

The Bereavement Guide

Foreword

Any account held with us or another company is considered part of a deceased customer's 'Estate' (everything they own), which needs to be taken into account when settling their affairs.

This guide has been designed for the person(s) dealing with a deceased customer's account with Legal & General Investments. For the purposes of this guide, we will refer to them as 'you'. However, we can only accept instructions signed by the legal Executors. Also, we are only able to pay money to either an Executor's bank account, Solicitors' client account or directly to HM Revenue & Customs (HMRC).

Introduction

We understand that it can be a very difficult time when someone dies and managing finances may not be the first thing on your mind when you have lost someone close to you.

We want to make this process as smooth as possible. We are here to explain anything you do not understand and will look after the account until you are ready to make a decision.

We hope that the information in this guide will help you through what you may need to do, as well as explain the options available to you. We have also included all the forms you will need after you have made your decision about what to do with the investment.

If you want any more information about the type of accounts the customer held with us, we are happy to send any fund information that you request. If you would like to speak to us at any time, we will be happy to answer any queries you may have. There is a handy 'Contacting Us' section in the guide highlighting the different ways you can speak to us.

However, please note that although we are happy to help as much as possible, we are not able to give you financial advice. If you are in doubt about making any decisions, we recommend you speak to an independent financial adviser.

We are aware that not everyone is familiar with words or phrases related to financial services, so we have also included a glossary of terms at the end. If you have any problems understanding certain phrases/words used in the guide, please refer to this page for their meanings.

What happens after a death – overview

a. We first need to have confirmation of the death.

WHAT WE NEED FROM YOU

- If you wish, you can call us on **0370 050 0955** to provide information over the phone. We will then search our system to obtain the details of the death, if available, and provide you with a valuation of the customer's account as at the date of death. Please note that you will need the Death Certificate to hand so we can get the information we need from you.
 - If we are unable to verify the details over the phone, you can send us one of the following instead:
A Death Certificate, Coroner's Interim Death Certificate or Death Certificate Verification Form. We can also accept what is known as a 'certified copy' of these documents. This is a copy signed and/or stamped by a solicitor, bank or building society, certifying it to be a true, complete and up-to-date copy of the original.
- b. When we have received confirmation of the death, we then check to see if the account is held jointly with another person(s). If it is, the account is automatically transferred to the joint holder(s) and no further action is taken. It is no longer treated as part of the deceased customer's Estate.
- c. If the account is in the sole name of the deceased customer, we ensure that no money is paid into or out of the deceased customer's bank account until we have received instructions from the Executor. We will hold any money due to be paid out, and we will cancel any direct debits due to be paid to us.
- d. As part of this, we then check to see what type of investments were held. When an investment is set up, customers can either choose to have any money earned to be paid out to them regularly as additional income (known as 'distribution' units), or for any money earned to be reinvested back into the fund, so the fund value grows (known as 'accumulation' units).
If the deceased customer held distribution units, we convert them to accumulation units, again so that no further payments are sent to the deceased customer's bank account. Once converted you may see that the number of units held will change as a result of this. This is due to differences in price, but the overall value of the investment remains the same and is subject to market movement.
- e. We will notify other departments within Legal & General if the deceased customer had policies elsewhere. They will then contact you directly regarding any accounts with them.

NOTE 1: THE DEATH CERTIFICATE

As mentioned earlier, we must have proof of death before taking any action on the account. You will need to obtain a Death Certificate (or equivalent).

If you wish to call us on **0370 050 0955**, we will confirm information with you over the phone, so that you do not need to send us the Death Certificate. Please remember to have the Death Certificate to hand, if you choose to call us.

You can send the Death Certificate to us by post. We recommend posting any documents to us by recorded delivery so that they do not get lost or misplaced. We will also return all original or certified documents to you by recorded delivery. Alternatively, you can provide death certificate information online at legalandgeneral.com/investmentsupport by typing the question 'How do I notify you of a death?'.

NOTE 2: VALUATION

As any investment is considered part of the Estate, you will likely need a valuation of the account as at the time of the death. This can be used to decide if you need to apply for a document called the 'Grant of Probate' (known as a 'Certificate of Confirmation' if you live in Scotland), which you may need in order to proceed (Note 3).

After we have received valid notification of the death, we will send out a valuation of the deceased customer's account as at the date of death.

While we are waiting to receive further instructions, the account itself will remain open and will be subject to market fluctuations. This means that the valuation will vary over time.

NOTE 3a: GRANT OF PROBATE

The term 'Probate' is used when talking about applying for the right to deal with a deceased person's affairs (otherwise known as 'Administering the Estate'). The Grant of Probate document lists the Executor(s) of the Estate, who are the only persons legally entitled to act on behalf of the deceased person.

DO I NEED A GRANT OF PROBATE?

There are times where it is not necessary for us to see a Grant of Probate. If the value of the funds held within the account is less than £25,000 at the date of death, you can use the **Small Estates Declaration Form** included with this guide. When completing the form, it will need to be signed by **all** acting Executors of the Estate, and each signature must be witnessed by either a Solicitor or Commissioner for Oaths.

If you do need to apply for Probate, there are a number of Probate Registries in the UK who can offer support and guidance on how and when you should apply for a Grant of Probate/Certificate of Confirmation. Please note that we will need an original Court sealed Grant of Probate/Certificate of Confirmation.

You can get more information by contacting HMRC Probate Helpline below:



0300 123 1072



[gov.uk/applying-for-probate](https://www.gov.uk/applying-for-probate)

NOTE 3b: IDENTIFICATION OF EXECUTORS

IDENTIFICATION OF EXECUTORS

We have a legal requirement to complete verification checks on all executors of an Estate. By completing an instruction, all executors agree to Legal & General completing additional verification checks, which can be done in one of the following ways.

ELECTRONIC VERIFICATION CHECKS

This is the most efficient way to complete a verification check. We do this by using reference agencies to search sources of information relating to each executor, which we will complete when the instruction is received. In order to do this, we will require each executor's full name, current address and date of birth. Please note this is not a credit check, it simply enables us to confirm your identity.

IDENTIFICATION DOCUMENTS

If you would prefer to provide us with identification documents we will be able to complete verification checks upon receipt of one item from List A and one from List B for each executor:

LIST A

Documents are listed in order of preference.

- Valid signed passport
- Valid full or provisional photocard driving licence or full paper driving license. Please note we cannot accept Counterpart driving licences.
- Valid National Identity card or Identity card issued by the Electoral Office for Northern Ireland
- Valid UK Border Agency Biometric Residency Permit (BRP)
- Valid firearms certificate or shotgun licence
- Personal correspondence from UK HM Revenue and Customs (HMRC) tax office sent to your address issued within the last 12 months. This does not include a P45 or P60
- Evidence of entitlement to a state or local authority funded benefit (including housing and council tax benefit, tax credit, pension, and educational or other grant) issued within the last 12 months

LIST B

Documents must show name and current residential address.

- Current bank statements, issued within the last six months by a regulated financial sector firm in the UK, EU or comparable jurisdiction
- Mortgage statement, issued within the last 12 months.
- Utility bills issued within the last six months. We are sorry, we are not able to accept mobile phone and store card bills
- Current council tax demand letter or statement, issued within the last 12 months.
- Instrument of a court appointment (liquidator or grant of probate), issued within the last 12 months.

OVERSEAS EXECUTORS

Please note that we are unable to complete an electronic identity check on executors living overseas. In these instances, please include one equivalent document from List A and one from List B for each overseas executor.

If we do not receive sufficient information, or are unable to complete a verification check, Legal & General will need to contact you to obtain further documentary evidence of identity before we can process an instruction.

NOTE 4: TAX

If the investment was held in an Individual Savings Account (ISA), then under HMRC rules, it remains within a continuing ISA Account of a deceased investor until either:

- The administration of the Estate is completed;
- The account is closed;
- Three years from date of death.

The funds held within a continuing account of a deceased investor continue to benefit from ISA tax advantages. Any interest, dividends or gains in respect of investments in a continuing account of a deceased investor are exempt from tax.

Once the account ceases to be a continuing account of a deceased investor, the ISA wrapper will be removed from the account and all subsequent income or gains will then become taxable in the hands of the Estate.

We do not deduct income tax from income earned by majority of our funds held outside of the ISA wrapper. The L&G UK Property Fund is the only fund where tax will be deducted from any property income earned.

INHERITANCE TAX

We can release money early when Inheritance Tax needs to be paid. If you need to access the money in these circumstances, we will need to receive the following documents:

- IHT423 form including the amount to withdraw, the Legal & General Investments customer number(s) and bank details for HMRC where the money should be paid (this can be obtained from HMRC);
- Original/Certified copy Death Certificate;
- Copy of the Last Will & Testament.

Once we receive all documentation we will pay the amount requested directly to HMRC. When we have completed the withdrawal of the funds, we will send you what is known as a 'Contract Note' confirming how much was withdrawn.

NOTE 5: ACCOUNT OPTIONS

We have a number of options available, depending on what the Will says, or how the personal representatives are instructed to deal with a deceased customer's account. Our customers can hold several types of funds together, so subject to what the deceased customer's wishes were, we have several options available.

These options vary depending on what types of investment are held, which are as follows;

Open-Ended Fund: a fund that doesn't have a maturity date.

Fixed-Term Fund: a fund which had a maturity date when the investment ended.

Cash Fund (such as the Legal & General Cash ISA (Barclays)) – This type of fund is held as cash.

For funds that are Open-Ended, or if the Fixed-Term fund has **NOT** matured:

The entire investment can be transferred to existing Legal & General Investment Customer(s) using **Form A**. The fund will be transferred into an unwrapped Investment Account and the new Account holders will be subject to the relevant set of Terms and Conditions.

Part of the investment can be withdrawn and the rest can be transferred (as outlined above) using **Forms A and B**.

The entire investment can be withdrawn and the money sent to a bank account of the Executor or a Solicitor using **Form C**.

PLEASE NOTE

A. Fixed-Term funds were designed to be held only until the maturity date. If the deceased customer held one of these investments, we would have written to them on the maturity date to confirm their options at that time. On the maturity date, the money was moved to a Matured Cash Fund managed by us and is earning 0% interest until you decide what action to take.

B. If the money is being held in a Cash Fund, it may be earning interest.

C. We recommend you take action and withdraw the entire investment and the money can be sent to an Executor or Solicitor's bank account using **Form C**.

Please note – For Fixed-Term funds, as you are withdrawing from the product, it may be a taxable event. We will not pay tax to HMRC, but you may need to declare it yourself.

We cannot accept instructions that are dated more than six months from the time we receive all required documents.

ADDITIONAL PERMITTED SUBSCRIPTION

Since 3 December 2014 the accumulated ISA of a deceased customer could effectively be inherited by a surviving spouse or civil partner in the form of an increased ISA allowance for them. Anyone who was married or in a civil partnership with the deceased investor can now apply. This is known as the Additional Permitted Subscription (APS).

The APS allowance will be provided on our covering letter when we confirm the Probate valuation.

What to do when someone dies

We will not be confirming the APS allowance value when:

- There are no ISA's held in the deceased's name;
- We are made aware that the spouse of the deceased has also passed away;
- The deceased passed away before 3 December 2014;
- The APS allowance has already been utilised.

Please note that the APS allowance value is included in the "Probate Value" provided in our letter and should not be combined with it when providing us with an instruction or submitting details to HMRC.

MAKING USE OF APS WITH US

Following the sale of the investment business to Fidelity, on 6 April 2022, we changed the terms and conditions that cover ISA and Junior ISA investments. This change means that services will be limited further for ISA and Junior ISA customers only. We have stopped accepting any new payments, and transfers into any existing ISA and Junior ISA investments from 6 April 2022. This also includes Additional Permitted Subscriptions.

APS TRANSFERS TO ANOTHER ISA PROVIDER

The spouse can transfer the APS allowance, subject to the other ISA provider agreeing to accept the transfer. The spouse would need to approach the new ISA provider to start the transfer. Where an APS is transferred to a new provider, contributions can only be made with cash.

The APS allowance can only be transferred once, and only where no APS payments have been made with us beforehand. APS allowances can be held with more than one ISA provider if the deceased held ISAs with more than one ISA provider.

Where ISA investments will be inherited by the spouse, the funds will remain invested with us until we receive a separate withdrawal instruction (**Form C**). Once the proceeds have been sent to a bank account of the Executor/Solicitor, the money can be used to invest into the ISA with the new provider.

Customers who passed away after 5 April 2018: Please note that if we receive a request to transfer the APS allowance to another provider before the continuing ISA Account with Legal & General Investments have been closed, the value as at the date of death will be used as the APS allowance and **any gain since the date of death will not be included.**

HAVE I GOT EVERYTHING I NEED?

In order to help you through this process we've prepared the checklist below, and if you are not sure about any question, you can refer to the relevant section for more information.

	YES	NO	NEXT ACTION
Do I have a Death Certificate?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , go to next question. If no/not sure , See Note 1: Proof of Death
Have I received a date of death valuation?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , go to next question. If no/not sure , See Note 2: Valuation
Do I need Grant of Probate?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , go to next question. If no/not sure , See Note 3: Grant of Probate
Do I need to pay Inheritance Tax?	<input type="checkbox"/>	<input type="checkbox"/>	If yes/unsure , See Note 4: Inheritance Tax If no , go to next section
Have I sent in my instructions?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , go to next question. If no/not sure , See Note 5: Account Options
Have I received confirmation of the relevant instruction?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , the instruction is complete. If no , please contact us for more help.

CONTACTING US

If you need any help throughout this process, we want to help as much as we can. There are several ways to contact us:



By Telephone –

0370 050 0955 (lines are open 9:00am - 5:00pm Monday to Friday)
Calls are monitored. Call charges may vary.



By Post –

Legal & General Investment Management
PO Box 6080
WOLVERHAMPTON
WV1 9RB



By Email –

investments@landg.com

Contacting us from outside the United Kingdom

If you are contacting us from outside the United Kingdom, please call us on **+44 (0) 1737 370 370** and ask for Legal & General Investments.

Alternatively, you can send correspondence to us by post:

Legal & General Investment Management
EDM House
Village Way
Bilston WOLVERHAMPTON
WV14 0UJ

GLOSSARY

A

Account – The funds (investments) held by us on behalf of the deceased client.

Accumulation Unit – Type of unit where income is automatically reinvested to increase the value of your investment.

Additional Permitted Subscription (APS) – Since 3 December 2014, where a person holding an ISA dies and that person was married or in a civil partnership, the surviving spouse/civil partner is entitled to an extra ISA allowance equal to the value of the ISA(s) held by their spouse/civil partner as at the date of death.

B

Beneficiary – A person who is entitled to receive something from the deceased client's Estate.

C

Certificate of Confirmation – An official document, issued in Scotland, which lists the Executors of the Estate (those administering the Estate). Equivalent of Grant of Probate for England & Wales.

Certified Copy – This is a copy of an original document, which is signed/stamped by a solicitor, bank or building society to confirm that it is an accurate, complete and up-to-date copy of the original.

Commissioner for Oaths – A person who is authorised to check and verify legal documents. Typically this is a Solicitor, but it can also be a Notary Public, Barrister, Legal Executive or Licensed Conveyancer amongst other professions.

Contract Note – Confirms the details of lump sum investments, withdrawals or switches of an investment from one fund into another.

D

Death Certificate/Coroner's Interim Death Certificate – This is an official statement, signed by a Doctor, showing the cause, date and place of the death.

Death Certificate Verification Form – A form completed by a Solicitor stating that they are holding the original/certified copy of the Death Certificate. This is acceptable to most companies instead of the death certificate.

Deposit Plan – A fixed-term fund that doesn't have an ISA wrapper.

Direct Debit – An arrangement made with a bank to transfer money to a third party on agreed dates.

Distribution Units – Type of unit which normally pays out its income. Sometimes this income can be used to buy more units.

Dividend Bearing Fund – This type of fund pays dividends at regular intervals.

E

Estate – This is the total value of the client's property, money and possessions, not just the account with Legal & General Investments or other companies.

Executor – A legal term referring to a person (or persons) named in the deceased client's Will, who will then carry out the instructions in the Will e.g. close accounts, distribute money to beneficiaries.

F

Fixed-term Fund – A product that has a fixed maturity date i.e. when the product ends and any money is paid out.

Form A – Stock Transfer Form (used to transfer the investment to a different named account holder within Legal & General Investments).

Form B – Partial Withdrawal & Partial Stock Transfer Form (used to withdraw some money, but then transfer the rest to a different named account holder within Legal & General Investments).

Form C – Full Withdrawal of all the money held in a fund(s).

Forward-pricing – Funds are valued every day at a specific time, which is known as the Valuation Point. If we give a valuation to an Executor, this will be based on the **previous** valuation point, so if we receive an instruction to withdraw the investment this will be done at the **next** valuation point, and the valuation at that date may be different.

Fund – The individual product or investment that the client holds with us. Several of these can be held in the same account, e.g. fixed term products, ISAs or Unit Trusts.

G

Grant of Probate – An official document, issued in England & Wales, which lists the Executors of the Estate (those administering the Estate). Equivalent to Certificate of Confirmation in Scotland.

H

HMRC – HM Revenue & Customs (UK Tax Authority); a government body that handles individual taxpayers' affairs.

Holding – (see Fund above). All of the products held by a client in their account is known as their holding – the total products they hold with us.

What to do when someone dies

I

IHT423 Form – This is the form used when paying any Inheritance Tax due on the Estate (this can be requested from HMRC, or downloaded from www.gov.uk).

Inheritance Tax – Tax that is payable on your Estate when you die.

Intestate – When someone dies without creating a Last Will and Testament (Will).

Interest Bearing Fund – This type of fund pays interest at regular intervals.

ISA – Individual Savings Account – a way of holding investments that has tax benefits.

ISA Provider – This is the company with which an ISA is held, e.g. Legal & General Investments.

J

Jointly held (or joint-owner) funds – This is a fund held by two or more named people, usually a husband/wife or civil partnership. When a client dies, we will automatically remove their name from the account and it carries on with just the surviving holder(s) name(s).

L

Last Will & Testament – the ‘Will’ – The legal document where a deceased person has noted the individuals (or charities) that will receive their property and possessions after their death – also known as the ‘Beneficiaries’.

M

Market Fluctuations – Many Funds include stocks and shares from different companies, which are valued based on a Stock Market. As the value of shares can go up and down, the Fund is subject to ‘market fluctuations’ i.e. changing prices and values.

Matured Cash Fund – A fund where money is placed waiting for an instruction to withdraw.

Maturity Date – The date on which a Fixed-term Fund comes to an end. On this date, money is transferred into a non-interest bearing bank account until it is withdrawn by the client.

N

Non-interest bearing account – Where money is placed waiting for an instruction to withdraw.

O

Open-ended Fund – A product that does not mature (end) on a specific date.

P

Probate – The legal process where a Last Will & Testament (Will) is ‘proved’ in a court i.e. accepted as a valid legal document that contains the last wishes of the deceased.

Probate Registry – A professional body that an Executor contacts to apply for a ‘Grant of Probate’.

R

Recorded Delivery – A Post Office service in which the sender receives a certificate that a letter has been posted and the Post Office obtains a signature from the recipient as a record that it has been delivered.

S

Small Estates Declaration – A document that can be used in place of a Grant of Probate/Certificate of Confirmation when the account is worth less than £25,000 at the date of death. The Executors of the Estate need to sign this and each one needs to be verified by either a Solicitor or Commissioner for Oaths.

Solicitor – A legal professional qualified to deal with various legal matters. If a deceased client has no relatives/friends that could act for them, or where the Estate is particularly complicated, the client often selects a Solicitor to be an Executor of the Will.

Surviving Spouse – The husband, wife or civil partner of the deceased client.

T

Tax Resident – The country in which a person pays tax.

Transfer – When the money in the deceased client’s account is transferred to a named beneficiary who also has an account with Legal & General Investments.

U

Unit Trust – An Open-Ended Fund that doesn’t have an ISA wrapper.

V

Valuation – This is the total amount of the Funds held by the client in the account. Remember that the valuation changes every day, which means there is likely to be a difference between the valuation at the time of death and the valuation when the money is withdrawn. This can be more or less money, depending on market fluctuations.

W

Withdraw – This is when the investments are closed and the money is paid into a bank or building society in the name of the Executor/ Solicitor, ready to be distributed to the beneficiaries.

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