

CASE STUDY MATERIALS

January 2021
Level 6
PROBATE PRACTICE
Subject Code L6-21



THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES

UNIT 21 – PROBATE PRACTICE*

CASE STUDY MATERIALS

Information for Candidates on Using the Case Study Materials

- This document contains the case study materials for your examination.
- In the examination, you will be presented with a set of questions which will relate to these case study materials. You will be required to answer **all** the questions on the examination paper.
- You should familiarise yourself with these case study materials prior to the examination, taking time to consider the themes raised in the materials.
- You should take the opportunity to discuss these materials with your tutor/s either face-to-face or electronically.
- It is recommended that you consider the way in which your knowledge and understanding relate to these case study materials.

Instructions to Candidates Before the Examination

- A clean/unannotated copy of the case study materials is attached to this examination.
- You are permitted to take your own clean/unannotated copy of the case study materials and a statute book, where permitted, into the examination. You are **NOT** permitted to take any other materials including notes or textbooks.
- In the examination, candidates must comply with the CILEx Examination Regulations – Online Examinations or with the CILEx Examination Regulations – Online Examinations with Remote Invigilation.

Turn over

* This unit is a component of the following CILEx qualifications: **LEVEL 6 CERTIFICATE IN LAW, LEVEL 6 PROFESSIONAL HIGHER DIPLOMA IN LAW AND PRACTICE** and the **LEVEL 6 DIPLOMA IN LEGAL PRACTICE**

CASE STUDY MATERIALS

ADVANCE INSTRUCTIONS TO CANDIDATES

You are a trainee lawyer and work in the Private Client Department of Kempstons, The Manor House, Bedford, MK42 7AB (DX: BD345987).

Your supervising Chartered Legal Executive and head of department is Marcus Wu.

You arrive at work to find the following awaiting your attention:

- DOCUMENT 1** Email from Marcus Wu dated 29 December 2020 re: Estates of Cindy Ballo and Alix Smith
- DOCUMENT 2** Asset Lists for Cindy Ballo and Alix Smith
- DOCUMENT 3** Email from Marcus Wu dated 29 December 2020 re: Estate of Harry Faas
- DOCUMENT 4** Email from Marcus Wu dated 29 December 2020 re: Estate of Katie Brown
- DOCUMENT 5** Will of Katie Brown dated 1 January 2018
- DOCUMENT 6** Email from Marcus Wu dated 29 December 2020 re: Estate of Omar Khan

DOCUMENT 1

EMAIL

From: Marcus Wu (marcus.wu@kempstons.co.uk)
To: Trainee Lawyer
Sent: 29 December 2020
Subject: Cindy Ballo deceased and Alix Smith deceased

I have been consulted by Yvonne Mann (aged 55), a long-standing client of the firm.

Her sister, Cindy Ballo, died three weeks ago in a car accident on 7 December. Her brother-in-law, Robert Ballo, was hurt in the car accident and is still recovering in hospital, but the doctors have stated that he is expected to make a full recovery. Cindy and Robert were married at the time of her death but had stopped living together in 2017. They were travelling back from their son Daniel's funeral when the accident happened. Also, in the car was their adult daughter, Alix Smith. Alix died from her injuries on 8 December.

Alix lived with her boyfriend, Peter, and their adopted daughter, Molly (aged 8).

Daniel died in November 2020 from cancer. He is survived by Luke, with whom he entered a civil partnership in 2016. Daniel and Luke had adopted twins, Mia and Anna (now aged 16), in January 2017. Mia is three months pregnant.

Both Cindy and Robert had formed new relationships since they separated. Cindy was engaged to John, and Robert lived with his former wife, Lisa. Lisa and Robert had been married to each other and had divorced prior to him meeting Cindy but had got back in touch in 2017. This led to his separation from Cindy.

Cindy and Alix had never made Wills.

Yvonne has brought in a list of Cindy and Alix's assets **[Document 2]**. Peter has insisted that he wants to pay for the funerals and to settle any liabilities of the estates.

I shall want you to help me to deal with the administration of each of these estates.

Turn over

DOCUMENT 2

ASSET LISTS FOR CINDY BALLO AND ALIX SMITH

Cindy's assets (date of death values)

- 41 Penrith Road, Lincoln – £400,000 – in her sole name and occupied as her home and used solely for domestic purposes
- 45 Quinn Road, Lincoln – value of whole property £800,000 – held as legal and beneficial joint tenants with Robert and Alix
- Range Rover (only for personal use, not business) – £20,000
- Van used only in Cindy's dog-grooming business – £10,000 (there is no value in the business itself following the death of Cindy)
- Dog-grooming tools – £1,000
- Koi carp – £750
- Household contents – £15,000 (all solely owned by Cindy)
- Diamond ring – £10,000 (an engagement present from John)
- Joint HSBC bank account with John – £5,000 total balance

Alix's assets (date of death values)

- 45 Quinn Road, Lincoln – value of whole property £800,000 – held as legal and beneficial joint tenants with Cindy and Robert – occupied as her family home with Peter and Molly
- Barclays Bank savings account – £500,000

DOCUMENT 3

EMAIL

From: Marcus Wu (marcus.wu@kempstons.co.uk)
To: Trainee Lawyer
Sent: 29 December 2020
Subject: Harry Faas deceased

I met with Simon Faas last week. He is the son of Harry Faas, who died on 14 November 2020. Simon is the sole executor and sole beneficiary of his father's estate.

Harry's father, Charles Faas, died in 1990 and in his Will left Harry a life interest in his estate, with Simon as the remainderman of the Will trust. The Charles Faas Will Trust is currently worth £1,000,000.

Harry was a widower, having married only once late in life. His wife died last year and left her entire estate worth £973,000 to her daughter Alison. Alison is from a previous marriage which ended in divorce. There is no transferable residential nil rate band available to Harry's estate.

Harry had made the following lifetime gifts for inheritance tax planning purposes:

- Harry owned a pair of matching mirrors worth £90,000 together, but separately only worth £30,000 each; Harry gifted one of the mirrors to Simon on 5 March 2014;
- on 1 December 2015, Harry gifted Simon £300,000 and also gifted £10,000 to the charity Save the Children.

Harry made no other lifetime gifts.

Harry's estate consists of:

Assets

33 Ash Road (his home since 1980)	£150,000
35 Shire Road (buy-to-let property)	£250,000
Cash in bank	£200,000
Mirror	£30,000
Jewellery	<u>£15,000</u>
	<u>£645,000</u>

Turn over

CASE STUDY MATERIALS

Liabilities

Mortgage (on 35 Shire Road)	£20,000
Funeral account	£6,000
Other debts	<u>£3,000</u>
	<u>£29,000</u>

I shall want you to help me obtain a grant and to deal with the administration of the estate.

DOCUMENT 4

EMAIL

From: Marcus Wu (marcus.wu@kempstons.co.uk)
To: Trainee Lawyer
Sent: 29 December 2020
Subject: Katie Brown deceased

I have been consulted by Donna Gron, the niece of Katie.

Katie died two weeks ago, leaving a homemade Will [**Document 5**], a copy of which is attached to this email. Donna has various concerns about the Will.

Oscar Taylor died 18 months ago, leaving a Will appointing his wife Louise as his sole executor and beneficiary.

The life insurance policy was placed in Trust in March 2010, and Donna and her husband Edward are the Trustees. Donna's daughter Ursula is named as the beneficiary. Ursula is 21 years old.

Katie divorced Zoe in 2015.

Katie lost her diamond bracelet in February 2018 and received an insurance payout of £38,000. She used some of the insurance payout to purchase a painting. Hannah is 30 years old.

Katie owned 500 BP shares, until she sold them four weeks ago. She received the sale proceeds of £1,350 three weeks ago.

Two months ago, Katie wanted to amend her Will to give more money to Ursula. Katie hand-amended the Will to increase the legacy.

Nigel died three months ago. Nigel's wife is pregnant, with a baby due in five months.

Katie has no surviving children, parents or siblings. Katie's only sibling, Sienna, died in 2010. Sienna had two children – Donna Gron (born 1971) and Xavier (born 1969). Xavier died in 2019, leaving a daughter, Tess, now aged 10.

Katie left the following:

- Jewellery £15,000
- Painting £20,000
- Cash £210,000
- Life insurance £300,000.

I shall want you to help me obtain a grant and deal with the administration of the estate. There were no liabilities and the funeral was pre-paid.

Turn over

DOCUMENT 5

WILL OF KATIE BROWN

This is the Last Will of me Katie Brown of 18 Everton Road Bedford.

1. I revoke all other Wills
2. I appoint my accountant Oscar Taylor as my executor
3. I give £100,000 to Zoe Brown of 15 Thorn Drive Bedford
4. I give 500 BP shares to Donna Gron
5. I give £6,000 to the eldest child of my sister Sienna in the hope they organise a party to celebrate my life
6. I give my life insurance policy to Louise Taylor
7. I give ~~£10,000~~ to Ursula Gron of 15 Churchman Road Bedford
KB
£100,000 1/10/20
8. I give all my jewellery to Hannah Sall of 17 Morefield Road Luton
9. Subject to the above gifts I give my entire estate to my godson Nigel Smith absolutely

Signed this 1st day of January 2018)
by the Testatrix in our joint presence)
and then by us in hers

Katie Brown

Edward Green
5 Moss Road Bedford

Peter Green
5 Moss Road Bedford

DOCUMENT 6

EMAIL

From: Marcus Wu (marcus.wu@kempstons.co.uk)
To: Trainee Lawyer
Sent: 29 December 2020
Subject: Omar Khan deceased

I have been consulted by Elizabeth Khan, the partner of Omar Khan.

Omar died of cancer two months ago. He and Elizabeth had lived together for five years and she had nursed him for the last year. Elizabeth had changed her surname by deed poll to Khan.

Elizabeth disclosed to me that she and Omar had had separate bedrooms for the last six months, as Omar had been bedridden and unable to speak or move. It had been difficult to care for him at home, but they somehow managed.

Elizabeth's mother, Julie, moved in three months ago, to help provide care. She gave up her rented property to do so, and was paid £800 per week by Omar.

Omar was married to Susan. They divorced in 2002, but remained on excellent terms. Susan never remarried or entered into a civil partnership.

Omar had twin sons, Chris and Ian (aged 8), conceived during a holiday romance with Barbara. Omar had been paying £20,000 annual maintenance to Barbara up until her death six months ago, and paying private school fees for Ian of £18,000 per year. Ian has severe epilepsy and other health issues, and is unlikely to ever be able to work. Chris is at state school and is doing well. Omar only found out about the twins when Barbara contacted him four years ago. The twins now live with their stepfather.

Omar made a Will six years ago, leaving his entire estate to his godson Nicholas Cooper. Once he was diagnosed with cancer, he intended to update his Will. Two years ago, he attempted to make a homemade Will leaving everything to Elizabeth. However, he only used one witness. Two weeks before his death, he tried again using a solicitor, but at that point had lost testamentary capacity.

End of Case Study Materials