

None of us like to think about death, but everyone needs a plan to protect their loved ones. Effective planning does not need to be complicated.



THE IMPORTANCE OF HAVING A WILL

If you die without a will, your estate will be administered as an intestate estate. Your surviving spouse or children's inheritance will be limited and any minor child's inheritance will be subject to the control of the Guardians fund managed by the Magistrates court.

The administration of your estate could also be delayed indefinitely which could possibly leave your loved ones without adequate financial means to survive in the meantime.

The basic legal requirements for executing a valid will:

- You have to be 16 years or older
- The will has to be in writing and should be signed on all pages
- The will has to be signed in the presence of two competent witnesses
- Your Witnesses cannot also be beneficiaries
- Although not a legal requirement it is recommended to date your will to avoid confusion.



Never underestimate the potential conflicts that can arise within a family if planning was not done thoroughly.

GUARDIANS & TESTAMENTARY TRUSTS

The Importance of naming Guardians for minors (children younger than 18 years)

What happens if both parents are deceased and did not name guardians?

The court will decide who gets guardianship of any minor children, which might not be the guardians you would have chosen. This normally causes children unnecessary trauma and stress. To ensure emotional and financial care of your children it is of utmost importance to have a will which names their guardians. Be sure to ask the named guardians if they are willing to act as such.

It is also recommended to indicate that a testamentary trust be formed upon your death. If no trust is formed the estate will be liquidated and monies paid into the Guardians funds - claims may take weeks. Be sure to name the beneficiaries (minors) and trustees in your will. The Trustees must manage your assets in the best interest of your children – e.g. paying school fees.

WHAT IS A LIVING WILL?

A Living will can outline what you want to happen if the time comes when you're technically still alive but can't communicate your medical wishes. This could include a DNR order (Do not Resuscitate) as well as your wishes on Organ donation.

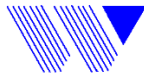
An alternative you may want to consider is a **medical power of attorney** – appointing a person to make medical decisions on your behalf.

A joint will is usually made by married couples or partners to benefit the survivor of them upon the death of the first dying. Upon death of the second party everything will go to the children. If the estate was not massed, you're a free to draw a new will after the death of the first deceased, except if stated otherwise. An alternative to a joint will is a mirror will – two identical wills.



DON'T WAIT UNTIL IT IS TOO LATE!

Contact Danie Botha: 083 604 0174; Danie@www.co.za



IMPORTANT POINTS

- You have complete **freedom** to leave your assets to whoever you may choose;
- When making a new will be sure to **revoke** all previous wills;
- Consider excluding **collation** – if not: whatever the heirs received from the deceased during their lifetime can be brought back into the estate;
- Appoint an **Executor** to administer the estate (a person to carry out instructions of the will);
- Appoint a **Guardian** for your minor children
- You have 3 months from date of **divorce** to change your will - otherwise your former spouse can inherit under your will;
- **Limit the inheritance** to the named heir/s (inherit free of community and accrual system);
- You may have: **Legatees:** Inherits specific items or a specific sum of money *and/or* **Heirs:** Inherits residue of the Estate
- Include your **funeral** directions – do you wish to be cremated or buried?
- Revise your will **annually**

Benjamin Franklin said there were only two things certain in life: death and taxes.

ESTATE EXPENSES:

MASTERS FEES	A maximum of R 7 000.00 depending on value of the estate
EXECUTOR FEES	3.5% on gross value of assets in the estate 6% on all income collected after death
PROPERTY VALUATION COSTS	Appraisers fee for valuation of immovable property (to determine value of estate)
TRANSFER COSTS	To transfer property into the name of an heir
GENERAL FEES	Bank charges, placing notice in newspaper, funeral expenses etc
ESTATE DUTY	On Nett worth over R 3.5 million @ 20% of dutiable amount

QUESTIONS AND ANSWERS

1. How can I ensure my mother can stay on in my house after I die?

By creating a usufruct– the right to use and enjoy (ownership is not given)
e.g. I leave my house to my son x. however, my mother is to have a lifelong usufruct

2. May I add conditions in my will?

Yes, as long as it is clear, possible and not illegal
e.g. X will inherit R 50 000.00 if he obtains a degree

3. May I appoint any one as my executor?

Yes, you may appoint anyone 18 years or older, keep in mind that this is not a simple task and requires knowledge and time to administer.

4. May I direct use in my will?

Yes, you may direct use for a particular purpose
e.g. I leave R 40 000.00 to my friend Y to host a party upon my death



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STANDARD WILLS @ R750.00 (PLUS VAT) – which includes a living will at no extra cost

In the case that you might require a more comprehensive will we will discuss fees with you