

Procedures following notification of the death of a client holding an investment portfolio - LED Managed Portfolio Service

Initial procedures

Following the death of a client, Rathbone Investment Management Limited will require a certified copy of the death certificate. Only if the Portfolio is held under a joint account survivorship mandate will we be in a position to continue to manage the Portfolio. In all other cases on the death of a client we will:

- suspend dealings on all Accounts;
- in the case of ISAs, administer the Accounts in accordance with HRMC requirements;
- prepare formal probate valuations of the investments held in the company's nominee name;
- open new Accounts in the name of the estate of the deceased and transfer stock and cash balances to those Accounts; and
- prepare the necessary paperwork to help with the completion of the tax return to the date of death.

Please ask the MPS team for further information if required.

Administration matters

We will require sight of a Court Sealed copy of the Grant of Probate (or Certificate of Confirmation in Scotland) when issued. Before either liquidating the Portfolio, distributing the assets or entering into a new Agreement with the personal representatives we will continue to:

- collect dividends arising on investments held in the Portfolio;
- take instructions from the personal representatives, subject to completion of a letter of indemnity;
- provide consolidated tax certificates for the period from the date of death to date of transfer/closure of the Portfolio;
- subject to completion of a letter of indemnity, consider applying cash balances and the Portfolio towards settlement of:
 - Funeral charges
 - Inheritance tax
 - Court fees

If we are asked to meet such charges or liquidate some or all of the Portfolio to mitigate market risk prior to the Grant of Probate or the Certificate of Confirmation, before so doing, we will request a certified copy of the Will appointing the Executors and ask them to complete a simple letter of indemnity. We are also obliged to identify all Executors and verify their identity appropriately.

As an alternative to raising funds, we can offer an inheritance tax loan facility. We would ask the personal representatives to enter into a loan agreement secured on the value of the estate. A copy of the agreement is available on request.

ISA funds - additional permitted subscription

A surviving spouse may be able to make an additional one off subscription to their ISA up to the probate value of the deceased's ISA. Please speak to the MPS team for further information.

Terms of business

Details of our Terms of Business accompany this note.

The future

As indicated above we can offer assistance to the personal representatives over the handling of the Portfolio during the period of administration. At the completion of the administration period we will also be pleased to offer our services to:

- the trustees of any Will Trust created under the Will;
- the beneficiaries, if they wish to discuss investment of their inheritance.

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Withdrawal costs

In the event that the personal representatives wish to withdraw from the service or transfer out some or all of the Portfolio, a charge of £10 per UK holding and £50 per overseas holding is made to cover transaction costs.

Transaction costs are not subject to VAT.

Probate valuation

Our scale of charges for preparing a probate valuation is as follows:

First £200,000	0.15%
Next £800,000	0.06%
Balance over £1 million	0.02%

Minimum fee £100

We reserve the right to pass on any external costs incurred in the production of a probate valuation where these are in excess of the standard fee calculated. A full breakdown of costs can be provided in these instances if necessary.

Administration and probate valuation fees are subject to VAT at the prevailing rate.

We will cease to levy any fees on behalf of any adviser of the deceased from the date of death.