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TRUSTS & ESTATES ALERT



IN THIS ISSUE

Planning for death: File your life - today, not tomorrow

Our world is vastly different – more so than most could have imagined before this pandemic. We face a stark reality – increased deaths and uncertain futures; the stress of the unknown, compounded by an ever-changing financial landscape. Despite these realities, the national lockdown, and increased time at home, provides an opportunity – an opportunity to compile a “*life file*” to facilitate the administration of your deceased estate.

Planning for death: File your life - today, not tomorrow

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Filing for a purpose

The principal purpose of a life file is to ensure that all necessary documentation is on hand for the proper administration of your deceased estate. A life file complements your last will and testament and should be stored therewith or made accessible to your next-of-kin or executor.

The creation of a life file not only simplifies the period after your death, it also eliminates a frenzied search for crucial documents. It creates order. Peace of mind.

Ultimately, your next-of-kin and executor will benefit from the structure you have realised through the creation of a life file. Additionally, you will feel empowered. Consolidation of your information will leave you feeling informed and in control.

What to include

Below is a high-level overview of the proposed contents of your life file. Annexed to this alert is a checklist which you are welcome to print and use in the compilation of your own life file.

Personal information

Whilst basic information such as your full names, date of birth, marital status and residential address should be included, more sensitive information, like your tax number, next-of-kin, beneficiary and spousal contact details should also be included. List your dependents and their contact details. Include a copy of your last will and testament and indicate the location of the original one. Also provide your executor’s contact details.

Importantly, consider what necessary practical information is typically outside others’ reach – for example, the password to your mobile phone. Perhaps consider including the details of your house alarm codes, access to safety deposit boxes, and the location of any special keys.

An important addition to your personal information is a curated contact list. Consider listing your doctor, attorney, accountant, financial advisor and banker’s details in addition to those of your next-of-kin.

Financial information

Consolidating your financial information is crucial. Your executor will require this information in order to properly administer your estate and deal with your assets and liabilities.

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In the instance of offshore assets, consider details surrounding how such assets were acquired, when they were acquired, and whether the South African Reserve Bank approvals (if necessary) has been obtained. Remember to include proof thereof.

By listing each financial investment, product, policy, and the like, you facilitate the process. Consider also including information such as your bank account details and offshore investments. Naturally, include access and contact information. Do not neglect your insurances or licenses, credit accounts and subscriptions – include passwords and usernames for each. If you have debit orders, list them. Any interest in business ventures, trusts, stockvels, or the like should be sufficiently detailed. Lastly, if you have an interest in any incorporeal assets, such as a usufruct, detail this too. Ultimately, any aspect of value (both positive and negative) should be recorded. To stay abreast, set an annual reminder. On this date every year you can print updated copies of the relevant information, be it statements, certificates, or investment information.

In the instance of offshore assets, consider details surrounding how such assets were acquired, when they were acquired, and whether South African Reserve Bank approval (if necessary) has been obtained. Remember to include proof thereof.

Documents

It is useful to cross-reference each item mentioned above with a document – for example, an ID, marriage certificate, bank statement, statement of account or investment summary. The documents may be revised annually to ensure that they are up to date.

Certain documents are required in order for your deceased estate to be reported to the Master of the High Court. It is also necessary that an approximate value be afforded to your estate – the statements will be useful in this regard.

In addition

Of course, your life file can go further and include certain details which are necessary should you be incapacitated. Some information may also be necessary just after your death, but prior to the period when your estate is administered.

Medical information

Along with the contact details mentioned above, consider pertinent medical information. Are there emergency pre-authorisation numbers? Are you an organ donor? What medical aid do you have? Include details related to gap cover as well as your living will (if you have one).

Go one step further and include details related to any allergies or medical conditions; anything that your doctor needs to know.

Arrangements

If your last will and testament does not contain your wishes around burial or cremation, it is prudent to lay out your instructions in your life file. Lay out as much detail as you deem appropriate. For example, where would you like your ashes to be spread? How should the ceremony be conducted?

Planning for death: File your life - today, not tomorrow...*continued*

Due to the dynamic nature thereof, your life file is a work in progress. You need to update it. Continually. Set an annual reminder for yourself to review your life file.

Any further wishes or arrangements that you want to be actioned should be noted here. For example, what should happen to your email or social media accounts upon your death? If your pets need special care, detail this in your life file.

Before you lock the cabinet

Due to the dynamic nature thereof, your life file is a work in progress. You need to update it. Continually. Set an annual reminder for yourself to review your life file.

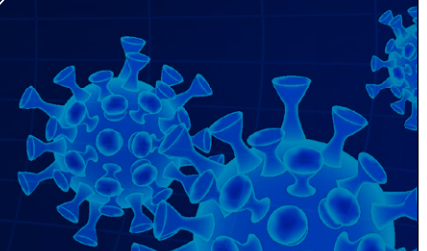
Also, whilst digital life files are convenient, electronic copies (even certified electronic copies) are not accepted for administration purposes (in particular reporting the estate to the Master of the High Court). You are encouraged to keep a physical file with certified hard-copies anywhere that is convenient. Perhaps hand a copy to your executor for safekeeping.

By compiling and maintaining a life file, you facilitate the administration of your estate. You minimize the stress on your next-of-kin and your executor can initiate proceedings sooner. Be proactive. Compile a life file today.

Gretchen Barkhuizen-Barbosa, Emily West and Tairine Jones

CDH'S COVID-19 RESOURCE HUB

Click here for more information 



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LIFE FILE CHECKLIST		
Identity document and/or passport	Include 5 copies and a note indicating where to find the originals	
Spouse/partner identity document and/or passport	Include 5 copies	
Marriage certificate and antenuptial or post-nuptial contract	Include 2 copies and a note indicating where to find the original documents	
Divorce and settlement orders	Include 2 copies and a note indicating where to find the original documents	
Predeceased spouse personal information	Identity document and/or passport, death certificate, estate particulars	
Originally executed last will and testament	If you file only a copy, include 5 copies, and ensure that you note the location of the original will	
Proof of address/lease agreement		
Tax number	A tax return, assessment or IRP5 will be sufficient; note both foreign and local numbers, if applicable	
Spouse/next-of kin contact details		
Beneficiary contact details		
Names and contact details of any dependents	Include a description of the nature of the each dependency	
A list of passwords and access codes	This includes email, social media, and online accounts; home access codes; passwords to safes; mobile phone and tablet passwords; and the like	
A list of special keys and locations		
Salary advice	Ensure that your employer's details are on the salary advice; if not, note them separately	
Contact list	As a minimum include the details of your immediate family, doctor, attorney, financial advisor and accountant	
Medical aid	Including details related to gap cover or other additions	
Original living will	If it is not the original, include 5 copies, and be sure to include the location of the original living will	
List of allergies and medical conditions		
Emergency pre-authorisation numbers		

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LIFE FILE CHECKLIST

Details around organ donations		
Long-term insurance policies (e.g. life policies)	Include 2 copies of each policy	
Title deeds/lease agreements	Detail any special arrangements, if the original document is held by the bank, etc.	
Short-term insurance policies (e.g. house contents and car cover)	Include 2 copies of each policy	
Funeral policies	Include 2 copies of each policy	
Share certificates	Include 2 copies of each certificate	
Rates/levy accounts		
Mortgage bonds	Include 2 copies of each agreement	
Details of all pension/provident funds		
Copies of bank statements		
Statements of unit trusts		
Statements of fixed deposits		
Details of offshore investments	Include contact details of your representative with the offshore services provider	
Descriptions of any other assets	This may include time-share, royalties, trademarks, usufructs, or the like	
Details of any cryptocurrencies or the like	Include details which allow the assets to be accessed	
Motor vehicle registration documents and copy of licenses	Original documents, copies	
A list of all licenses and subscriptions	Include usernames and passwords where relevant	
Details of all credit accounts		
Details of all debit orders		
Current statements of all debts owing		

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LIFE FILE CHECKLIST

Details of all claims (even potential ones) against your estate	This includes any surety agreements	
Copies of your last tax return and assessment	Include 5 copies of each document	
All IRP5s and other tax certificates	Include 5 copies of each document	
Details of any interest in companies, trusts, or other business enterprises		
Copies of driver's and firearm licenses	Include 5 copies of each document	
Instructions regarding funeral arrangements		
Names, contact details, and addresses of all heirs and legatees	Include copies of each persons' ID	
Executor's details		
The names of any trustees appointed, either for existing trusts or testamentary trusts	Include copies of the trust deeds, where possible	
Instructions regarding the care of your pets		
Instructions regarding your online accounts (eg email addresses and social media pages)		



OUR TEAM

For more information about our Trusts & Estates practice and services, please contact:



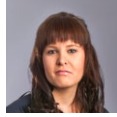
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BBBEE STATUS: LEVEL TWO CONTRIBUTOR

Our BBBEE verification is one of several components of our transformation strategy and we continue to seek ways of improving it in a meaningful manner.

PLEASE NOTE

This information is published for general information purposes and is not intended to constitute legal advice. Specialist legal advice should always be sought in relation to any particular situation. Cliffe Dekker Hofmeyr will accept no responsibility for any actions taken or not taken on the basis of this publication.

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