

MEETING ATTENDANCE NOTE

Attendees: [REDACTED], Aston Trelford
Meeting Location: [REDACTED]
Meeting Date and Time: 29th April 2016 – 9.30am (1 hour 30 minutes)
Client: Mr Aston Trelford
Matter Description: Preparation of single will
Our Ref: LM(WA)/Trelford/W572
Date Note prepared: 3rd May 2016 (after Bank Holiday)

Background

Aston is a widower. His wife died in 2007. He has two sons and three grandsons. He lives in his property cohabiting with his partner [REDACTED].

He has come to see me to make a new will but he is unsure how to structure it.

Existing Will

He made a DIY will with his late wife in July 2007. He had brought in a copy of his late wife's will and probate documents to show me and his was similar to hers.

Assets and Liabilities

His main asset is his home valued at £450,000 with no mortgage. He is in the process of selling and purchasing a new property in Suffolk worth £380,000 so that they are better positioned in to be in the middle of their own children. Our firm is dealing with the sale and purchase.

He has approximately £200,000 in savings, investments and premium bonds. He has a SIPP with £50,000 pounds in it which he hopes will fall outside of the estate tax purposes.

Topics discussed

We discussed inheritance tax. I confirmed that his executors will be able to claim approximately 83% of his late wife's nil rate band allowance (she used up 17% with two gifts of £25,000 pounds to each of her sons at her death). Applying this to his current estate he is borderline on the threshold for inheritance tax. The client is not overly concerned because it is likely he will start spending a lot more of his money as the years pass by.

His concern comes with how to provide for his partner [REDACTED]. The client is quite clear that he intends to leave his entire estate for the benefit of his two sons, subject to a few cash legacies he wishes to leave to his nephews. Aston tells me that [REDACTED] is desperate to get married, but he is not so sure. His partner has been "messed about" in past relationships and this is why she is so cautious. Aston does not intend to leave her anything, they keep

their finances as separate as they can, and he doesn't want any of his money passing over to her family. I said that if he intends to marry then the will would need to be written in expectation of it, otherwise it would be revoked. The client is clear that there is no intention to get married at this stage therefore it is unnecessary to make this provision at the moment. The client will contact me to update his will if circumstances change.

We discussed the option of providing [REDACTED] with a life interest in the property so that it did not have to be given out right. This does not sit comfortably with Aston since he would not want his sons to have to wait for her to die in order to receive their inheritance, so he did not want to explore this option further.

Aston is unclear what the future holds and although he knows he could make a simple will leaving everything to his two sons, he understands his partner's concern that that would make her rather vulnerable and if a disagreement came about between them this could cause further problems. As far as he is aware all the family get along well with each other but he is aware of what could happen when money and grief are mixed.

I discussed with him the alternative way of drafting his will is to provide a discretionary trust over his residuary estate. This would allow his trustees to negotiate the terms in which [REDACTED] would be allowed to continue residence in the property for a specified period of time and would remove the threat of immediate eviction by his sons. Aston would like this to be for a minimum of two years, but alternative arrangements can be made by his sons then he will leave that to them. He doesn't believe his instructions are unfair, it is his property she lives in and he wants to protect it for his sons. He is happy for her to live there rent-free during this time but so that she pays all the related outgoings. I explained a brief summary of the tax treatment applicable but there should be no adverse tax consequences if the residuary trust fund is distributed within two years of death anyway.

I said I would prepare a letter of wishes to outline his intention that his partner should occupy the property on any terms they see fit and for any length of time agreed, provided it is no less than or around two years from death, and the trust fund is held for his two sons equally between them. He would like all the cash he has to be given to them as soon as possible. Gift over for issue at 21 per stirpes. In order to protect his partner's interest he would like to appoint our firm as joint executors with his sons.

Instructions

I have been instructed to prepare a single will that leaves his residuary estate on discretionary trust. His sons and our firm to be executors and trustees.

Gift of £10,000 to each of his nephews as an outright gift, and a gift of two china cabinets and all of the contents to his partner [REDACTED]. Aston said these are her cabinets anyway but he would like to be clear because he knows how she worries.

Next steps & Other

I confirmed that the cost of including a discretionary trust and supporting letter of wishes would be an additional fee of £250 plus VAT in addition to the £300 plus VAT as quoted in the client care letter. Client accepted and I confirmed I would have a draft prepared for him in due course.

TELEPHONE NOTE

Telephone call between: [REDACTED]/Aston Trelford

Date and Time: 23rd June 2016 – 5pm

Client: Mr Aston Trelford

Matter Description: Update will

Call Duration: 10 minutes

Our Ref: Trelford/W572

I spoke with Aston who has just pulled out of the purchase of a property because of delays, although he has sold his existing property. It has been a stressful experience and he and his partner had a big row, the first one in six years.

As a result of the fight, the topic of marriage has come up again. Aston now believes they will end up getting married and has asked to make his will in expectation of this event.

We discussed that by getting married it will give [REDACTED] use of the spousal exemption. Therefore he'd like to ensure she gets a life interest in the house and all goods and chattels. However, if she is to become his wife, the interest should be for the remainder of her lifetime and not for a defined period of time. It should be held on trust for his sons for when she dies or when she doesn't need it anymore.

Aston is quite clear that [REDACTED] has enough money of her own and doesn't need his. He says she gets a better pension than he does. Therefore he still wants to give all cash and money in accounts to his sons straightaway.

He'd also like the funeral wishes clause 3 changed. Instead of 'no funeral' it should be replaced with 'non religious celebration of life'.

I have quoted an additional £75-£100 plus VAT for the amendments and Aston has asked for a revised invoice to be sent to him.

Aston doesn't have a home at the moment but he'd like the address to remain the same on his will because it was only sold this week and he has asked me to send the revised draft to him by email for now.

He did say thought that his best friend is taking his post at the moment so all post should be directed to: [REDACTED]