

Don't leave estate planning to your partner!

Women selflessly take care of their families' needs, yet most of us fail to take care of the most important issue of all: planning for the future. After all, who will take care of your loved ones when you are no longer here?

Don't rely on your partner to take care of your family's financial and fiduciary affairs. Take responsibility and act now.

Start saving

Every woman should have her own savings account, completely separate from her partner's or the household savings fund. Remember, it is never too early or late to start saving.

Marriage regimes

It is crucial to find out what the different marriage regimes entail before you get married as the type of marriage regime you enter into will have everlasting consequences on your estate plan and it is very costly to change at a later stage.

If you are not married and are just living together, there are other consequences for which you should plan for to ensure that you are not left out in the cold if your partner dies.

Draft a will

Dying without a will has serious implications for those closest to you. Your assets will be distributed to beneficiaries chosen according to the Law of Intestate Succession. You may not have chosen the same beneficiaries as those determined through the legal process and the people closest to you may not benefit as they should. It makes more sense for you to dictate how your will should be drawn up according to your wishes rather than to let rigid laws take effect.

Due to amendments to the Children's Act, you are also now required to appoint a guardian for your minor children in a will. Even if you think that you do not have enough assets to justify a will, you have to have one to appoint a guardian for your minor children.

Set up a trust

If you have minor children or loved ones that cannot take care of themselves financially, make sure that you provide for trust clauses in your will to ensure a testamentary trust is set up in the event of your death. The trustees will then manage the trust assets until your children reach age of majority or the age specified in your will.

It could also be necessary for you to set up a living trust (also known as an *inter vivos* trust) during your lifetime. A thorough estate planning exercise will determine whether there is a need for a family trust.

Cash analysis

It is very important to calculate whether there will be sufficient cash in your estate to cover all the costs when you pass away. Most people do not know what the costs will be and do not cater for them, which leaves their children or dependants in very unfavourable circumstances.

Costs to take into account

- Funeral costs
- Administration fees
- Conveyancing costs if there is a fixed property
- Home loan
- Credit card
- Maintenance claims (these are normally substantial and seldom catered for)

Speak to an expert

In all fiduciary matters it is important to consult someone of good standing. The Fiduciary Institute of South Africa has a list of FISA-registered members on its website at www.fidsa.org.za who are obliged to adhere to high fiduciary standards.

Angélique Visser
Head: Products at FNB Trust Services and
FISA Gauteng Chairperson

