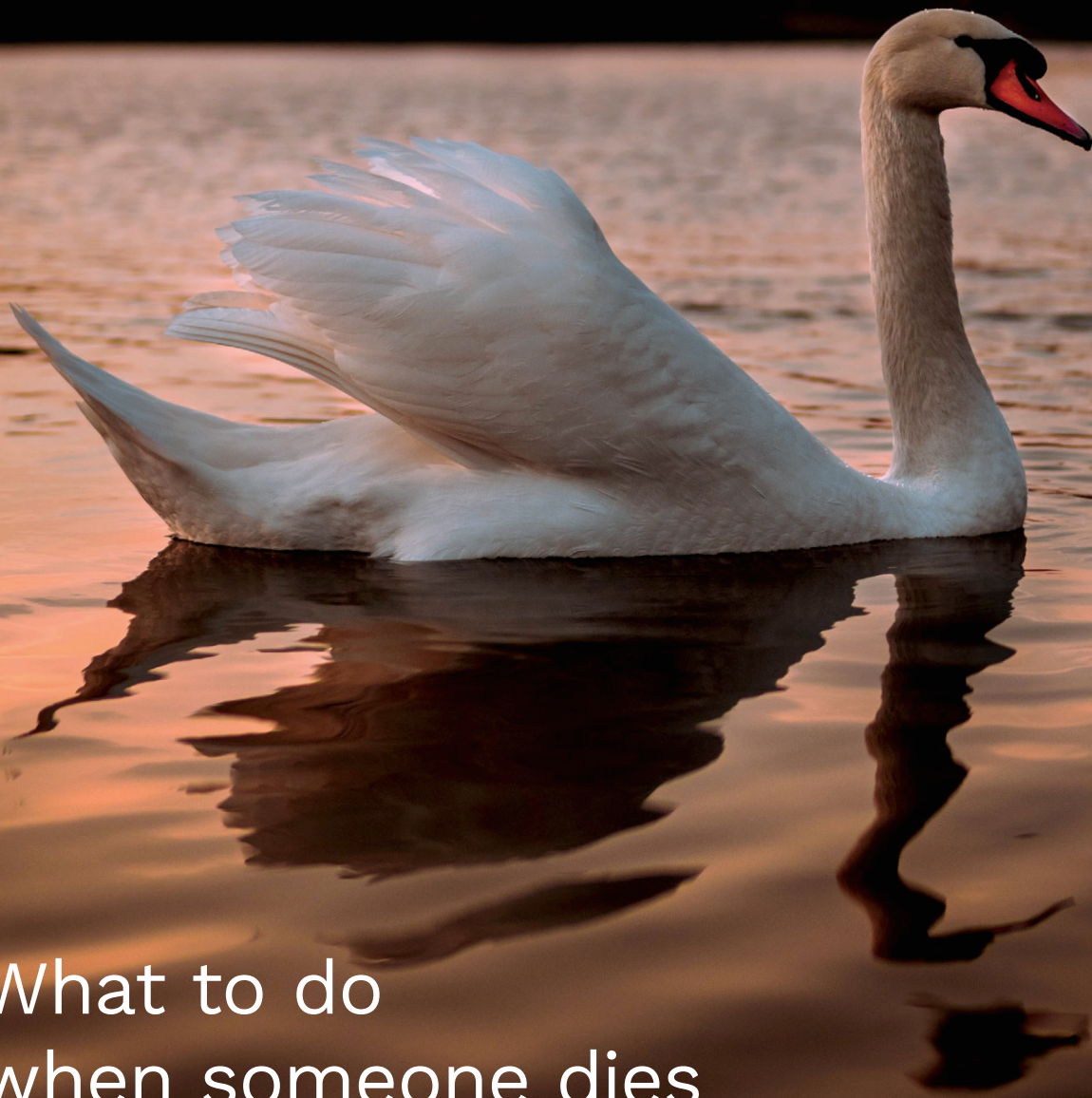




CityAsset
MANAGEMENT PLC



What to do when someone dies

A guide for families,
executors and administrators

What to do when someone dies

Losing someone close can be very difficult and dealing with their assets and accounts can be confusing and stressful. We hope this guide will make the process of dealing with any investments held with City Asset Management easier for you to understand.

City Asset Management was established in 1988 by the Coghill family to deal with the complex needs of private clients and their wealth. The firm remains privately owned, mainly by the working directors and staff, which maintains our focus on clients and their longer-term needs. We are proud to provide a very personal service and we want to assist you in any way that we can at this difficult time. Please don't hesitate to contact us with any questions that you might have, however small, or even if not directly related to the assets that we are managing.



Here to help

This guide aims to explain the process that we need to carry out following the death of one of our clients. We will keep things as simple as possible. Every situation is different so there may be some variation in the steps listed depending on the type of account and the services we have provided. If you have any questions, please do reach out to the financial adviser or investment manager who is looking after the portfolio.

Arranging things when someone close to you has died can be overwhelming. However, when it comes to an account with CAM, there are just a few things you need to do. Our Client Services team will work behind the scenes to make the process as smooth and seamless as possible. There are 3 stages that we need your help with:

1. Informing us
2. Obtaining Probate
3. Distributing assets to the beneficiaries

Over the following pages we will explain in greater detail how we manage the process.

We handle each case individually to ensure every stage is completed effectively; this can take time as many different bodies will be involved but please be assured that we will keep you updated on our progress throughout.

Informing Us

You can call or write to us to tell us about the death of our client. You will then need to send us an original death certificate (Our address is set out on the back cover of this guide and our office is staffed daily). It is often best to obtain several copies from the Registrar as other companies will also need to see an original provided by the Registrar; photocopies or scanned certificates are rarely accepted as valid proof of death. We will return the death certificate to you as soon as possible.

Please also let us know who is dealing with the account and to whom we should direct correspondence. This means that we will not disturb you if you have family, friends or professionals dealing with the estate and we can work with the executors and administrators during this time. We will arrange any correspondence to be sent to the designated contacts; executors, administrators or solicitors.

It can also be helpful to send us a copy of the will or trust if available.

We will no longer automatically send out reports for the CAM accounts that have been impacted but you can request a copy of reports from us at any time and any reports produced after accounts are closed will be emailed to the executors.

We will stop any ongoing payments or transfers out of the accounts.

No new monies can be added to the account until probate has been declared or letters of administration have been granted.

Upon the death of a joint account holder, usually all of the assets held in the account automatically transfer to the survivor as the assets belong to the surviving account holder. We will close the joint account and reopen two new accounts for the survivor. All assets will be transferred to the new accounts as of the date of death. This structure will allow us to provide valuation and tax information on the portion of the account which forms part of the deceased's estate, while ensuring the surviving account holder has full access to funds and can make decisions on the accounts.

We will provide a valuation of all the accounts as of the date of death, which you may need to gain probate or in dealing with HMRC. We continue to manage all sole accounts in accordance with the wishes of the deceased, providing regular performance valuations and charging fees as agreed in the investment management agreement we have in place.

If the deceased held SIPPs or Offshore Bonds, we will notify the trustees, who may have additional needs. They will contact you directly to manage the distribution of the account. They will require an original copy of the death certificate and may also ask for any will.

Probate

If there is a valid will and the executors are willing to act, you will need to apply for a Grant of Probate. This gives the executors the legal authority to distribute the estate's assets according to the term of the will. Obtaining Probate involves filling out standard Government forms and it usually takes several months after this for the Grant to be obtained. You can find out more by visiting www.gov.uk/applying-for-probate. Some people choose to use the services of a solicitor but this is not a legal requirement.

If there is no valid will or the executors do not wish to act, you need to obtain Letters of Administration and, again, the process is explained in detail at www.gov.uk/applying-for-probate.

Whilst this process is underway, we will continue managing the assets as agreed in the management agreement. As assets can go down in value as well as up, if you are worried about the assets within a portfolio, please speak to the financial adviser or investment manager, as some assets can be switched to cash until probate is granted.

At this stage, we will also be completing identity checks on individuals involved in the estate, such as executors, administrators or solicitors. This will enable us to speedily transfer assets once the Grant of Probate has been obtained as we will have satisfied the Anti-Money Laundering regulations which apply whenever we move cash or investments to a third party.

We cannot transfer monies out to beneficiaries named in the will at this point or move assets to a widow or widower unless they were held in a joint account before the death occurred. However, we can facilitate payments to HMRC under instruction from an executor or solicitor.

If the deceased has in place an active Lasting Power of Attorney ('LPA') or Enduring Power of Attorney ('EPA'), we can no longer take instructions from the Attorneys. The Office of the Public Guardian advise that any original and certified copy documents relating to an EPA or LPA are returned to them, together with a copy of the Death Certificate.

As soon as we have a copy of the *Grant of Probate*, will be ready to proceed to the next stage.

Distributing the assets

Once probate has been granted, the executors will instruct us on how the assets should be distributed to the beneficiaries. Some beneficiaries might want to enter into a new investment arrangement with us or to take advice from our financial planning team. Others may wish us to sell and distribute assets directly to them. All instructions to us will need to be provided by the executors or their representatives (who have the legal authority to deal with the estate assets) and given to us in writing. We will be completely transparent about the steps involved and the time that it is likely to take to complete them. As mentioned above, if we are transferring assets or monies out we do need to comply with the Anti Money Laundering regulations and complete identity checks on the recipients.

We can also assist with completing any ISA subscriptions as needed under the ISA rules, including providing the value of any previous ISA as an additional permitted ISA allowance to a surviving spouse. Please do let us know if you'd like some help with understanding the ISA rules and allowances as these can be complicated.

We are able to pay any tax or other invoice to executors or solicitors as instructed but we won't be able to pay directly for other outgoings, such as paying off a mortgage or funeral expenses. These would usually be handled directly by the executors using the proceeds of the estate.

Once the process has been completed, we will provide a closing statement to the executors for their records (this is when assets have been fully distributed). Please note that up to 18 months after the closing of an account, it is possible to receive income through the closed account as dividend and interest is received on former assets; these monies will be distributed in line with the instruction given at time of probate. Should this occur, an updated final valuation will be emailed to the designated contacts and a tax pack will be produced for any year that a transaction in the account has occurred.

Bereavement glossary

Administrator

An Administrator is appointed by a court to deal with the estate of a person who has died without leaving a will ('intestate') or when the executors named in the will are unable or unwilling to act.

Asset

Assets are the investments, property, money and personal possessions that belonged to the deceased. Jointly held assets, such as bank accounts in the name of a married couple or the marital home, will automatically become the sole property of the joint holder.

Beneficiary

A Beneficiary is any person who is eligible to receive money or property under the terms of the will (or, if there is no will, because of the legal rules that apply) or any life insurance policy held. Many of us would more usually call Beneficiaries the heirs of the deceased.

Death certificate

This is the legal document provided by the registrar when a person dies. This is a copy of the signed entry in the publicly available death register, confirming the date, cause and location of death. Most institutions will require original copies of this document to process affairs, so it is worth obtaining plenty of copies from the registrar.

Estate

All the money, investments, property and personal possessions owned solely by a person at the time of their death. The value of the estate is at the time of death, not when the Grant of Probate is obtained or the will drawn up. To determine how much the heirs receive, the executors will pay any bills that they incur, deal with any taxes owed to HMRC and settle any monies owed by the deceased first.

Executor

This is the person or firm of professionals (eg: lawyers or accountants) appointed by the person who has died to carry out the terms of their will.

Grant of Probate

A Grant of Probate confirms the authority of executors to administer the estate of someone who has died, which includes paying bills, selling assets and distributing money and property to their heirs. Without a Grant of Probate, the executors have very limited ability to act, only able to pay HMRC outstanding taxes and a small number of other activities. It may often take some time for the Grant of Probate to be obtained, in some cases this is 6 months or more.

Inheritance Tax

'IHT' is the tax levied on the estate of the person who has died. Some assets will be exempt and each estate has a tax free allowance but in most cases that we deal with some monies are owed to HMRC. We are able to make payments to them directly.

Intestacy

This situation occurs when someone dies without leaving legally valid instructions about who should be given their property (ie: there is no will or the will has not been correctly signed or witnessed).

Lasting power of attorney (LPA)

An 'LPA' is a way of giving someone the legal authority to make decisions if you lose the mental capacity to do so in the future. The LPA is registered with the Office of the Public Guardian and is often used if people are suffering from conditions such as dementia and Alzheimers. When someone who has given an LPA dies, their assets are administered under the terms of their will and the attorney steps aside.

Letters of Administration

Letters of Administration is the formal document issued by a court of probate appointing a manager of the assets and liabilities of the estate of the person who has died, generally where there is no valid will.

Letter of Wishes

A person may draw up a non-legally binding statement regarding how they would like their affairs to be dealt with upon their death. This is known as a Letter of Wishes and it is intended to inform the decisions of the executors or administrators.

Personal representative

A Personal Representative is issued with a grant to administer a deceased person's estate either because there is no will or the executors appointed in the will aren't going to act.

Probate

Probate is the term used to describe the process of administering a dead person's estate. This involves organising the distribution of assets after paying any taxes and debts. This can be done by private individuals but solicitors and accountants are often involved.

Probate Registry

The Probate Registry is responsible for issuing documentation to grant individuals the legal authority to deal with someone's estate after their death.

Will

A will is a legal document which the deceased or their lawyer has prepared setting out their intentions for how their estate is to be distributed. It must be witnessed by two people at the time of signature. People can, and frequently do, change their wills and each time a change is made or a new will written it must again be signed and witnessed. It is important that the executors have in hand the very latest validly signed version of the will, which a third party such as solicitors or financial advisers may be holding.

Useful contacts

This can be a stressful time, involving many administrative tasks and creating financial pressures. We've put together some information to help you and listed contacts below that may be useful. We'd particularly recommend using Tell Us Once (www.gov.uk/after-a-death). This is a government service intended to mean that a single notification about a death is shared with all impacted government services. You might also find the Life Ledger service helpful (www.lifeledger.com). This service enables you to upload information regarding the deceased to a secure website, delivering automated notifications and providing access to documents such as the death certificate, to a wide variety of major institutions. This includes banks, building societies, streaming services, water boards, electricity providers and telecoms companies. The service is free and easy to use.

Age UK

www.ageuk.org.uk

Telephone: 0800 055 6112

Age UK is a charity that assists elderly people and their families with navigating practical issues and providing support.

Cruse

www.cruse.org.uk

Telephone: 0808 808 1677

This charity has a long history of supporting those who have experienced a bereavement providing both practical assistance and counselling.

HMRC

www.hmrc.gov.uk

Telephone: 0300 200 3300

All UK taxation matters relating to the estate should be directed to HMRC.

Life Ledger

www.lifeledger.com

email: hello@lifeledger.com

This easy-to-use service allows families to inform all of the businesses connected to the deceased from one place.

Money Advice Service

moneyandpensionservice.org.uk

Telephone: 0800 138 7777

A free service sponsored by the government to provide financial support and advice.

NHS Bereavement Support

www.nhs.uk/livewell/bereavement/pages/bereavement.aspx

Free support and counselling is available to those affected by the bereavement.

The Bereavement Register

www.thebereavementregister.org.uk

Using this free service can reduce the amount of direct mail sent to the person who has died.

Tell Us Once

www.gov.uk/after-a-death

This is a government service intended to mean that a single notification about a death is shared with all impacted government services.



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