

27 January 2022
Level 3
THE PRACTICE OF LAW FOR
THE ELDERLY CLIENT
Subject Code L3-15

THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES

UNIT 15 – THE PRACTICE OF LAW FOR THE ELDERLY CLIENT

Time allowed: 1 hour and 30 minutes plus 15 minutes' reading time

Instructions to Candidates

- You have been provided with a clean copy of the case study materials for you to use in this examination.
- You have **FIFTEEN** minutes to read through this question paper and the case study materials before the start of the examination.
- **It is strongly recommended that you use the reading time to read this question paper fully.** However, you may make notes on this question paper or in your answer booklet during this time, if you wish.
- **All questions are compulsory. You must answer ALL the questions.**
- Write in full sentences – a yes or no answer will earn no marks.
- Candidates must comply with the CILEx Examination Regulations.
- Full reasoning must be shown in answers. Statutory authorities, decided cases and examples should be used where appropriate.

Information for Candidates

- The mark allocation for each question and part-question is given and you are advised to take this into account in planning your work.
- Write in blue or black ink or ballpoint pen.
- Attention should be paid to clear, neat handwriting and tidy alterations.
- Complete all rough work in your answer booklet. Cross through any work you do not want marked.

Do not turn over this page until instructed by the Invigilator.

Question 1

Reference: Question relates to **Documents 1 and 2** of the case study materials.

Draft paragraphs for inclusion in a memorandum for Anthony Weale, dealing with the following:

(a) describe the nature of a lifetime mortgage; **(8 marks)**

(b) identify **two** benefits to Margaret of taking out a lifetime mortgage; **(2 marks)**

(c) identify **two** welfare benefits that Margaret may be entitled to receive. **(2 marks)**

Draft paragraphs for inclusion in a letter to Sophie, dealing with the following:

(d) describe the procedure for registering Margaret's Enduring Power of Attorney (EPA); **(8 marks)**

(e) describe what Sophie will be able to do for Margaret, once the Enduring Power of Attorney has been registered. **(6 marks)**

(Total: 26 marks)

Question 2

Reference: Question relates to **Documents 1 and 2** of the case study materials.

Following the registration of Margaret's Enduring Power of Attorney (EPA), Sophie contacts Anthony Weale to inform him that Margaret has been taken into hospital. Sophie is worried, because Margaret's Will is out of date.

- (a) Describe what the Court of Protection will consider, if an application for permission to make a Statutory Will is made for Margaret.

(4 marks)

- (b) Explain what an Advance Decision is, and give examples of what it can and cannot contain.

(10 marks)

(Total: 14 marks)

Question 3

Reference: Question relates to **Document 3** of the case study materials.

Draft paragraphs for inclusion in a letter to Michael and Sarah, dealing with the following:

(a) explain the Capital Gains Tax implications of selling the property in the South-East;

(6 marks)

(b) explain the Inheritance Tax implications of giving the net proceeds of sale of the property in the South-East to their daughter Leah.

[NOTE TO CANDIDATES: For the purposes of part (b), you do not need to provide a mathematical calculation.]

(6 marks)

Assume, for the purposes of part (c) **only**, that Judith transfers her property to Sarah but continues to live in it.

(c) Explain:

(i) the non-tax disadvantages for Judith;

(3 marks)

(ii) the tax disadvantages for Judith.

(3 marks)

(d) Explain the **two** types of Lasting Power of Attorney (LPA), including the provisions contained in each type and the circumstances in which they can each be used.

(8 marks)

(e) Explain the test set out in Banks v Goodfellow (1870).

(4 marks)

(Total: 30 marks)

End of Examination Paper