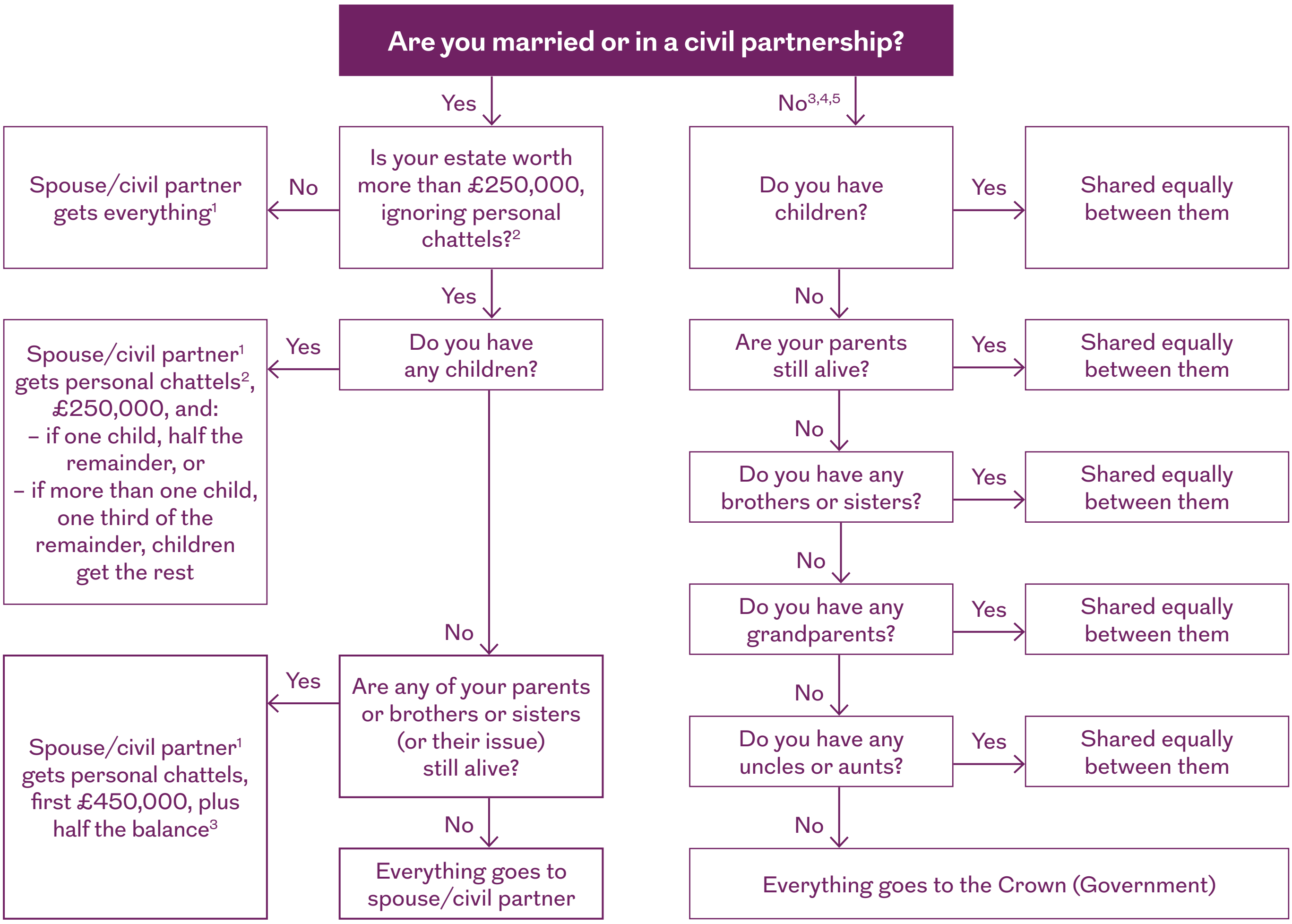
Protection

# The Rules of Intestacy – Northern Ireland

Use the flowchart to talk your clients through what would happen to their estate if they died without leaving a will.




1. Your spouse/civil partner only inherits if they survive you by 28 days.
2. Personal chattels are items of personal property that may include, for example, your car, furniture, jewellery and clothes.
3. After anything due to go to spouse/civil partner, everything else is shared amongst the first of the following classes of relatives with at least one member (or their “issue” - children or grandchildren) who survives you.
4. Adopted children count, but step relatives don’t.
5. Half blood relatives count the same as whole blood.

## The intestacy rules problem - Are your clients cohabiting?

If your clients die intestate (without a valid will), their personal representatives will have to distribute their estate according to the laws of intestacy. This could mean that their estate doesn't go to the right person. Under intestacy cohabitees don't benefit from the estate.

### Make sure the right people inherit

You can help your clients avoid the risk of dying intestate by explaining the benefits of having an up-to-date will, especially if they are cohabiting. Ensuring their life cover is up to date, can also help your clients avoid a delay in benefits being paid, easier control of who receives them and possibly mitigate inheritance tax.

### Joint ownership

The simplest option (but least flexible and tax efficient) is to have cover in joint ownership. With Royal London, you can set up a jointly owned protection plan, which allows you to sell single life benefits. You might want to place different amounts of Life or Critical Illness Cover on each life. You can do this with one quote, one application form and one Direct Debit, and your clients will only pay one plan charge. Best of all, any proceeds on the death of either person are guaranteed to go to the survivor, and that survivor will still have cover in place.

### Beneficiary nomination

Better still, with Royal London you can simply name the intended beneficiary in the application – or even more than one - up to five. This still means we can pay directly to them without need for probate. But it's more flexible (and tax efficient). Beneficiaries or their shares can be changed later without legal forms, or nominations can even be replaced with a trust.

### Or we can help you set up plans in trust

Trusts are more complex, but may be more appropriate in a range of scenarios, especially if the cover purpose is inheritance tax planning where the terminal illness benefits should also be kept outside the estate with the death benefit. So we've designed a comprehensive toolkit to make the process of setting up your clients' plans in trust as straightforward as possible. The toolkit takes you through the process of setting up a trust – from showing the benefits, to completing the right trust form. We've also included approach and re-approach letters, and guides for you and your clients.

For more information, go to **adviser.royallondon.com/trusts**

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