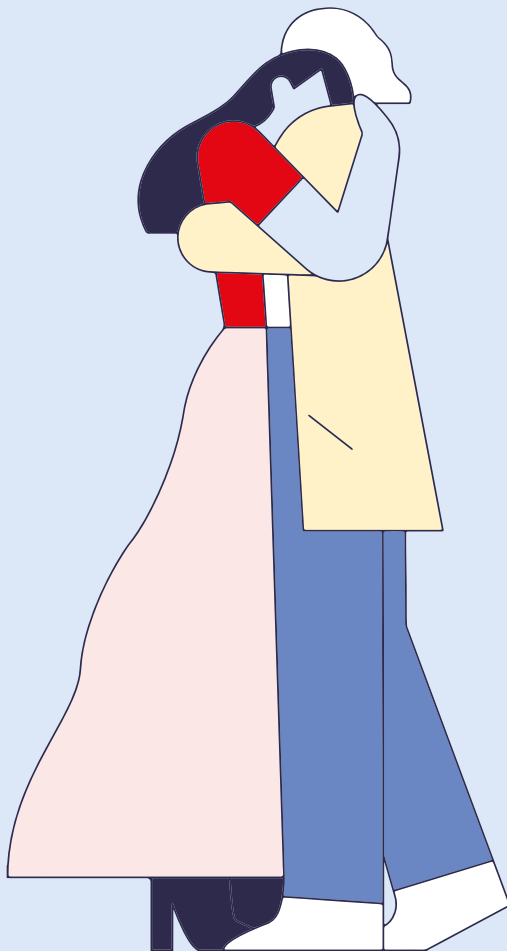


When a loved one has passed

A guide to estate administration



**Public
Trust**

So, what exactly is estate administration?

To start at the beginning, 'estate administration' is the process of identifying and distributing someone's property, assets and possessions and getting their affairs in order after they have passed. If you're reading this because you've lost a loved one, our sincere condolences.

This brochure will give you an idea of the process ahead of you. We hope it helps.

Reading tip:

In the following pages, you'll see we occasionally highlight a technical word or phrase with an asterisk. You can look up the meanings in the 'Words to know' section on page 24.



We're here to lighten the load

Naturally, losing a close friend or family member is an emotional and difficult time. The challenge can be even greater when you're involved in putting your loved one's affairs in order. That's where we come in.

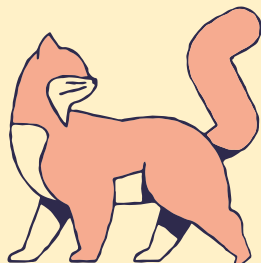
Our friendly trustees will walk you through the ins and outs of administering the estate, with compassion and respect. They'll help make the complex easier to understand – working hand in hand with you to ensure the process is as stress-free as possible.

We'll guide and advise you beginning to end – with the understanding that you need time to grieve and make decisions. We'll listen to your views and consult with you on all important decisions. We'll be impartial and fair if there are any disputes, and we'll keep you informed every step of the way.



When Public Trust is the executor

An executor is the person or organisation tasked with carrying out the administration of an estate. If Public Trust has been given this role, it was most likely requested in the will. We may also be appointed by law if there is no will (this is known as dying intestate*), or a family member could have requested our help.



We'll guide you through the process.

As the executor, we'll work with you until the administration is sorted out and all assets have been distributed. On page 8, we've put together a step-by-step guide to give you an idea of what's involved at each stage. You may find it useful to add notes as you go.

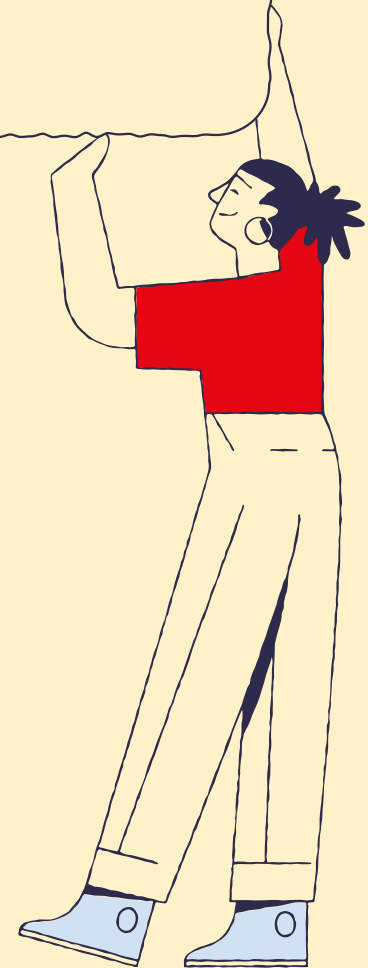
Notes

Have you been chosen as executor?

You don't have to go it alone. Our Executor Assist team can help as little or as much as you need. Skip to page 18 for more.

What if there is no will?

This is called dying intestate. We can help you to administer your loved one's estate, or we can take on that responsibility ourselves. Talk to us today about your situation and we'll help you with the next steps.



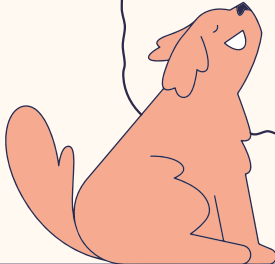
Seven steps to settling an estate

01

Meet and greet

The first thing we like to do is meet with you in person or virtually - nothing too demanding. It's a chance to introduce ourselves and go through what's involved. We'll gather some initial details, answer your questions and chat through any concerns you might have. We'll also discuss how we can best work together going forward.

Notes



02

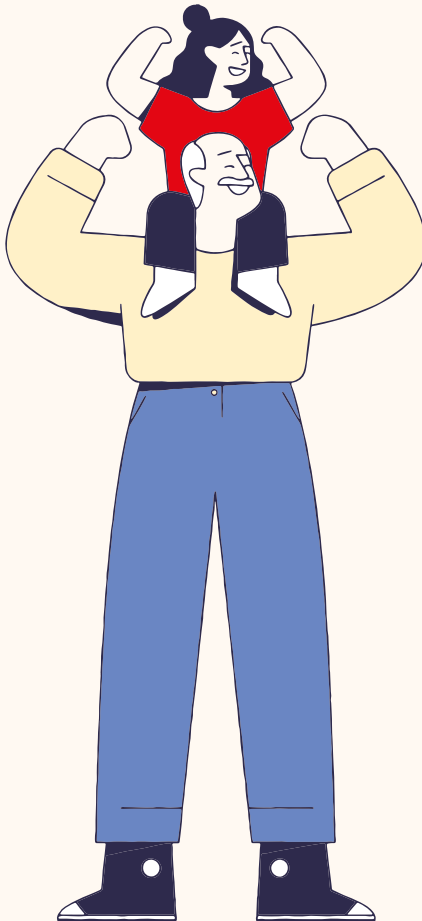
The background work

We'll get in touch with known related companies to inform them of your loved one's passing. If we need to, we'll also place a notice in the local paper calling for any creditors* to notify us. This allows us to work out if there are outstanding debts. To confirm assets and related debts, we'll contact banks, insurers and other parties. We often arrange valuations and appraisals to get accurate values too. If necessary, we'll conduct a will search through the Law Society, just to be sure we have the most recent version.

03

A plan of action

Next, we write to all beneficiaries* with the Plan of Administration*, that outlines everything we know about the estate in greater detail and fully explains the administration process. We'll also include an estimation of costs. This step usually happens within 10 days of the first meeting.

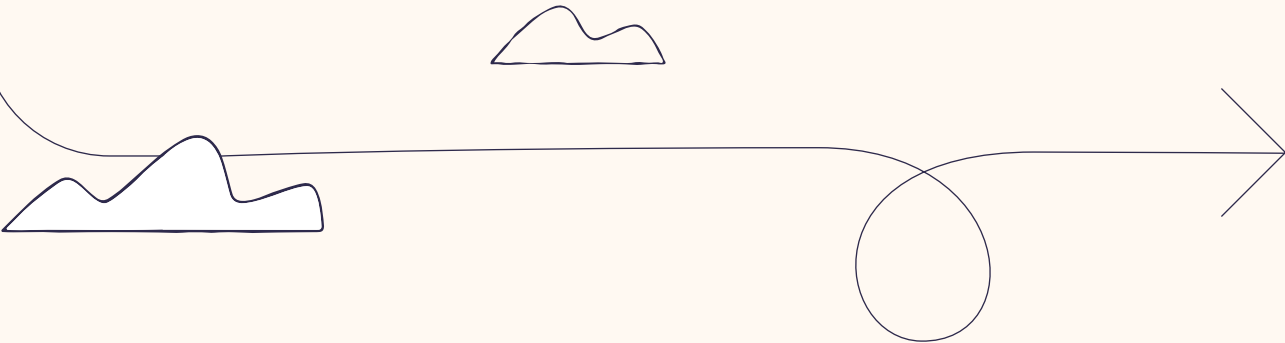


Notes

04

Getting court approval

Here, we apply to the High Court for probate* or a grant of letters of administration* if there is no will. This gives us legal authority to administer the estate and collect the estate assets. Approval is typically received in 10-14 weeks, although the timing ultimately depends on the High Court.



05

Balancing the books

At this stage, we collect the assets and pay remaining debts. Bank accounts are closed, and property and other assets are sold or transferred. This may include paying funeral costs and other estate expenses, as well as arranging tax returns (possibly for income earned by the estate during administration). We'll make sure assets are protected until everything's settled – with insurance, for instance. While we must follow instructions in the will, we'll also seek your views on what you'd like done with particular items. The timing of all these tasks depends on the assets involved, but we'll keep you updated throughout.

Notes



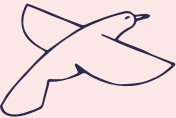
A head start
Rather than waiting for probate, we're often able to use our certificates of administration to get this process underway – which can save you 10-14 weeks of time.

06

Distributing the estate

Once the expenses and debts are paid and assets have been held for the required 6 months from probate, we begin distributing the estate to beneficiaries. With simple estates, we may be able to settle everything at once. As long as beneficiaries have submitted their payment forms, distributions are fast. We may need to call beneficiaries to confirm details on payment forms so please ensure all contact details are correct. Distributions to beneficiaries need to be paid to their bank account, in their name. The average timeframe to distribution is 8 months for standard estates (from the start of the whole process). More complex estates can take longer, including those where assets are held in trusts or overseas.

It can happen earlier
Occasionally, when an estate is particularly simple, distribution can take place in weeks, instead of the usual 6 months. In other situations, we may be able to arrange interim distributions. This only occurs in straightforward cases where there will be no further claims – and with the agreement of all beneficiaries.



Notes

07

Wrapping things up

Last but not least, we'll send you a statement that outlines the financial details of the process. This includes details of all assets, how these were distributed, debts paid and any expenses incurred during the process. All beneficiaries (except giftees*) will receive a copy.

Handy tips to smooth the way
It's not just a waiting game. You can help get the administration process flowing by:
—Ensuring we have correct contact details for you and beneficiaries
—Communicating with other beneficiaries to help make unified decisions
—Ensuring that your decisions are communicated clearly
—Filling out forms correctly and on time, so we can pay you more quickly.



Notes



Our fees and your payments

We look after people by acting ethically, with empathy, and by charging reasonable and competitive rates so that we remain accessible to all Kiwis. As an Autonomous Crown Entity under the Public Trust Act 2001, we are entrusted with caring for the interests of the communities in which we operate, and operating efficiently as a business. So, you can be sure we're here to help first and foremost.

We'll give you an idea of costs upfront

You'll receive a cost estimate at the beginning, and we'll let you know if anything changes. Fees are based on the actual work we do, not on a percentage of an estate's value and are paid from the assets in the estate. However, if no funds are available, we require payment from beneficiaries before the estate is finalised.

Things that affect time and costs

As you'd expect, both the size and the complexity of an estate will determine the time and cost of administration. Small, simple estates can be wound up faster than larger estates. On top of that, there may be other factors that can influence time and cost, including:

- Assets that are overseas or held in trusts
- Disagreements among beneficiaries, particularly with regards to whether an asset should be sold or retained

- Providing late or incorrect forms
- When there are a lot of beneficiaries or we can't locate someone
- When businesses are part of the assets
- Legal issues and disputes
- When there are a significant number of assets.

Payments made to you

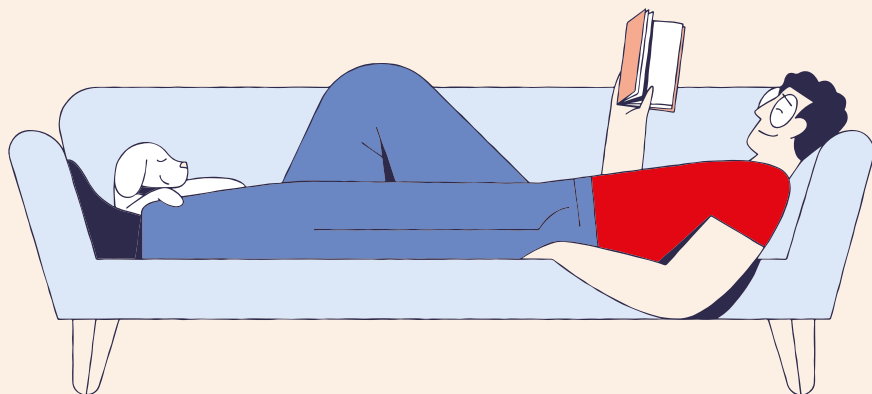
As a beneficiary, you'll typically receive payments once the estate has been finalised, but it's not uncommon to receive a partial or interim payment along the way. It all depends on the estate. We'll let you know what's likely at the start.



Executor Assist makes life easier when you're the executor

Being chosen as an executor of someone's will is an honour, whether you're family, a friend or even a solicitor. But it can also be complex and time consuming – not always ideal if you're dealing with a personal loss. Our Executor Assist service is designed to support you through the administrative

process if you're the executor, and we're also able to help family members administer the estate when there is no will. You still retain control over all decisions and we assist you as much or as little as you need – it's totally your call.



Our services cover all of your estate administration responsibilities, including:

- Helping you if there is no will, or the executors are unable or unwilling to act. If either of these scenarios apply to you, give us a call to find out how we can help
- Applying for probate and the authority to administer the estate
- Collection or sale of assets
- Arranging payment of debts and finalising tax
- Keeping beneficiaries informed and distributing the estate
- Dealing with overseas assets and reseals.*

Knowing how much help you'll need can be tricky and will depend on the estate or even your familiarity with legal, accounting and tax matters. Our team are happy to provide you with an overview of your roles and responsibilities and talk about the ways we can support.

The process

We can be involved as much or as little as you like, simply get in touch and our team can walk you through a plan that will best suit your needs. Once we've been granted approval by the courts to proceed, we'll do as much of the heavy lifting as you need to help get the estate ready to be distributed to the beneficiaries. This works much like the process on pages 8 to 15.

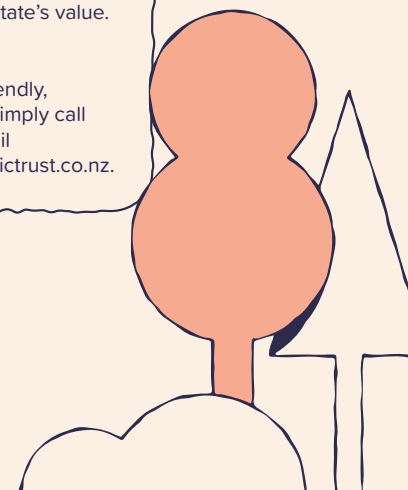
We'll stay in touch, so just ask us if you have any questions.

How we charge

We work hard to ensure our fees are fair, competitive, and upfront. You'll be charged a combination of fixed fees and hourly rates, depending on the tasks involved. Everything is based on actual work we do – we don't charge a percentage of the estate's value.

Like to know more?

Get in touch for a friendly, no-obligation chat. Simply call 0800 371 471 or email executorassist@publictrust.co.nz.



Some background on estates

Estates are as unique as people are and vary according to the types of assets they hold and the instructions in the will. This can also affect the time and costs involved in administration. Here's a brief look at some different types of estates.



Straightforward estates

These are small and uncomplicated estates. When an estate meets the criteria for a straightforward estate, the administration can be simplified and shortened. This may be as little as 8 weeks, with around 8 hours of work involved. Our team will let you know if you have an estate that falls into this category.

Standard estates

As the name suggests, this is more your typical type of estate. It can have a mix of assets and distribution requirements - maybe some property, some financial assets, a number of beneficiaries and so on, but nothing too complicated. The timeframe for standard estates is usually around 8 months.

Complex estates

An estate can be considered more complex when there are business assets, share portfolios or assets held overseas or in trusts. The legal aspects involved will require more time and cost – sometimes specialist help is needed. The timeframe for administration is often longer than 8 months and will vary case by case.

Ongoing estates

Sometimes there are assets in an estate that have longer term requirements. These are known as ongoing or continuing estates. They often have a small ongoing cost, and include (but aren't limited to):

— Life interest estates

Where a beneficiary is allowed to use an asset for their lifetime, but they won't own that asset themselves. For instance, this could be the right to live in a house under the will.

— Perpetual trusts

This is when an asset is held indefinitely, with the income often to be used for charitable purposes.

— Minors of age trusts

A specified amount or a share of the assets is held in a trust until a minor comes of age (18 years under the law, but a later age can be specified).

If you've got questions or you're unsure about the kind of estate you're dealing with, our team will be happy to chat with you.

A few FAQs

I think Public Trust has the will but how can I check?

Call us on 0800 371 471 and we can check for you. Keep in mind that we'll need to ask a few questions to confirm you are the beneficiary or executor of the will. This ensures information and privacy is protected for all estates we work with.

When should I meet with Public Trust?

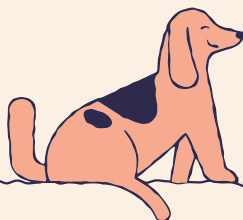
Understandably, your priority at this time may be the funeral and saying goodbye to your loved one. As soon as you feel ready, call us to talk about timings and next steps.

Do I need to see the will before the funeral?

It's a good idea, as your loved one may have included funeral requests in their will or another form of documentation held by Public Trust including a pre-paid funeral trust.*

What if there is no will?

In this case, the estate will be distributed under the laws of intestacy. There are specific rules to follow, and we can help you every step of the way. You'll find more information on our website, or feel free to call us.



Notes

Who arranges the funeral?

It's usually organised by the family, but if there's no family or the family is unable to do this – and if Public Trust is the executor or administrator – we can help make funeral arrangements.

What if the will says my share of the estate will be held in a trust?

The outcome will vary, depending on instructions in the will. For example, assets can be held in a trust until a beneficiary is 18 or, they may remain in a trust indefinitely with a beneficiary receiving benefits but not owning the asset. This can include living in a house or receiving income. You can find out more about trusts on our website or just get in touch.

What if I'm an executor as well as a beneficiary?

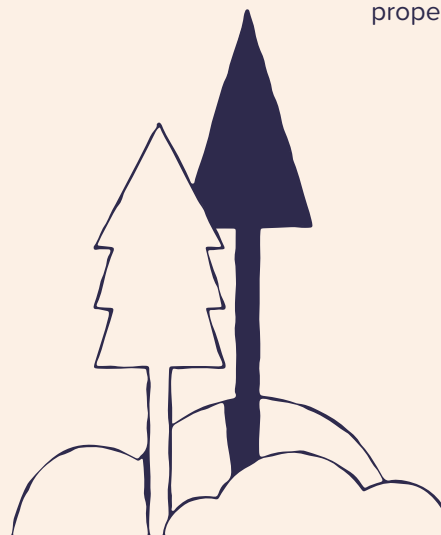
This isn't uncommon and there shouldn't be any conflicts of interest unless there are disputes. You can learn more about being an executor on our website. We also offer a special service called Executor Assist that can help with your executor duties (see page 18).

How do I know Public Trust is going to do the right thing?

We were established in 1873 to protect the future of New Zealanders, something we've been proudly doing ever since. Our duties and responsibilities are set out in the Public Trust Act 2001, and our actions as executor are laid out under the Administration Act 1969. As a Crown Entity, you can be sure that we take following the proper process very seriously!

Still have questions?

Our website has plenty of information on estate administration and you can contact us for a chat on 0800 371 471, during normal business hours. Our trustees are always happy to talk.



Words to know

Estate administration comes with more than its fair share of technical words and phrases. Many of these we're legally required to use. Here are some definitions to help make sense of things.

Administration (of an estate):

The process of identifying and distributing someone's property, assets, and possessions after they have passed. This happens in accordance with the will, if there is one.

Assets:

In estate administration, this refers to anything of value that the deceased owns. This could be property, a car, cash, shares, Kiwisaver etc.

Beneficiary:

This is any person, organisation, trust, or charity who will benefit from the will.

Collecting assets:

The process of identifying the deceased's assets, informing institutions (where the assets are held) of the authority to administer and then complying with their requirements to release those assets.

Creditor:

In estate administration, this is any individual or organisation to which the deceased owes money.

Debts:

In estate administration, a debt is any situation where the deceased legally owes money to an organisation or individual. This can be anything from an energy bill to a mortgage.

Distribution/distributing the estate:

The payment of funds or transfer of assets from an estate to the beneficiaries named in the will or where there is no will, in accordance with the law.

Estate:

Everything a person owns at the time of their death.

Executor:

The person or organisation appointed under the will responsible for carrying out the instructions in the will and paying the beneficiaries.

Gift/giftee:

A beneficiary left a specific item or sum of money in a Will.

Intestate:

A term used to describe when someone has died without a will.

Grant of Letters of Administration:

Similar to probate (below) but used where someone has died without a will.

Probate:

A High Court decree showing that a will is authentic and that the executor has been appointed. It grants the executor permission to administer the estate according to instructions in the will.

Pre-paid funeral trust:

A Prepaid funeral trust allows you to set money aside for your funeral, making it faster, easier and less of a financial and emotional burden for those closest to you.

Plan of administration:

A document that sets out how the estate will be managed and settled. It shows what will be done, when and who will do it.

Re-seals:

When a court in one country adds another seal to a grant of probate issued overseas, recognising that the grant is valid in both countries, and the assets held overseas can be collected and distributed.





Notes

Notes

