

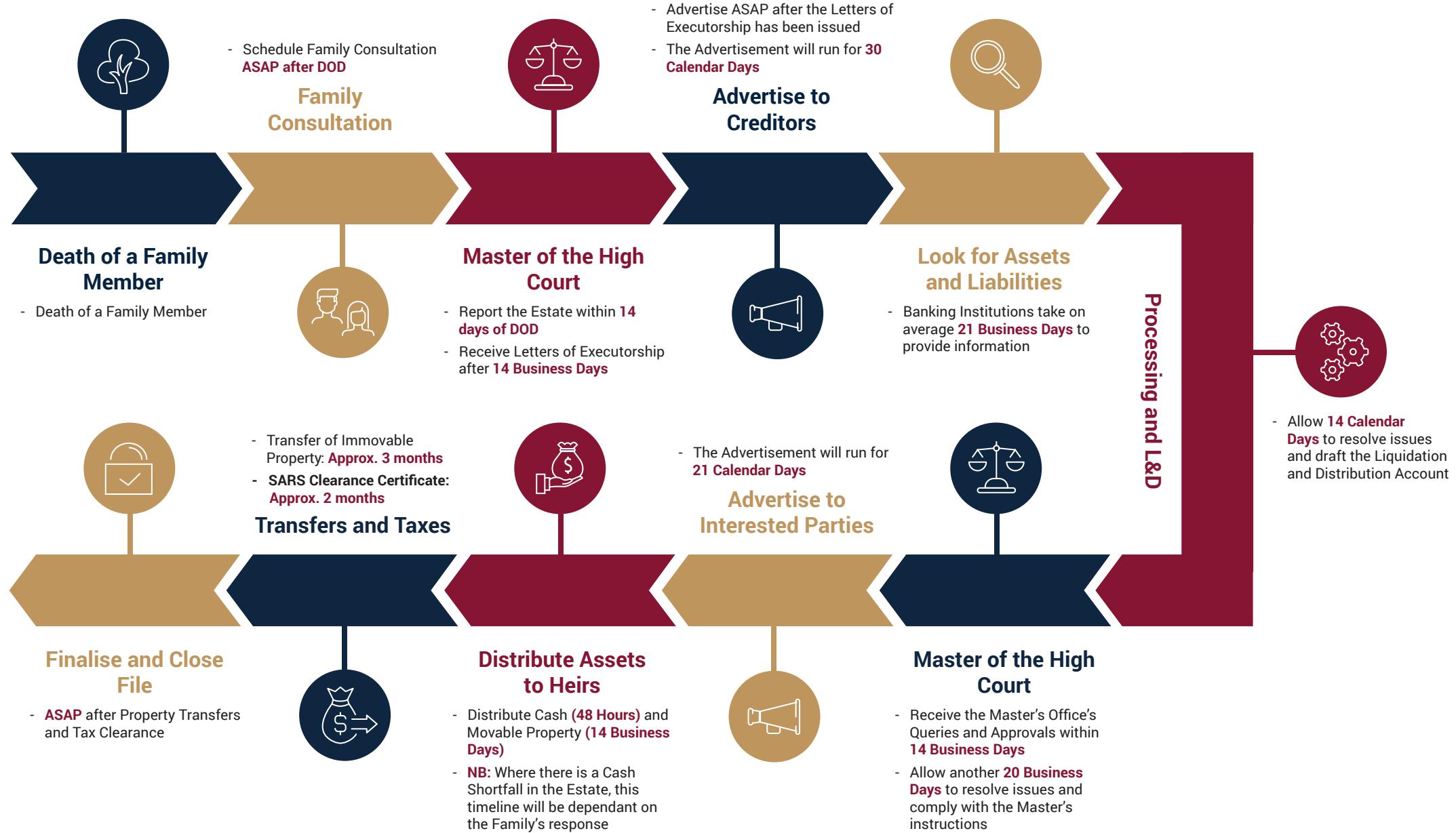


Carrick.
CONSULT

Estate Management Process



ESTATE ADMINISTRATION PROCESS



1



Death of a Family Member

Following the death of a person, his or her Deceased Estate falls open and needs to be administered in accordance to the Law of Succession. This is the process of collecting all of a Deceased's Assets, settling all Liabilities and paying over the Balance to the Heirs identified in a Last Will and Testament. Where a person did not have a valid Last Will and Testament, the Law of Intestate Succession will decide how the assets are divided amongst family members.

2



Family Consultation

As soon as you have advised your Financial Advisor or a member of our Team of the passing of your family member, a meeting will be set up with your family to start the Administration Process. During this meeting, we will explain the entire process to you, answer all your questions, collect all the necessary documentation and complete the necessary forms in order to report the Estate to the Master of the High Court. Kindly adhere to the list of essential documents requested in the last paragraph of page one of this letter to assist us.

3



Master of the High Court

Following our meeting with your family, we will Report the death to the Master of the High Court in a prescribed manner. We will apply to have an Executor, formally appointed and confirmed by means of a Master's Office issued Letter of Executorship. The Master's Office has a minimum turnaround time of 14 Business Days in which to issue this valuable document. Unfortunately, this is not always the case and delays may be expected. Without a Letter of Executorship, the Executor has no powers and therefore the Estate Administration Process cannot continue.

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Advertise to Creditors

One of the first tasks that we will perform on receipt of the Letter of Executorship will be to place an advertisement in the Government Gazette and a local newspaper to notify all debtors and creditors of the passing of the Deceased. This advertisement invites all Debtors and Creditors to contact us within 30 days should they wish to lodge a claim against the Estate. At this point, we will also open an Estate Late bank account for the estate.

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Look for Assets and Liabilities

While the advertisement runs, our Team will be hard at work to search for any assets that the Deceased may have held. This is done by contacting financial institutions, such as banks and enquiring from them whether the Deceased held any products, accounts or funds with them. We then request detail regarding such assets in order to allow the Executor to decide how to deal with the assets. This is the most time-consuming phase of the administration process as we are subject to the timelines of third parties, which may cause unforeseen delays in the process.

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Processing and L&D

The enquiry process entails plenty of back-and-forth correspondence in order to receive the appropriate information to enable the Executor as he or she makes decisions regarding dealing with the assets in the best interest of the Heirs. Once satisfied, further processing, documentation and administration occurs which will enable us to draft a Liquidation and Distribution account. This is a prescribed form in which we will show to the satisfaction of the Master of the High Court that an Executor has fulfilled his or her duties and that the assets are ready to be distributed to the rightful Heirs.

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Master of the High Court

Once the Liquidation and Distribution (L&D) has been finalised, it will be lodged at the Master of the High Court for approval. The Master's reply will be in the form of a Query Sheet. This is a letter indicating whether the Master is satisfied that the L&D accurately shows that all the Assets and Liabilities of the Deceased have been dealt with in accordance with the Administration of Estates Act, or not. If satisfied, the Master's Office will give approval for the Executor to proceed with the next steps. Alternatively, the Master will send queries/concerns back to the Executor to comply with before we can proceed to the next step.

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Advertise to Interested Parties

After the Master of the High Court has given us the green light to proceed, we will place a second Advertisement in the Government Gazette and local newspaper. The purpose of this advertisement is to advise interested parties that the finalized L&D lies open for inspection at the Master's Office and/or a Magistrate's Court in the area where the Deceased lived. If any interested party has any objections or queries regarding the finalisation of the estate, they are requested to contact us within 21 days.

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Distribute Assets to Heirs

Following the period of inspection, and if the Master did not request any alternative information, we may proceed to distribute the estate to the Heirs. This means that all the cash in the Estate Late bank account may be paid out to the Heirs, except for provisions for future SARS payments. Any movable property, such as vehicles, can also then be transferred into the name of the Heir who inherits it. An instruction can then also be given to transport any immovable property from the Deceased Estate to the applicable Heir.

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Transfers and Taxes

The process to transport a property from one owner (the Estate) to another (an Heir) is a lengthy process, undertaken by a Conveyancer. The estate is liable to pay the Conveyancer's fee, which is determined by law. This is a process in its own right which will be communicated to you by the Conveyancer tasked with transferring any property from the Estate to an Heir or Purchaser. This process takes approximately 3 months. Furthermore, given the finalisation of the Estate, SARS will be requested to issue a Tax Letter of Compliance, which indicates that neither the Deceased, nor the Estate has any further tax liability.

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Finalise and Close File

Once the properties have been registered in the names of the Heirs or Purchasers and SARS has issued a Letter of Compliance, a final lodgement of key documentation will be made to the Master of the High Court, requesting him to release the Executor of his or her duties. At this point, the file will be closed.