



APPLETON TIMES

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APPLETON TIMES



AN END OF YEAR MESSAGE FROM THE APPLETON **MANAGING DIRECTOR** A LAST WORD

Not another boring, fatuous, inane newsletter! Well, I hope not ...

I view the Appleton Times as a way of us staying in contact with you, particularly during such difficult periods and in particular as a way of us providing you with crisp, pithy, professional, yet caring, advice and information regarding touchy and sensitive topics, namely Wills and Estate Planning.

As our client, you are the central concern of our business and we spend each working day striving deliver the best service in the fiduciary industry. In sending you the

Appleton Times, we aim to provide you with the latest news, advice, tips and service offerings to enhance your fiduciary planning. After all, fiduciary planning means looking after your loved ones, not yourself. It is an act of selfless kindness and consideration. That said, there are intelligent and cost-effective ways of Estate Planning and frankly, this doesn't come naturally to most. There is a raft of legislation, regulation and pitfalls that simply must be avoided if you are going to preserve your Estate such that your heirs derive full benefit. Our aim in the Appleton Times is simply to assist you in this process.

It goes without saying that 2020 has been the most

testing that many of can remember and now wish to forget. But as we head into the festive season, there are reasons to be more optimistic about 2021. We have all learnt to adapt, whether this maintaining safe social distancing, masking, handwashing or by shopping on line and communicating through Teams, Zoom or Skype. Secondly, we have all learnt to take our vulnerabilities more seriously and in particular those of others around us. I don't know about you, but I feel we have become a more caring and considerate society since March. This extends to our family relationships that we so often take for granted in the hurly burly of our daily lives. Our beleaguered economy is showing signs of recovery at least in Q3 of 2020 and frankly this is critical to the future of everyone rich or poor, professional or indigent, retired or embarking on the journey of life. But perhaps most of all, the vaccines currently being rolled out and administered in a number of advanced and developed countries provide hope and cause for realistically optimism that we will see light at the end of the dark Covid tunnel in 2021. In this regard I wish to acknowledge the thousands of front-line workers in South Africa who are the often-unsung heroes of the Covid crisis. The many South Africans who volunteered for the Oxford-AstraZeneca vaccine trials. And on a personal note, may I say how proud I am of one of my alma maters, Oxford University, for what it has achieved in such a short period of time to bring relief to millions across the globe.

Please do take a little time to read through the Appleton Times over the holidays as you will find very useful guidance (your life file), exciting new products (such

as the Estate Preservation Plan) and helpful tips (how to stay healthy under Covid), all designed to enhance your life and estate planning.

All of us at Appleton wish you a joyous, healthy and happy festive season. We thank you for your tremendous support in 2020 and look forward to being of service to you in 2021.



Tim Hughes, **Managing Director**



What you ultimately intend to leave to your heirs can be drastically reduced because of the costs involved in winding up your estate and, what's more, the burden of paying these costs falls to your heirs. Estate Preservation Plan is designed to solve this problem.

It's a solution that makes sure funds are available to pay expenses, and immediately caters for your heirs so that they aren't forced to sell any assets and lose the value of your legacy, nor are they obliged to put in any cash.

HOW DOES THE ESTATE PRESERVATION PLAN TAKE CARE OF YOUR FINANCES?

By providing cash for the executor's fees

Your heirs won't have to find the cash to pay the executor's fees. We make sure that this is catered for.

By providing cash to pay for the winding up of your estate

Your heirs won't have the burden of coming up with the cash to cover the costs related to the winding up of your estate. We make sure that you can cater for these costs.

By providing cash to your heirs immediately upon your death

Your heirs won't have to wait for your estate to be wound up before they have access to the cash they need. We make sure that they'll have enough cash to tide them over while the winding up is underway by providing funds to cover the costs of funeral arrangements as well as living expenses.

<30% of people have enough cash in their estates to cover the winding-up costs when they die.

What do you get out of the Estate Preservation Plan?

You decide how much of the sum assured to allocate to your heirs, the executor and the estate costs.

Your heirs are paid within 24 hours of receiving your death certificate.

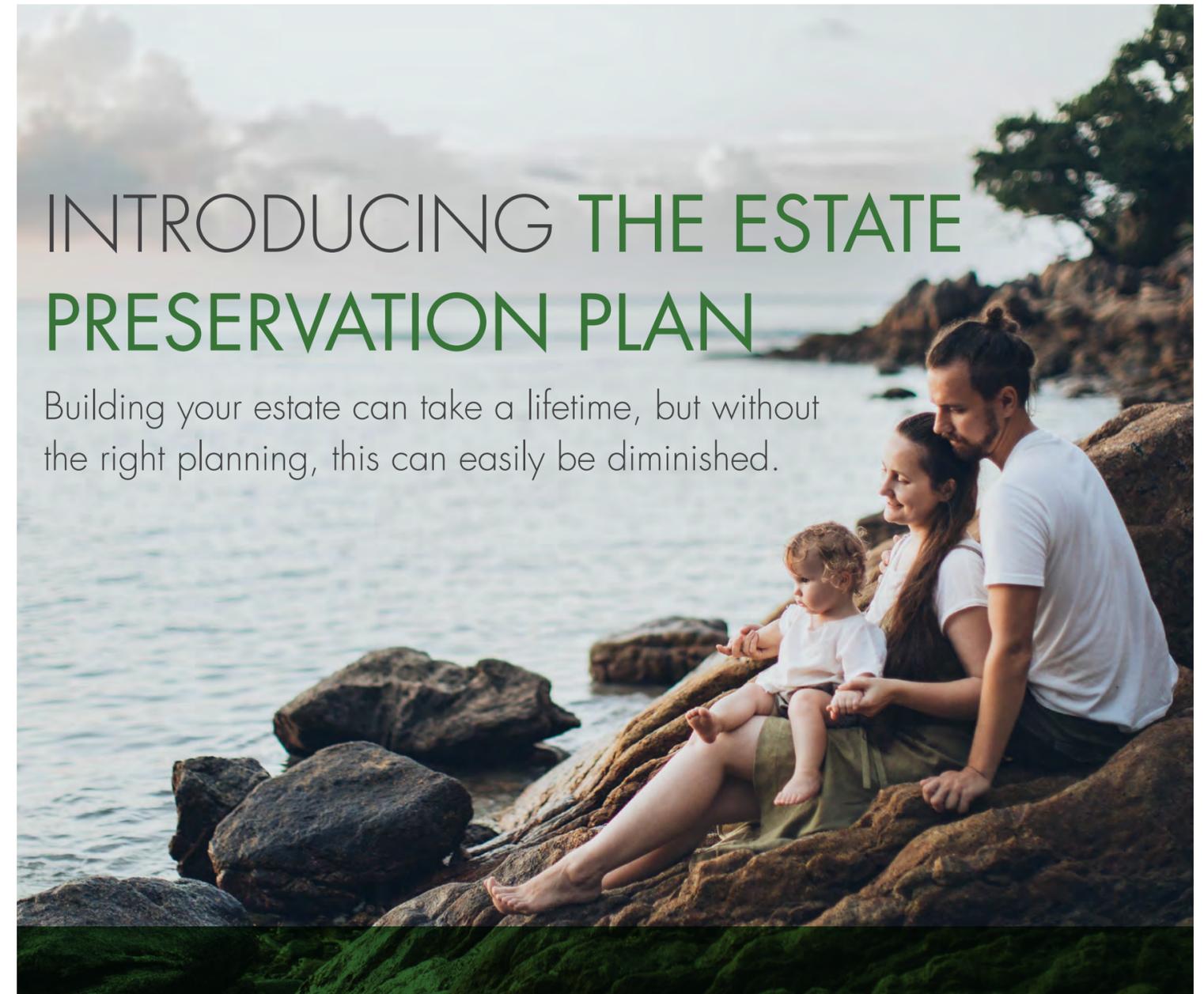
The full sum assured regardless of what the costs amount to.

There is immediate cover on acceptance.

Free accident cover is provided for up to 30 days.

The ability to forward the inception date by up to 60 days and still enjoy full cover.

You can rest easy knowing that your heirs will not experience financial hardship as a result of your death.



INTRODUCING THE ESTATE PRESERVATION PLAN

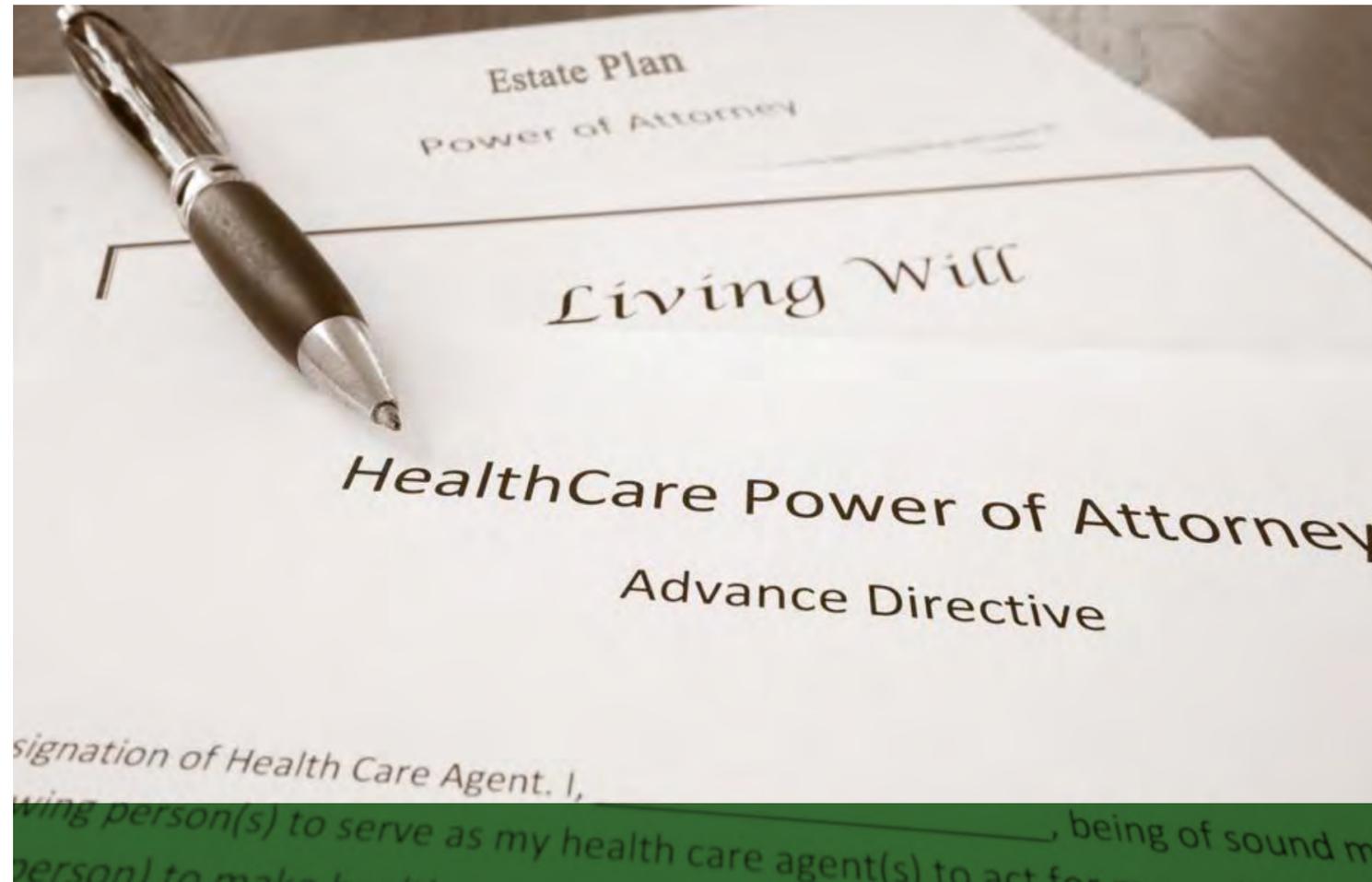
Building your estate can take a lifetime, but without the right planning, this can easily be diminished.



THE FILE OF LIFE

Life is complicated – organise as best you can, while you can.

By Amanda Visser Fiduciary Institute of South Africa



It's a good idea to do an 'audit' of your affairs to establish whether important documents are up to date and easy for others to understand.

Some people are just more organised than others, and the value of being organised takes on a whole new dimension when you are no longer here – because even strong, independent and level-headed people can experience shock and paralysis when a partner or close family member dies, says Angélique Visser, vice-chair of the Fiduciary Institute of Southern Africa (Fisa).

Having your affairs in order will help those you have left behind deal with matters in an organised and less traumatic manner.

RELEVANT DOCUMENTS

Visser suggests a Life File that contains all the relevant documentation required to wind down your estate. Depending on each individual's affairs it can become quite a daunting task to obtain all the documents needed.

The basic information may include your living will if you have one, your last will and testament, marriage certificate and anti-nuptial contract, divorce order and agreement, title deeds of properties, vehicle registration certificates, bank statements, city council statements, a list of insurance policies, lease agreements and details of a funeral policy or death benefits.

Visser advises that it may be necessary to do an "audit" of your affairs in order to establish whether the terms of contracts or policies are up to date and clearly understandable.

Some insurance policies stipulate that if a property is unoccupied for more than 30 days, there will be no cover in the event of theft or damage.

Some life insurance policies stipulate that a person must survive an event (such as a heart attack, aneurism or cancer) for a specified period for the policy to pay out. It is crucial to include a clause in a living will that requires a discussion with your financial advisor about any financial implications before life support is switched off.

"It may sound harsh, but it is important if there are minors or a surviving spouse."

IMPORTANT CONTACT NUMBERS

Include all the latest contact details of your nominated executor, Appleton 0800 50 60 70 or clientcare@appleton.com financial advisor, accountant, tax advisor or attorney in your Life File.

Many people also include the details of the person who can take care of their pets, who has an extra key or remote to access the property, or the name and details of the person who can step in when you own your own business.

Visser says people are in shock when they lose someone



and things like the continued payment of services such as the electricity bill, short-term insurance on the house, contents and vehicles, telephone bills, subscriptions, and medical aid contributions are not uppermost in their minds. Having all that information on hand makes a painful experience more manageable.

ACCESS TO INFORMATION

Some of our legislation, particularly the Protection of Personal Information Act, makes it extremely difficult to access personal information. On top of that, most people have password-protected their electronic equipment (cell phones and computers), bank accounts and other financial affairs. Visser recommends keeping a list of passwords where only trusted people can obtain access to it.

Business owners should include additional documents such as the shareholders' agreement, shareholder certificates, the details of the person who has signing powers on the business bank accounts, details of the accountant, a set of the latest financial statements and the details of the person who will step in when you are gone.

Without a Life File, getting hold of some of these documents may prove to be extremely cumbersome and potentially expensive, says Visser.

"A power of attorney is only valid for as long as you are able to revoke it, which you will not be able to do if you are in a coma or if you died."

Visser says the only person who will be allowed to access your information will be the executor of the estate. It could take a few days, or a few months, before the Master of the High Court issues a Letters of Executorship which will allow the executor to deal with your affairs.

"If the executor has to play the role of an investigator it can delay the winding up of the estate and increase the costs," she says. "If there is conflict in the family and some of the members do not want to cooperate, it can become a battle to find the information."

KEEP IT UP TO DATE

Visser adds that it will be prudent to review your Life File once a year, or when there are any important changes in your life, such as getting married or divorced, buying or selling a property, leasing a property, starting a business, the birth of a baby or the death of a partner.

She advises business owners to contact their fiduciary practitioner and request guidance on the information they will need to compile a comprehensive Life File.

It may sound obvious but inform a close family member or your executor where you keep the file.

Brought to you by the Fiduciary Institute of Southern Africa (Fisa).

TIPS FOR YOUR LIFE FILE

I have compiled all of this info into a single document an Xcel spreadsheet – with multiple tabs – where I have made a list of my:

Assets & liabilities; Personal documents (for the whole family!);

Financial budget – shown on a monthly basis shown for the calendar year;

Investments and their performance charts;

Computer and phone passwords and pin numbers;

House key-numbers for all gates and rooms;

List of Notes (general notes for the surviving spouse/kids/executor on the Do's and Don'ts of how to best handle all this stuff going forward).

I embed scans or photos of all important documents into this Xcel file (with instructions where to find the physical originals). This gives executor clear idea of what look for if document is unusual or has gone through several revisions).

Important to regularly review details, and update stuff you find you missed.

I revise annually on my birthday (or whenever a significant change occurs).

Then save the old worksheet under its own separate, dated tab.

That way, you (and the executor) has a picture of how your circumstances (and thoughts!) have changed over the years.

This was quite the exercise to set up initially, but has now, after several years and many iterations, become a really useful LIVING document. My go-to reference document on a weekly basis now!

Have encourage rest of family and friends to do same. And have learnt a lot from sharing the template with others. There's always someone who adds a better idea or wrinkle!

Of course, security of this type of document has to be paramount.

I keep a copy in Microsoft One Drive Vault (allowed 3 files for free). As well as copies on 2 memory sticks stored in separate safes.

Never keep these files in permanent state on any pc or laptop (too easy to get hacked or stolen).



FISA GUIDELINES ON ESTATES

The executor in a deceased estate steps into the shoes of the deceased and must then follow a well-regulated process to finalise the financial affairs of the deceased and distribute his/her assets in accordance with the last valid will or the rules of intestate succession (i.e., where there is no valid will).

The executor has to follow a strict process prescribed by the [Administration of Estates Act, 66 of 1965](#), and is obliged to account to the Master of the High Court for proper compliance with the process.

It is common for family members to be nominated as executor in a will but this may be extremely unwise.

If you have any valuable assets or are a professional or business person, it is worthwhile to rather nominate a professional. A wide variety of legal issues may impact on the process and the speed with which a deceased estate can be administered.

FISA members, such as Appleton, are subject to the [FISA Code of Ethics](#) and a Continuing Professional Development ([CPD](#)) programme.





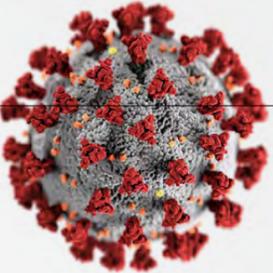
ESTATE PLANNING

The estate planning process involves the structuring of assets in the most tax effective way in order to ensure protection and preservation of assets from one generation to the next. It includes the drafting or reviewing of your will.

Factors that should be taken into account include:

- Ensuring that the structuring of assets in the estate and the will are synchronised to make the execution of your wishes feasible;
- Providing for minor children;
- Providing for children or other family members with special needs;
- Providing for sufficient liquidity in the estate after death. More than 30% of deceased estates in South Africa does not have sufficient cash available for all debts, costs, cash bequests, taxes, etc;
- Taxes payable during life and at death, including income tax, capital gains tax, and estate duty;
- The nomination of an executor and ensuring that such executor is granted the powers necessary to fulfil the role properly;
- Business succession planning.





STAYING HEALTHY UNDER THE COVID PANDEMIC

The Centres for Disease Control and Prevention (CDC) reports that eight out of ten deaths from Covid-19 have been among adults age 65 and older.

The increased risk is explained primarily due to the immune system changes that occur with age.

And those suffering with a chronic illness also puts them at risk for Covid-19.

The old Welsh adage goes, 'An apple a day keeps the doctor away', but when the risk of becoming severely ill from Covid-19 symptoms increases with age, it takes more than a fruitful diet to stay healthy and guard yourself against the virus.

"It's imperative that we adopt all the possible measures to help seniors stay healthy and safe," says Guin Lourens, Head of Nursing at Evergreen Health, a subsidiary of retirement villages, Evergreen Lifestyle. "Exercising, taking vitamin supplements and keeping in touch with loved ones can all assist in boosting both health and morale."

Together with her team of staff, Lourens implemented a range of Covid-19 health and safety measures for the elderly living at Evergreen Lifestyle's 7 villages across South Africa. Here are her expert tips on the easiest ways to stay on top of their personal health regimens and in top spirits.



1. TAKE ACTION

Physical activity is a wonderful way to boost your immunity. Regular exercise slows down changes that happen to the immune system with ageing and boost white blood cell counts and, as a result, reduce chances of infection.

2. HEALTHY COMMUNICATION

Connection with family and friends is a fundamental human need and research shows that it also helps to boost the immune system. A short phone call, a WhatsApp conversation, Zoom video call or looking at pictures of loved ones are all wonderful ways to stay in contact.



3. SUPPLEMENTS

Be sure to take health advice only from registered professionals and, if you are taking chronic medication, ask your doctor or pharmacy for an extra month's supply to keep on hand to reduce trips to the pharmacy.

It's essential to include multivitamin and zinc supplements to boost your immune system. Zinc, one of the health heavyweights that is often overlooked, is the second most abundant trace element in the body and helps build healthy immune cells needed to help to fight infection. It also reduces fatigue and plays a key role in the renewal of skin cells and keeping hair and nails healthy.

According to the International Zinc Association (IZA), zinc is required by all living things for survival. In fact, Simon Norton of the IZA says, "Zinc is essential for human health as it is in our organs, tissues, bones, fluids, and cells."

4. VITAMIN D

How much time in the sun does it really take to get your body producing vitamin D? 10 - 30 minutes of afternoon sunlight several times a week is all that is needed to get your body producing its own vitamin D.

The sunshine vitamin is essential for helping the body absorb calcium and phosphorus which both facilitate normal immune function. But make sure to wear a sunscreen such as SPF 50 which is both light enough to protect your skin from the sun but not so strong that it inhibits absorption of vitamin D.





5. DIET

Many of us grew up thinking that the standard food pyramid was the best guide for how we should eat. We now know that over-emphasis on the intake of grains and starch and under-emphasis on healthy fats, proteins and oils was incorrect.

Although starches like bread are a diet staple for many, these types of carbohydrates break down into sugars which are not beneficial for the body.

Aim to include healthy fats from foods like avocados and nuts, as much vegetables like broccoli and spinach as possible and more protein such as beans, chicken and fish than carbohydrates in your weekly diet. Speak to your trusted health professional for immune-boosting dietary advice if you have diabetes, high cholesterol, a heart ailment or a chronic illness.

6. KEEP THE BRAIN ACTIVE

An array of mind games can also be of great help to keep the elderly engaged such as Scrabble, Sudoku, Carrom, Ludo, Cubissimo, Coggy, Bingo, cards, chess and crossword puzzles. Fun interactive online games and puzzles all keep the brain buzzing.



7. MINDFULNESS

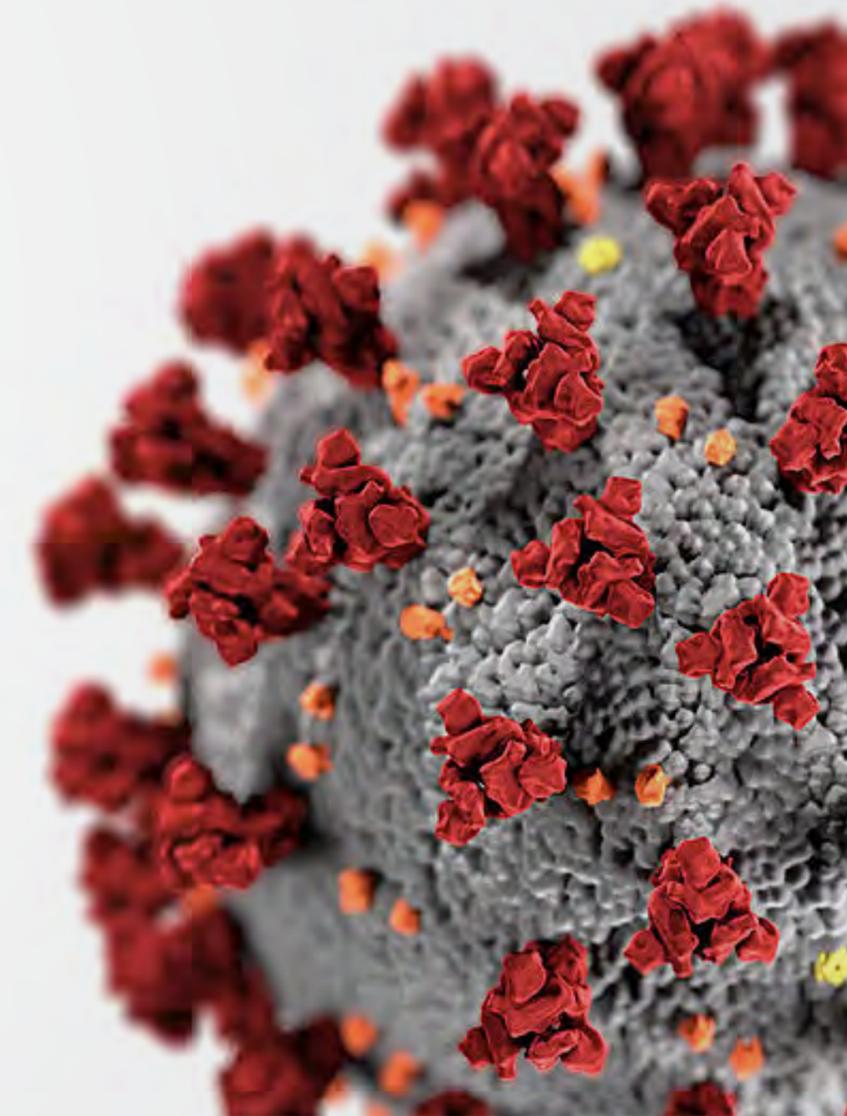
A key factor in staying healthy is the reduction of stress through activities like mindful meditation. It is simply the practice of sitting quietly without distractions and trying to quiet the mind from its often-racing thoughts.

An easy way to do this is to sit quietly and breathe in deeply through the nose and out through the mouth repeatedly for 5 to ten minutes, redirecting your thinking to this when a thought comes into your mind.

Just 5 minutes of daily mindful meditation is known to improve sleep and reduce stress, strengthening the immune system along the way.

Working towards building a healthy immune system cannot be done with exercise alone but rather through a variety of small healthy actions every day.

With acknowledgement to the IOL Lifestyle reporter



HERE'S WISHING YOU A
HAPPY FESTIVE SEASON
FROM **THE APPLETON**
ADMINISTRATION
TEAM!



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