

LEGACY DRAWER: KEEP YOUR FAMILY PREPARED

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Do not overlook this essential part of your financial plan.

WHAT IS A LEGACY DRAWER?

The term was originally coined by Dave Ramsey (and this article is based on a similar one from his website), but now it is part of mainstream estate planning vocabulary.

A Legacy Drawer is a safe place (often a filing cabinet, safe, drawer, box or file) where documents can be locked away. This is where you can store your will and other important documents that your family might need after you pass away or become incapacitated. They should be stored in a physical place, meaning not on your computer or in the cloud, in case your family cannot access your computer with a password that nobody knows. The most important thing is that your will should be safe (from fire and flood), easily accessible and your family should know where to find it. Do not try to 'hide' it, as you might forget where you put it!



WHY DO I NEED ONE?

You have worked hard for the home and life you have created so far. Having a central location for all your important documents, will help to ensure everything remains intact and makes it easy for your family to find all your significant documents should something happen to you. Your executor is also likely to ask for this information.

This might not be a task you want to think about, but sorting out your affairs in advance is the best way to save your family and loved ones from additional hardship while they grieve your death.

If your family cannot find your will, you might be classified to have died intestate, and that could have severe implications for how your estate is wound up.

WHAT SHOULD GO INTO IT?

Below are a few things we recommend that your Legacy Drawer should contain. Although it may seem daunting to gather all this material together, you will be glad once your Legacy Drawer is created.

1. **Content's page** – This highlights the purpose of the Legacy Drawer and its contents.
2. **Funeral instructions** – All details and specifications for your funeral should be listed, so your family can fulfil your wishes. This might include songs you want sung, poems/readings to share, how you would like your life to be celebrated and even if you would like guests to wear bright coloured clothes at your funeral. If you are married, you need specifications for both you and your spouse.
3. **Will information** – All information relating to your will and estate, including contact details of the executor, your financial adviser, accountant*, auditor*, a copy of your will, and living will*, (and where the originals are stored.) (If you do not have an up-to-date will, then please get it drafted!) You might also include a list of duties for each person, to make the process less overwhelming.

4. **Important documents** – Important legal documents should be included in your file. For example, property title deeds, car registration certificates, birth certificates, ID documents, passports, marriage certificates*, antenuptial contract*, all divorce orders*, predeceased spouse's death certificate*, copies of firearm licences*, trust deeds*, details of business interests*, private companies* and partnerships*, time share certificates*, hire purchase and lease agreements* and any other legal contracts*. You might also include some sentimental items and recipes you would like to pass on. If you cannot include originals, then include copies but indicate where the original documents are.
5. **Banking and investment information** – Any bank accounts, fixed deposits, investments, policies, unit trusts, crypto accounts*, share portfolios and annuities. The information includes name of company, account names, amounts, account numbers and contact details. If any properties are bonded, include the loan account number(s) and the bank involved. Also include a list of assets and liabilities, and surety obligations.*
6. **Insurance policies** – All insurance information, including medical aid, gap cover, short-term insurance, car insurance, disability and life cover, funeral policies etc, should be combined into one single policy schedule document for easy reference. List the type of insurance, beneficiary, contact information and policy numbers.
7. **Legacy letters** – Since the intention behind the Legacy Drawer is to keep your legacy going after you have passed away, it is a great idea to include letters to your loved ones that express appreciation for them.
8. **Monthly budget** – If you pay the monthly bills add a copy of your budget, so your spouse or loved ones know what to expect. Also indicate which accounts are paid automatically and which ones need to be paid manually. This may include practical things like electricity code (if it's prepaid.)
9. **Tax returns** – Keep your last year's tax return in your Legacy Drawer. But also keep the last five years' returns in a safe place in case you are ever audited by SARS.
10. **Safe deposit box** – Not a lot of people still have a safe deposit box, but if you do, keep copies of your legacy drawer papers in it. (However, make sure people know how to access it, before you put that info in your drawer!) If possible, also store and save copies of your documents electronically (in the cloud or using something like Dropbox), and remember to write down the electronic location and passwords for your loved ones.
11. **Passwords** – Write down all website usernames (and why a family member might access a site), passwords and PIN numbers (including cell phones, laptops, bank cards, safe and alarm, and private crypto keys). At the same time, it may be prudent to make the passwords more secure 😊. This information will allow your loved ones access to important sites when you are gone. What would you like to happen to your social media when you pass away? Will the executor of your estate be responsible for memorialising or closing your accounts? Have you named a Legacy Contact for your Facebook account?
12. **Contact details of all beneficiaries** (names, phone numbers, email addresses, etc) – You can also include contact details of organisations you are part of and people you deal with regularly (for example, managing agents of any properties you rent, garden services, security company, pool cleaner, domestic worker, Private Banker, Tax consultant, HR manager, stockbroker and stamp dealer).

* Where applicable.

Make sure you tell your spouse and loved ones where the Legacy Drawer is kept. You could also have a conversation with your family beforehand about some of your preferences.

If you put your mind to it, you can create your Legacy Drawer in 30 days! It might be tedious to gather all the documents and paperwork that go into the drawer, but it is a necessary task to protect you and your family. Set a reminder to revisit it every six months, to make sure that it stays up to date.