

Welcome to the Legenis monthly newsletter

This month's newsletter contains information about important upcoming dates to establish your/client's family foundation; How 600 penguins made their way to Samoa and the new special price for the Valgenics® profiling tool.

If you have any questions regarding the information in this month's newsletter please don't hesitate to call or email.

I hope you enjoy this month's articles.

Warmest regards,
Dr Robb Musgrave
CEO, Legenis

Legenis: Leaving a lasting legacy for families, foundations, corporations and non-profit communities by empowering them to do the right things, by doing things right.

Edition 13 - December 2009



Article 1

So, just what have you got in your boxes?

- By Dr Robb Musgrave

When I first started in financial services many years ago, I remember reading about an elderly lady who had been living in the family home and who had passed away. Not much in that story, but when the family turned up to clean up the house for sale they went through the accumulation of a lifetime and to their surprise they found a box among a large pile of similar boxes and it held **\$1 million in cash**.

My accountant at the time commented what a silly thing to do, to have \$1 million in cash in a box under the house, it should have been invested. I

remember saying to him that I felt anyone who had \$1 million anywhere was doing OK and I was going home to check all the boxes under my house. Needless to say there was no \$1 million in any of my boxes. Our office recently moved and in the unpacking of all those boxes we found 600 odd **penguins**, no, not real live Penguins, the cuddly fluffy toy type of penguin, both with and without squeakers. They had been left over from a promotion we did a while ago for a separate business.

Last week with the assistance of Rotary International we arranged for all those **600 odd penguins** to go to new homes. So for Christmas this year, children all over south east Asia and the pacific region, in particular Samoa will find a new toy penguin with or without squeaker. I hope those kiddies feel good about getting those penguins at least half as good as we did about giving them away. Remember it is always just as good to give as it is to receive.

I can't help but wonder, what a young child in tropical Samoa, who may have lost a home and some family in the recent disasters will feel about getting a penguin from Antarctica via Australia. One hopes he or she says, Cool!!!

If you would like information on how you can give most effectively and start living your legacy please contact Robb at robb@legenis.com or on +61 7 3395 1213.

["How to Build a Living Legacy? – When success isn't enough"](#)



by Dr Robb Musgrave. – [BUY IT](#)

This book will take readers on a journey of personal discovery for "when success isn't enough". Most of us think of legacies in purely financial terms – a monetary gift or a family home. *When Success Isn't Enough!* overturns that assumption and shows that it's our values, not our money, that make us unique, but which also ultimately shape our legacy. Few are remembered for the money alone!

Article 2

Why a Foundation... and When?

- Dr Robb Musgrave

Currently approximately 800 Family Foundations (PAF) exist in Australia since they were legislated in 2001 and they have about 1.5 billion of funds under management. They were doubling in number each year before the GFC. We estimate the market will be substantially bigger as their story is told by

advisers throughout Australia.

Foundations suit families and individuals who any one of have the following traits:

- **There is a taxation issue developing particularly with CGT, often due this tax year, but sometimes developing and unknown in quantity**
- **The family is charitably minded but has no strategic plan**
- **Parents are concerned that young adult children are not prepared for the responsibilities of wealth**
- **Parents want family values to be passed onto children and grandchildren**
- **Parents have a vision for their family over subsequent generations**
- **Someone wants to leave a Legacy and has no strong immediate family ties**

The changes recently made in regulations have given certainty to the role of Foundations going forward and it would appear that the worst impacts of the GFC are past, even though volatility remains. ***It is time for forward planning.***

The minimum amount for a Foundation is not prescribed, however it would appear amounts above \$220,000 make economic sense as the minimum gift to be given from the Foundation is \$11,000 or 5% whichever is the greater. Amounts less than \$220,000 are acceptable, but the fund would need to fund the administrations costs as well as the minimum gift each year.

If you have clients who have any of the identified traits and who are interested in discovering the benefits of a family or corporate foundation, now is the time for discussions. The end of the financial year is coming fast and for foundations to be guaranteed to be in place the administration deadline for submissions will be the 1st April 2010. Foundation applications submitted after that time may not be through the ATO process before the 30th of June.

At Legenis we can assist you in many ways to have meaningful discussion with clients who fit the profile or who you feel would benefit from learning more about setting up a **family foundation**.

Call Legenis for information or support on 1300 302 191, or email admin@legenis.com

We are looking forward to working with you!!

Article 3

Why values are important to your future?

Your **legacy** is what you leave and how you will be remembered. Most would

hope to be remembered with love and affection, but if we pay little attention to what is important we could easily be despised and reviled. While these are two extremes, they do highlight that thinking about your life and the impact you have is an important exercise. I say, *"everyone who is loved by someone leaves a legacy in some form, even if it is what not to do"*. However, few people get to experience the power of a **structured [living legacy](#)**.

My PhD research taught me that what people wish to leave as their legacy are their values, beliefs and philosophies. You need first to understand and then be understood. So when I ask *"What is important to you?"* you need to stop and think. **What do you value?** Most people do not value money, as such, although the easy answer is they may value what money brings to them; possessions and lifestyle. But when tested, most people don't value *things* that highly. What about you?

'People are more important than possessions. Love people. Use things. Not vice versa.'
E&M Diefendorf

I am often asked, **['What are values?'](#)** It is important that you are very clear about what they are and how they work if you are to create your structured living legacy. *Values are our lifestyle priorities and in many ways they define our goals.* Values also explain a lot about who we are as individuals, the choices we make and how we live.

All of us have **values** even if they are not well defined, or at the forefront of our minds. Our **values** are our personal preferences and priorities, but they have often been passed down to us and reshaped or rejected at various times during our lives. For many of us they are unconscious motivators. When you take action if your actions are not in alignment with your **values** you will start to feel uncomfortable and have inner conflict. This wastes both time and enormous personal energy; some people become consumed by these conflicts without knowing, Why?

However a few people use their values as conscious motivators, they guide their actions by their values, so the chances for conflict are minimised and real activity can be sustained and energy levels increased. You begin to be more synergised and effective. The more effective the more energy you create and the circle continues. Some people even start to understand not only their passions but also **their purpose in life**.

In recent decades, researchers including the *Australian Paul Chippendale* have identified over one hundred different human values. They form the foundations of human nature and culture, as well as human relationships. Some researchers have observed that additional values are regularly being discovered or formulated as the world and humanity evolve. So, while many **values** remain constant, other values are developed or adapted as society changes and develops a conscience about certain things, such as global warming, genetically modified foods, cloning and stem cell research. New developments create emotional responses that can, in time, become new values as more people formulate a fundamental position for themselves on the subject.

So, let's assume that you now understand how values work and that you have an overriding desire to begin creating a structured, **living legacy**. You will need to quickly and accurately identify your own unique, core values – procrastination is the thief of time. You will also need to order those values in terms of importance. The ordering process helps you to analyse your beliefs about those values and to ensure that those values then form the basis of your

legacy.

Some of you might feel that a preoccupation with your core values could make you become, or appear to be, more opinionated. Far from it. If you would like to pass on something of value then you have to indulge yourself for a while. You might simply begin to talk to the people who are important to you about what you believe is important in life. People will make up their own mind about what they believe, but that should certainly not stop you from relaying your **beliefs and values to shape your personal legacy to them.**

Valgenics®: - Your Dominant Values Profiling Tool

When I decided to set up *Legenis*, I felt there was a lot of opportunity for a dominant values identification tool for a lot of applications including personal growth, client engagement, relationship development and in team selection and building as well as others

We decided to work on a tool that would use forced choices to give the individual the opportunity to select different values and way them up against each other. I decided to limit the number of **values** to get some focus and make the process work with in an acceptable time frame at around **10 minutes**. There are many different test that are used in these forms of psycho-metric testing and these have been and are being scored and analysed for additional research. Of course this research is based on core data and excludes all individual personal details like names.

When you start a project like this you tend to use a basic philosophy and I used an old quote, ***"life best lived is life best balanced"*** from this we developed 6 Categories for the values to fit to give a balanced life. The six Categories I decided upon were: -

- **Civic, Philanthropic and Community**
- **Financial, Career and Business**
- **Health and Fitness**
- **Education and Self-development**
- **Family and Relationships**
- **Spirituality and Self-awareness**

I expected that most people would have a value in each Category, Well that was dead wrong. We have found after over 1000 valgenics® profiles (still a small sample) that less than 1% of the individuals tested so far are "balanced", I fact many are quite focused with only 2 or 3 of the categories selected. Of course there are no right or wrong selections merely individual choices, but it does make the findings interesting, particularly where **advisers are looking to engage clients or people wanting to further develop relationships**. We are hoping to continue further research on the interesting topic of dominant values as we go along. I hope you can support us in this research.

If you wish to complete your own [valgenics®](#) profile to further understand you individual dominant values, please visit our [website](#) and complete your own individual **valgenics®** profile. I think you will find it both fun and instructional

for yourself, about yourself. There is an individual report that you can keep that sets out the individual values and what they may mean to you. **The cost is A\$25.00 and can be processed securely online.**

If you have any interest in finding out more about Values and building your own living legacies www.legenis.com is a great place to start. I wish you good luck and I hope you will contact me with feedback from your experiences.

***Dr Robb Musgrave, MBA PhD** is founder and CEO of Legenis. Legenis specialises in helping people structure their living legacies based on their values, evolving from research from Robb's doctorate, "Creating Personal Legacies". He is also experienced in Estate and Succession Planning and has run successful insurance and financial planning practices for almost 30 years. Robb is also a Fellow of the AFA and AIM. He is a Life and Qualifying Member of MDRT. For further information please visit www.legenis.com*

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