlimited or all-monies clauses?	☐	☐	☐	HIGH
13	Are you aware of any material adverse change clauses in your guarantee documents that could allow a lender to call the guarantee outside of a default event?	☐	☐	☐	HIGH
14	Do you know whether any of your personal guarantees include continuing security obligations that survive even if the primary facility is repaid or closed?	☐	☐	☐	MEDIUM
15	Are you aware of any guarantee obligations that may have been passed to you through a business acquisition, company restructure or directorship change?	☐	☐	☐	MEDIUM

SECTION 4 — Guarantee Risk Management & Strategy

Is your guarantee exposure being actively managed — or simply accumulated over time?

#	Question	YES	NO	UNSURE	RISK
16	Do you have a strategy in place to progressively reduce or limit your personal guarantee exposure as facilities are refinanced or renewed?	☐	☐	☐	MEDIUM
17	Have you ever attempted to negotiate a cap, a time limit or a release condition into a personal guarantee before signing?	☐	☐	☐	MEDIUM

18	Is your total personal guarantee exposure proportionate to your personal asset base — meaning you could realistically meet all calls without losing your home or retirement savings?	☐	☐	☐	HIGH
19	Does your spouse or partner have independent legal advice on any guarantees that may have been signed jointly or that affect jointly held assets?	☐	☐	☐	HIGH
20	If your business experienced a serious financial event in the next 12 months, do you have a clear understanding of the sequence in which your guarantees would likely be called?	☐	☐	☐	HIGH

SECTION 5 — Spousal & Joint Asset Exposure

Does your personal guarantee position extend beyond you — to your spouse, your family or jointly held assets?

#	Question	YES	NO	UNSURE	RISK
21	If your spouse or partner holds significant personal assets — including the family home — have those assets been independently reviewed for exposure to your personal guarantee obligations?	☐	☐	☐	HIGH

YOUR SCORE SUMMARY

Count your answers and enter the totals below. Every NO or UNSURE on a HIGH risk question represents a direct personal asset vulnerability.

✓ YES ANSWERS	✗ NO ANSWERS	? UNSURE ANSWERS
_____	_____	_____
questions ticked	*questions ticked*	*questions ticked*

HIGH RISK QUESTIONS ANSWERED NO OR UNSURE — QUESTIONS 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 18, 19, 20, 21

My count: _____ out of 16 HIGH risk questions

Each HIGH risk gap answered NO or UNSURE means a personal guarantee you hold carries an exposure you cannot fully see or control. The more gaps present, the greater the combined risk to your home, savings and personal assets.

WHAT YOUR SCORE MEANS

Score	What It Means
0 HIGH gaps	Your personal guarantee position appears well understood and managed based on your answers. Review this tool every 12 months or whenever you are asked to sign a new guarantee or renew an existing facility.
1 to 3 HIGH gaps	You have identifiable gaps in your personal guarantee exposure that carry direct risk to your personal assets. Guarantees with unknown trigger conditions, unlimited scope or unreviewed terms are liabilities that sit invisibly until they are activated. Managing these gaps correctly requires a level of structural and legal knowledge that goes beyond what most advisors routinely provide to their clients.
4 to 8 HIGH gaps	Multiple serious personal guarantee vulnerabilities exist in your current position simultaneously. Your home, your savings and your personal assets are exposed to risks you may not be able to see clearly. The combined effect of cross-collateralised, unlimited or poorly understood guarantees can result in a

	total personal asset loss from a single business event. Addressing this requires forensic analysis of each guarantee, your asset structure and how they interact.
9 or more HIGH gaps	Your personal guarantee exposure is at a critical level across multiple dimensions simultaneously. The gap between what you have committed to personally and what you can actually see and control is significant. A single creditor action, facility default or business downturn has the potential to reach your family home, your retirement savings and your personal assets in ways that are very difficult and very expensive to reverse once triggered. This situation requires immediate specialist attention.

IF YOUR SCORE HAS IDENTIFIED RED OR AMBER GAPS

The personal guarantee vulnerabilities this tool has helped you identify do not sit in isolation. They connect directly to how your assets are held, how your business structure is designed and what the ATO or a creditor can reach in a worst-case scenario. Understanding your guarantee exposure in isolation — without understanding your full structural position — only gives you half the picture.

There is one clear, free and completely confidential next step available to you right now.

The Risk Protector A13 Structural Exposure Assessment

The A13 is the only free forensic structural assessment of its kind available to Australian directors. It examines your guarantee exposure in the full context of your entity structure, your trust position, your ATO obligations and your personal asset protection — and tells you precisely what the gaps are and what a solution pathway looks like.

HOW TO GET STARTED — IT IS FREE AND THERE IS NO OBLIGATION:

Visit **www.riskprotector.com.au** and click the **GET MY FREE A13 ASSESSMENT** button.

We will send the A13 Structural Exposure Assessment form directly to you.

No obligation. No cost. Absolute discretion.

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This tool is a self-awareness resource only. It is not a diagnostic, not advice and does not replace a professional structural assessment. Risk Protector Pty Ltd provides strategic advisory services only. Not legal or financial advice. Covered by $50M Professional Indemnity Insurance.

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