

ESTATE FORMALITIES

AN OVERVIEW of the Estate Administration Formalities

POINTS OF INTEREST TO BENEFICIARIES

The purpose of this brochure is to assist you to gain an insight into the estate administration process. We know you are anxious to have these matters finalised as quickly as possible.

OUR GOAL It is our aim, as professional executors, to play our part in achieving this goal without compromising the quality of our service. As you can imagine, each estate is different and, in general, it is difficult to commit us to specific time frames. What we can commit to, is SERVICE.

We further give our assurance that we will do everything we can to finalise this estate, with its unique set of circumstances, as speedily as possible.

You will agree that open communication is the key to ensuring that the liquidation process proceeds smoothly. Therefore, should you at any stage have any questions or queries, please contact us so that we may attend to them immediately. If, for some reason, you feel that the level of service we are providing does not meet your expectations, please tell us. This will help us to improve our service further and ensure that we in turn achieve our objective of affording you maximum peace of mind in these trying circumstances.

The executors fees were agreed on by the testator and the nominated executor at the time of executing the Last Will and Testament, and are furthermore laid down in terms of the Administration of Estates Act 66 of 1965, and are assessed according to the following tariff:

- a On the gross value of the assets in the estate: 3.5% plus VAT
- b On income accrued & collected after the death of the deceased: 6% plus VAT

We outline hereunder the main formalities that have to be observed by an executor.
Any reference to time periods should be considered merely as A GUIDE.

REPORTING THE ESTATE

The estate can only be reported to the Master of the High Court (hereinafter referred to as "Master") on receipt of the original documents required, the Will and the death certificate. If the value of the estate is:



: < R250 000	: > R250 000
<ul style="list-style-type: none"> The Master may dispense with Letters of Executorship, and issue Letters of Authority in terms of section 18(3) of Administration of Estates Act, 66 of 1965. 	<ul style="list-style-type: none"> Letters of Executorship must be issued. Full process prescribed by the Administration of Estates Act must be followed.

Documents required to report the estate:

Completed DEATH NOTICE (Form J294)	Copy of DEATH CERTIFICATE	All original WILLS & CODICILS (if applicable)	
Original or certified copy of MARRIAGE CERTIFICATE (if applicable) & ANTENUPTIAL CONTRACT if marriage is out of community of property	Completed NEXT-OF-KIN AFFIDAVIT Form J192 (if the deceased did not leave a valid Will)	A DECLARATION OF MARRIAGE by the surviving spouse indicating how the deceased was married (if married)	
Completed INVENTORY FORM J243, showing all the assets of the deceased	Nominations by the heirs for the APPOINTMENT OF AN EXECUTOR in the case of an intestate estate or where no executor has been nominated in the Will, or the nominated executor declines the appointment	Completed ACCEPTANCE OF TRUST AS EXECUTOR Form J190 in duplicate by the person(s) nominated as executor(s)	Certified copy of the ID of the person to be appointed as executor, the deceased and surviving spouse



APPOINTMENT OF THE EXECUTOR

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On receipt of the original documents the Master will issue the Letters of Executorship and the executor will then have the necessary authority to proceed with the administration of the estate and take custody of the property/assets and records.

3 ADVERTISEMENT OF THE ESTATE

As soon as possible after the appointment of the executor, the advertisement for debtors and creditors (Section 29) must be placed in the Government Gazette and at least one local newspaper.

This notice calls upon creditors to lodge their claims within a period of not less than **30 days** against the estate.

The executor will also at the same time write to all the known institutions reporting the death and open an estate bank account.

4 DETERMINING THE PROPERTY IN THE ESTATE & TAXES

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The executor must determine the true value of all property in the estate, determine the solvency, realise assets in need and ensure that the taxes are attended to and deal with any claims against the estate.

This process can take some time and depends on the complexity of the estate and any matters that require the executor's attention.

5 LIQUIDATION AND DISTRIBUTION ("L&D")



The next step will be the preparation of the L&D account by the executor



This account is lodged with the Master of the High Court for examination and approval



Once the account is approved it may be advertised for inspection (Section 35) for a period of 21 days in the Government Gazette and a local newspaper

Once the account has lain for the statutory period of 21 days and no objections to the account has been received, the executor can proceed to pay the creditors and distribute the estate to the beneficiaries.



DISTRIBUTION OF THE ESTATE

The transfer of investments, shares, any other assets and the property can take place at this stage.

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7 COMPLETION OF THE ESTATE

Once the tax clearance is received from SARS and the transfer of all assets have been attended to, the executor will apply for a filling notice from the Master and close the estate.