

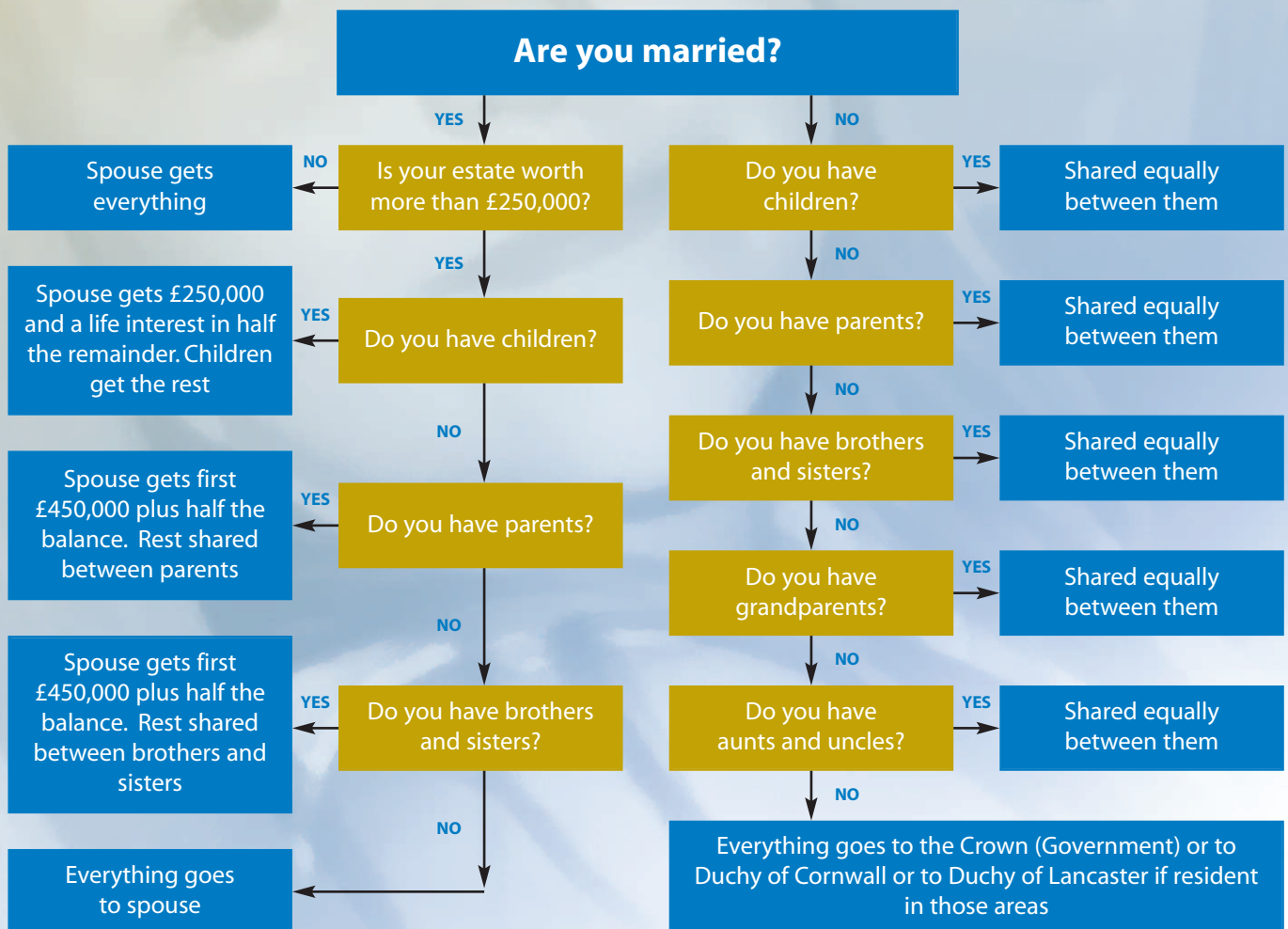
Rules of Intestacy

What are the Rules of Intestacy and what do they mean?

If you are a resident of England and Wales and die without having made a legally valid Will or a Will that has partially failed in some way, your estate becomes subject to the Rules of Intestacy.

The Rules of Intestacy determine how your estate is to be distributed after the payment of all your debts and liabilities, testamentary expenses and funeral costs.

Below is a diagram that shows how your estate would be distributed in this instance.



The Rules of Intestacy do not recognise 'unmarried partners' and therefore no provision is made for them.

Children includes natural, adopted and illegitimate but excludes step-children. If any child dies before you leaving children then those children take equally the amount that their parent would have received if he/she had survived.

The value of the family home, if owned by the deceased, is included in the surviving spouses entitlements of up to £250,000 and £450,000 referred to above.

Where a spouse enjoys a life interest, they retain the interest earned by the capital but cannot access the capital or spend it. There is an option available to convert this to a one-off fixed sum, calculated by a rigid formula, which may be beneficial.