

CASE STUDY

ASSETS ON EXPRESSIONS OF WISHES

APPROVED FOR ADVISER USE ONLY | MARCH 2021



This case study is from Meet the Joneses – Series 1. Information about the family and further case studies can be found on our website, www.curtisbanks.co.uk. All characters in the Jones family are fictional and intended for demonstrative purposes only.

The Challenges

Fred Jones is 74 and runs a company with his son, Dan. Fred is healthy and has no plans to retire anytime soon, but is nonetheless thinking about the future of his business, and about making plans in case the worst should happen.

Fred's Curtis Banks SIPP is worth £700,000, including a 35% share in his company's £400,000 business premises, the remainder of which is owned by his son Dan and daughter Julia in their own Curtis Banks SIPPs. Julia has her own business and has no further involvement with Fred and Dan's company; however, Dan's son Alfie has been working for the firm and is interested in running it with his father when the time comes for Fred to step aside. Fred and Dan have agreed that Dan will increase his share of the property ownership over the next few years by purchasing part of Fred's share. Fred would like to make sure that on his death, his remaining share is passed to Alfie.

Fred and his wife Margaret have already discussed leaving their pensions to their three grandchildren (Dan's children, Alfie and Paula, and Julia's daughter Flo), as their children are both reasonably comfortable financially and will also inherit from the couple's non-pension assets. However, Fred would still like to make sure that Margaret could access some of the funds if she needed them at the time.

Fred is unsure how to capture all of these considerations on an expression of wishes. He is aware that it's possible to complete an expression of wishes as a letter, but feels he would prefer to use the provider's form if possible.

The Actions

Fred calls Curtis Banks to discuss whether his plans are possible. He explains to the representative, Oliver, that ideally:

- Alfie would receive Fred's remaining share of the property
- The remaining funds would be available to Margaret if she needs them
- The most likely scenario is that Margaret won't need the funds, in which case Fred would like them to pass to Paula and Flo.

Firstly, Oliver reassures Fred that everything he's looking to achieve is possible using the Curtis Banks expression of wishes form; it will just require a little annotation. He then addresses each of Fred's points in turn.

Oliver explains that most providers' expressions of wishes forms, including theirs, will ask for the percentage of the pension to be assigned to each beneficiary as standard. However, as long as a provider is able to pass down assets to beneficiaries (rather than requiring all assets to be sold for the beneficiaries to receive cash),

then it should be possible to assign specific assets to a beneficiary instead. Oliver confirms that Fred can still use the expression of wishes form as normal, and simply make a note to confirm that his wish is for Alfie to receive the property.

Oliver then addresses the plans for the remaining funds. Fred has made it clear that he is almost sure that Margaret won't need the funds, but doesn't want her to be caught out if something unforeseen happens. He trusts that she would only accept funds if she had a true need for them at the time, as they've both discussed their desire to provide for their grandchildren.

Oliver explains that the Curtis Banks expression of wishes form has a section for 'alternative beneficiaries', which they would look to follow if the main expression of wishes could not be followed. Therefore Fred could achieve his aim by listing Margaret alongside Alfie as one of his main beneficiaries (to receive everything aside from the commercial property), and listing Paula and Flo in the alternative beneficiaries section. This would give Margaret the opportunity to accept any funds she may need, and in the likely event that she will not require any, Curtis Banks would then look to pay out those funds according to the alternative beneficiaries section instead.

Oliver adds that this section also allows Fred to specify how to split the benefits between Paula and Flo. This is welcome news to Fred: both of his granddaughters are self-employed, but Paula is much further along with her career and he would like to provide greater support to Flo.

Fred asks if he should also annotate the form to make it clear that if Margaret turns down her share and this is to be split between Paula and Flo, Alfie should still receive the commercial property. Oliver says that this is how they would normally interpret the form; however, with expressions of wishes it never hurts to provide extra information for avoidance of doubt. If anyone were to question Curtis Banks's decision about how to split the death benefits, clear evidence from Fred about his intentions could help resolve this quickly.

The Results

Following his conversation with Oliver, Fred is happy that he can complete the expression of wishes form to reflect his intentions. He lists Alfie and Margaret as his main beneficiaries, with Alfie to receive the commercial property and Margaret to receive the remaining funds. He then lists Paula and Flo as alternative beneficiaries, to receive 35% and 65% respectively of any funds passed to them.

He is confident that his family all understand his intentions as he has discussed this with them, but nonetheless decides that it can't hurt to include the extra annotations on the form as well.

Fred will make sure that he updates his expression of wishes if his circumstances change. However, he's also pleased that the way the distributions are confirmed on the form means that he won't need to update the expression of wishes as Dan gradually purchases Fred's share of the property over the coming years.

Contact details

If you'd like to speak to us about anything in this case study, please contact us on:

T 01473 296 950

We may record and monitor calls. Call charges will vary.

[E enquiries@curtisbanks.co.uk](mailto:enquiries@curtisbanks.co.uk)

Please remember not to send any personal, financial or banking information via email as it is not a secure method of communication.