



Plan for Delays

Don't Let Delays in the Master's Office Leave Your Family in Financial Distress

"Someone's sitting in the shade today because someone planted a tree a long time ago" (Warren Buffett)

Whilst the first and most important step in your estate planning is always to have in place a professionally drawn and regularly updated will ("Last Will and Testament"), there is another aspect which demands your urgent attention, particularly now...

What will your family live on while an executor is being appointed?

It is essential that you provide for your family's ongoing financial needs during the process of winding up your estate, because all your bank accounts will be frozen as soon as the bank learns of your death, pensions and the like take time to transfer across, and your assets generally will be tied up in your estate and inaccessible to your loved ones.

The executor of your deceased estate does have the power, provided of course that your estate is solvent and has sufficient funds, to release money to your dependents and to make advances to your heirs - but only after being formally appointed. Which brings us to...

Delays in the Master's Office are getting worse

No matter how professional and efficient your nominated executor may be, he or she is powerless to act until the local Master of the High Court ("Master's Office") issues the necessary "Letters of Executorship" ("Letters of Authority" in smaller estates), so applying for them is always a priority for those nominated.

The issuing process has never been a quick one, but delays have worsened substantially in the past few years with media stories abounding of major problems in Master's Offices around the country and reports of "unprecedented backlogs" and "an almost total breakdown in services".

The recent ransomware attack on the Department of Justice and Constitutional Development is just the latest in a litany of woes afflicting these offices - pandemic-related lockdowns, office closures and remote working, staff shortages and a surge in the number of deaths, a Special Investigating Unit investigation into allegations of misconduct and corruption in some offices (with two officials suspended so far and many others reportedly in the firing line) - the list goes on.

Nominated executors are complaining of inordinate delays in being appointed, and of extreme difficulty in communicating with Master's Office officials by phone, email or even by personal office visits.

Here's how to fund your loved ones in the interim

The bottom line is that you will leave your grieving family dealing with financial worries at the worst possible time if they have to wait for your chosen executor to be appointed.

You need to find another way of giving them immediate access to funds, enough to cover their living expenses and any new expenses like funeral costs.

There are a few tried and tested ways of providing this cash flow, with separate bank accounts and investments being probably the simplest and most quickly accessible options. Consider also other assets in family members' own names, family trusts, businesses held in entities that will survive your death, and so on. Another popular choice is life/endowment policies, TFSA's (Tax Free Savings Accounts) based on a life product, living annuities and the like - be sure to nominate beneficiaries for these products otherwise they will fall into your estate and not be paid out to your loved ones direct. Be certain that your loved ones know what measures you have taken and how they can access these funds quickly and easily.

Your own situation will be unique and you need to structure everything correctly, so there is no substitute for professional advice here!

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MINITZERS ATTORNEYS
STEFAN VAN NIEKERK
021 871 1224
stefan@minitzers.co.za