

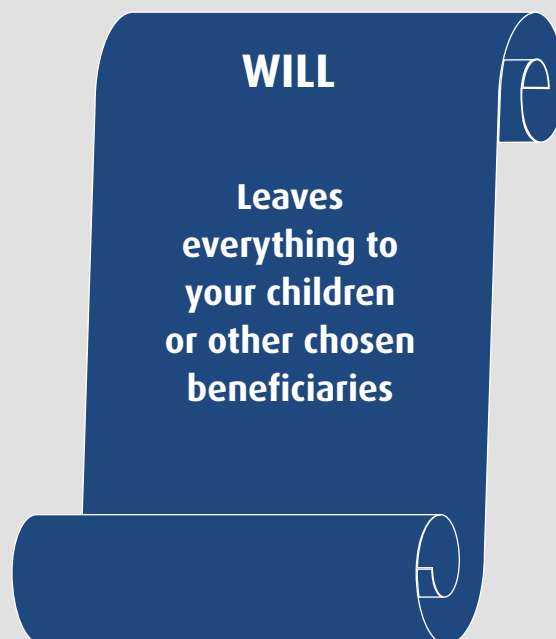
KEY FEATURES AND BENEFITS 104

Death Planning Solution for:

✓ SINGLE/WIDOWED PEOPLE

If you do not have a valid Will when you die, your assets will be distributed in accordance with the Intestacy Rules, laid down in the Administration of Estates Act 1925 and the Inheritance & Trustees' Powers Act 2014. The people that you would want to inherit your assets may not and your estate's tax position could also be affected.

TYPICAL EXISTING PLANNING



WHERE THERE IS NO WILL, OR ONLY A BASIC WILL IN PLACE, YOUR ASSETS ARE EXPOSED TO THE FOLLOWING RISKS ON DEATH:

! Inheritance Tax (IHT) & further Generational IHT

If your estate is above the current Nil Rate Band then Inheritance Tax will be payable on your death. The remaining estate is likely to be directed to the beneficiaries. This then adds to their estate and could impact their own Inheritance Tax.

! Beneficiaries' own future Care Costs

If the inheritance has been passed to your chosen beneficiaries, these assets could later be assessed for their own care costs.

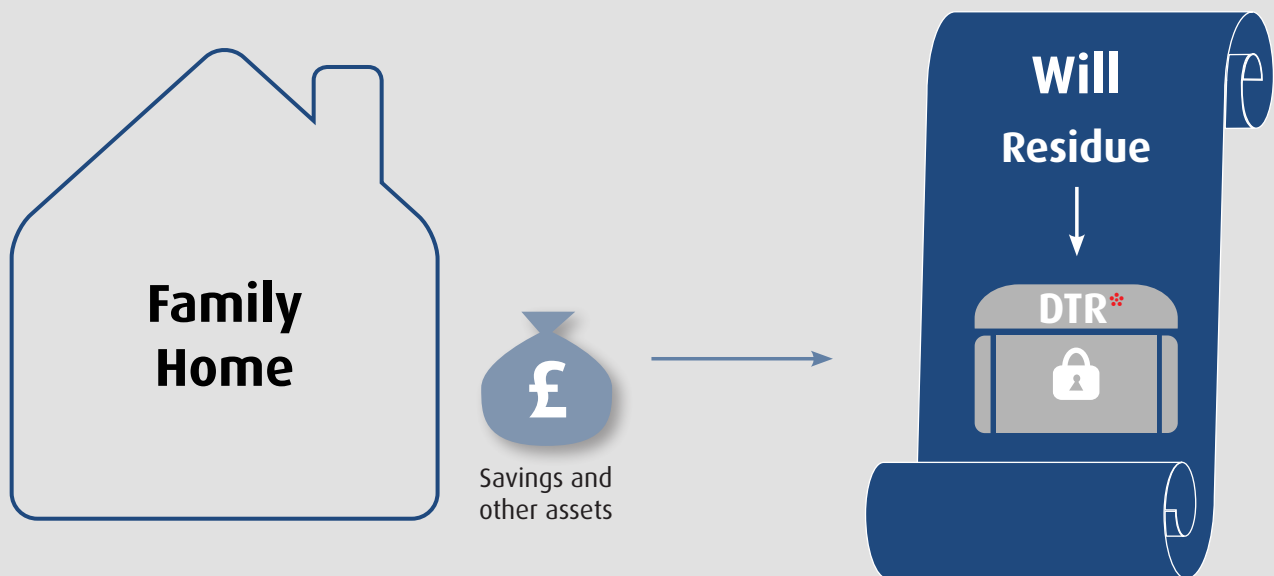
! Divorce

If your children/chosen beneficiaries are subject to divorce proceedings, part of what you intended them to receive is at risk from a divorce settlement.

! Creditors or Bankruptcy

Similarly, if any of your beneficiaries are subject to creditor claims/bankruptcy, the inherited estate is fully at risk.

OUR SOLUTION



* Deals with the whole estate including the NRB and RNRB.

THE BENEFICIARIES HAVE ACCESS TO THE TRUST FUNDS BUT WE ENSURE THAT THESE ASSETS DO NOT ENTER THEIR ESTATES AND SO ARE PROTECTED FROM ATTACK BY THE FOLLOWING:

✓ Divorce

Assets entering the Trust on death can ensure that, if your children/chosen beneficiaries were subject to divorce proceedings, what you intend them to receive could be more protected from divorce settlements.

✓ Residence Nil Rate Band (RNRB)

The trust ensures that if there are lineal descendants as beneficiaries, the RNRB can still be claimed. See further information on Key Features and Benefits Sheet 25.

✓ Creditors or Bankruptcy

Similarly, if any of your beneficiaries are subject to Creditor Claims/Bankruptcy then their inheritance could be protected from such claims.

✓ Further or Generational IHT

Holding the assets in the Trust can ensure that they do not add to the beneficiaries' estate and impact on their own IHT.

✓ Care

If assets are held in the Trust, they could also be protected against the beneficiaries' own care costs.

In some cases it may be beneficial to use multiple trusts. Multiple trusts can increase flexibility and autonomy, as it enables each beneficiary to have and be 'in control' of their 'own Trust'. There are also various options open to trustees following death to try and reduce the impact of future tax charges in some cases. See also Key Features and Benefits Sheets 122 and 122a.

This sheet contains only general guidance and is not to be construed as advice for any personal planning. Any planning should be based on bespoke advice tailored to your specific circumstances.

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