



Data, Decisions and Death – a 3D view of Estate Planning

Business runs on information. “Data is King,” so the saying goes, because it allows strategic decisions to be made that can benefit organizations.

In the personal sphere, information is crucial to proper daily planning and it also extends to estate planning. Ever tried to come up with a household budget? Before you can do it, you need information about what basic needs have to be met. You need to collect and process some personal data. This also applies to an effective estate plan.

The types of data one needs to have on hand for an effective estate plan vary from one person to another, depending on the goals of their personal plan.

Estate planning (a.k.a. figuring out who gets your stuff when you’re dead in a cost-effective way) can be as simple as making sure there is nothing left over for anyone. If you don’t leave anything, you don’t have to plan for it, right? That may work if you’re lucky; however, even for such an ostensibly simple plan, your data has to be good for it to work. For instance, you have to know what you currently own and what you might expect to acquire before your death, by way of inheritance or otherwise. Throw into the equation the fact that, unless you are suicide-bent, there’s no certainty about when you will reach your expiration date, and you might still end up possessed with valuable assets when you check out.

Another key bit of information you need to know is who you would want to benefit from your wealth (or what’s left of it) when you die. If you don’t have a will when you die, the law contained in the Succession Act 1974 will say who gets your property, and it might not accord with what you would want to have happen. Hence, the need to make a will and doing so is a simple and relatively inexpensive matter. But what a difference it makes! A lot of personal wealth is sometimes wasted because people can’t get their acts together enough to make an estate plan. And if

you die without a will and without heirs, the Government gets your property (*Section 5, Case 8 Succession Act 1974*).

For the typical family (husband, wife, children), it is fairly easy to figure out to whom to leave your property. But even in this case, say, if a husband were to die without a will, the wife (after a 100k threshold) would only get half of what the deceased husband owned and the children the other half. If those children are minors, it can get a little messy. It's easy to avoid with a will though. In cases where people choose to live together and have children without marrying, it's even more important to have an estate plan in place since a partner in this context may not even have the protection of the Succession Act provisions.

Once you have your personal data amassed, you need to make some decisions. The most important decision you will make is the one to get professional help. An attorney will be able to assist you with all your estate considerations by making you aware of the available options and ramifications of arranging things in certain ways. Making this decision can really save your estate money because part of the advice will invariably include information on mitigating inheritance tax.

Now that you have your Data, and you are in Decision making mode, you'd better hope the last D in the 3D view stays away long enough for you to finalize your estate plan. There is nothing worse for a lawyer than to have to write a will for someone in a hurry because they are terminally ill. In such cases, with so many bad circumstances abound, a will made at such a time may be at risk of being set aside. For instance, questions of mental competence or questions of undue influence by a certain family member that might be seen as robbing a would-be testator of his free will might arise, a necessary component for will validity.

Don't wait until you're deathly ill before you make your will, for by then it may be too late to properly address your mind to matters you should consider. Likewise, and if you can avoid it, don't give instructions for a will in circumstances where you feel rushed (e.g. getting on a plane the same day). Estate planning needs to be addressed with a calm mind, and one should do it sooner rather than later. Your family, dependents and loved ones are counting on you.



Harry Kessaram

Associate

+441 278 7991

harry.kessaram@conyersdill.com

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For more information please contact:

Camon Sit

+1 (416) 682-6071

news@conyersdill.com

conyersdill.com