

Like your fees to  
be paid on time -  
every time?  
**Just Ask.**



money when it matters™



# Empowering your clients: improving your cash flow.

When money really matters, ASK provides crucial loans for your clients who are involved in matrimonial property settlements.

✓ **SINCE WE STARTED TELLING CLIENTS ABOUT ASK, WE HAVE ALMOST ELIMINATED THE NEED TO CARRY “PUNT” CASES. CLIENTS FEEL EMPOWERED. WE WELCOME THE CASH FLOW. IT’S A WIN/WIN SITUATION.** ✓

**MICHAEL TAUSSIG Q.C. PARTNER,  
TAUSSIG CHERRIE - MELBOURNE.**

## Assessment criteria

In making an assessment, ASK considers the following criteria:

- An estimated value of the net asset pool (minimum \$400k net assets)
- Likely split – both in terms of percentage and physical assets
- Likely time until settlement
- Are there other proceedings that may affect the outcome of the current proceedings?
- Have offers been made?
- What will the funding be used for, i.e. legal costs, living expenses or both?
- Has the client changed solicitors previously or ever been self-represented?

## Simple security

The security taken on each advance is in the form of an Irrevocable Instruction. This is a document signed by your client instructing you, their solicitor, to repay ASK at the time of settlement should funds pass through your Trust Account.

In the event that your client does not receive a cash settlement but receives a transfer of real property, ASK will

invoke the ‘Consent to Mortgage’ clause contained in the loan agreement. The clause provides ASK with the ability to become a secured creditor post-settlement for the purpose of working with your client to have them refinanced into a standard bank mortgage.

## Cost savings for your client

Upon approval, ASK will establish a facility for your client – similar to a personal overdraft – where funds are paid on request to your Trust Account in order to satisfy invoices that have been previously rendered. Since interest only accrues on funds that have been drawn, having funds paid on an ‘as needs’ basis provides a significant cost saving for your client.

## Variable interest rates

The interest rate applicable to the loan will vary depending on the risk of the matter. Factors which indicate a higher risk include:

- Smaller asset pool
- De Facto matter

ASK loans can be used for the payment of legal professional fees, daily living expenses, and case-related disbursements such as forensic accounting reports, valuations, barristers' fees and more.

Highly valued and utilised by leading law firms throughout Australia, ASK loans offer considerable advantages for both you and your clients. What's more, these are financial facilities that banks and traditional financial organisations are normally unable to provide.

### No law firm guarantee required

ASK does not require a guarantee from your firm for the loan - as the agreement exists solely between us and the client.

Funds borrowed by your clients are paid directly into your Trust Account on an 'as needs' basis to satisfy invoices that have been rendered, or to pay for counsel fees or other disbursements. Funds used for client living expenses are paid directly into your client's account.

**WE REGARD ASK AS A POWERFUL BUSINESS PARTNER IN THE PROMOTION AND DEVELOPMENT OF OUR FAMILY LAW PRACTICE. OUR CLIENTS ARE MORE OFTEN THAN NOT ASSET-RICH AND CASH-POOR, AND BY UTILISING ASK'S FINANCIAL SERVICES WE ARE ABLE TO MEET OUR CLIENT'S NEEDS AND PROPERLY MANAGE OUR CASHFLOW.**

**JEREMY CULSHAW, ACCREDITED FAMILY LAW SPECIALIST. SENIOR CONSULTANT TO SHANN FAMILY LAWYERS. PARTNER, MARKS AND SANDS SOLICITORS - PERTH.**

- Matter is in early stages
- Client has changed solicitor more than once, or previously been self-represented
- Funding sought for living expenses only

A time-costed assessment fee applies to each loan. This is calculated pro-rata on the amount of funding drawn under the facility at any time.

The interest rate and assessment are set out in the credit contract provided to your client via our offer of finance. At that stage, if the client does not wish to proceed with the loan, there is nothing to pay.

### Substantial benefits for your firm

An ASK loan offers proven practical benefits to your firm:

- Improves cash flow
- Invoices paid on time
- Removes credit risk associated with non-payment of carried files
- Ideal for cases with substantial merits that were previously turned down due to client's inability to pay until settlement
- Reduces the cost of business for your practice - e.g. financial cost, potential bad debts, costs associated

with recovery of debt, time in administering the debts owing

- No guarantee required by your firm

### More advantages for your clients

Clients invariably appreciate the advantages of an ASK loan:

- No repayments required during the term of the loan unless clients wish to do so
- Ability to utilise the joint asset pool (e.g. family home) to secure the loan without requiring the consent of the ex-partner
- Loan is assessed on the underlying legal case and the likely final outcome
- Competitive interest rates
- Interest charged only on the funds drawn to trust
- Ability to draw down on funds as required
- Expedient approval and payment process

## Quick and simple application process

ASK has ensured that applying for funding is a prompt and easy process.

- 1** First, a completed application form is sent to us by your client
- 2** We then send a Request For Information (RFI) to your firm
- 3** Your firm provides written answers to the RFI
- 4** Assessment is generally completed within 72 hours
- 5** On application approval, we advise client and forward loan deeds to solicitor/client
- 6** Loan Deed is signed by your client
- 7** Solicitor accepts and acknowledges Irrevocable Instruction
- 8** Funds are disbursed

# ASK helps when banks and others can't

## **Better than a bank loan**

Lawyers agree that funding of this nature is often critical to their clients - but until now it has been virtually impossible to source. ASK offers a unique financial facility that traditional lenders such as banks and other lending institutions are unable to provide.

An ASK loan offers many advantages, not the least being that your clients are not required to make any repayments during the term of the loan until their legal matters are settled. Your clients can, however, pay out the loan at any time. The loan is assessed on the underlying case and the anticipated final settlement.

## Questions

**ASK IS AUSTRALASIA'S  
LARGEST AND MOST  
EXPERIENCED LEGAL  
LENDER, PROVIDING  
MONEY WHEN  
IT MATTERS TO  
THOUSANDS OF  
INDIVIDUALS  
ACROSS  
AUSTRALIA AND  
NEW ZEALAND  
EACH YEAR.**

### **What can the loan be used for?**

Legal fees, disbursements and your client's living expenses.

### **What information is sought after a client applies?**

Details of the asset pool; duration of marriage/relationship; custody/residency issues; what the parties' intentions are in relation to the former matrimonial home; whether the client has been self-represented previously or changed solicitor.

### **What security does ASK require?**

Security is taken by way of Irrevocable Instruction. This document must be acknowledged by the law firm prior to funds being released, agreeing that they will repay the loan to ASK should funds pass through their Trust Account.

### **What is a 'Consent to Mortgage'?**

This forms part of the loan deed in cases where there is a risk the borrower will not receive any funds and retains real property as their settlement. ASK will work with the borrower to have them refinance at standard mortgage rates post-settlement.

### **Does ASK only consider the matrimonial home when assessing assets?**

#### **What about superannuation?**

We also consider other assets such as shares, cash and motor vehicles. Superannuation will be considered if it is part of the negotiation process between the parties.

### **Does the law firm have to provide a guarantee?**

There is no guarantee required.

### **What happens if information provided was false?**

#### **Is there any liability?**

With the exception of fraud or professional misconduct on behalf of the solicitor, ASK will hold the solicitor harmless from any liability incurred as a result of passing on inaccurate instructions.

### **Is the law firm required to offer an opinion as to prospects?**

No. We advise law firms to provide us with their client's instructions only. We make our own assessment as to the outcome.

### **What happens if the client wants to change solicitor?**

Prior consent must be obtained from ASK and your client will be

provided with a list of accredited solicitors in their area.

### **Does the client have to pay interest on the entire facility, or just on the amount drawn down?**

The client only pays interest on the amount drawn down.

### **What other obligations does the law firm have?**

ASK loans are only provided to the clients of expert and specialist family law solicitors. We will write to you periodically requesting an update as to prospects and expected time until a settlement. Your firm should contact us in the event that the case suffers a significant downturn in prospects.

Orders for the payment of funds should be drafted in such a way as to ensure that they pass through your Trust Account in order for repayment under Irrevocable Instruction to be effected.

### **When a case settles, how does the law firm find out the final payout figure?**

Simply contact our family law relationship managers, or email [payout@askfunding.co.nz](mailto:payout@askfunding.co.nz)



For help with Family Law Funding,  
P 0800 552 332 F 0800 727 390

[www.justask.co.nz](http://www.justask.co.nz)  
E [info@askfunding.co.nz](mailto:info@askfunding.co.nz)

Ask Funding - PO Box 106807, Customs Street, Auckland NZ 1010

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