



## November 2012 Newsletter

### ***Back to basics on administering shares***

Why do you need to note the death on shareholdings? Technically, if the shares aren't going to be sold or transferred, there's no need. But this leaves estate assets unadministered. And unadministered assets can cause untold problems in the future when you finally do need to administer them!

The starting point for administering shares in deceased estates registered in sole names is the issuing of the Grant of Representation. Before then, the shares are essentially held pending its issue as they cannot be sold or transferred until the Grant is 'noted' on the holding.

It is not sufficient to present the death certificate to note the death. All this does is tell the registrar/stockbroker that the shareholder has died – it does not officially note the death. As a minimum, most registrars need to see a court-attested copy of the Grant. Most of them will not accept a solicitor-certified copy.

I also recommend checking the holding quantity and verifying the share certificates' validity. At this point, any missing share certificates can be replaced. However, all efforts should be made to locate them as the registrars charge fees for replacements. Also if you find a valid share certificate after requesting the indemnity to replace it, the registrar will charge a fee to cancel the indemnity.

If you submit the share certificates, most of the registrars will acknowledge the official noting of the death. Computershare Investor Services re-issue the share certificate in the name of the estate. Capita stamp the interest of the legal personal representatives on the certificates. Equiniti do not mark the share certificates in any way, which can make it difficult to confirm and identify that the death has been officially noted.

At this stage, any uncashed dividend can be collected for the estate's benefit. Most of the registrars charge for this, even when you have the old dividend cheques. Fees vary among registrars and will sometimes depend on the cheque's value.

The shares are now ready to be sold or transferred. Now that the death has been officially noted, the legal personal representatives can sign the right documents to do this.

Seapoint Probate Services can arrange all the above and can advise where to use the small estates procedure if a Grant of Representation has not been issued. Please call me if you'd like more on this.

## **The 330 Permanent TSB problem**

At the height of the Celtic Tiger boom, 330 Permanent TSB shares were worth just over €7,500 (the highest closing price was on 22 February 2007, at €22.80). Today the share price is a dismal €0.021, making the shareholding worth €6.60. However, despite the low value the shares still need to be administered, otherwise you are leaving unadministered assets.

So what to do with them? You still need to officially note the death, but then what? The shareholding is too small to sell and there is no point giving the shares to beneficiaries, who will face the same difficulty. The answer is ShareGift.

ShareGift is a UK charity that takes small quantities of shares, combines them, sells them in larger blocks and then donates the proceeds to other UK charities. Unfortunately from an Irish perspective only UK charities can benefit. However, I've discovered that Barretstown UK is a direct funding arm of Barretstown Ireland and all the money goes to giving sick children some serious fun here in Ireland. Alternatively the legal personal representative can suggest a particular UK charity or cause.

The process works for any small shareholding and Seapoint can arrange to donate shares to ShareGift. I don't charge for the transfer and try to keep other charges to a minimum.



Contact Details for Seapoint Probate Services:

3 Montpelier Parade  
Monkstown  
Co Dublin  
Tel: (01) 685 3422  
Fax: (01) 685 4385  
Email: [info@seapointprobateservices.ie](mailto:info@seapointprobateservices.ie)  
Web: [www.seapointprobateservices.ie](http://www.seapointprobateservices.ie)

## **Finding "missing" assets**

You've probably received occasional letters from asset-recovery agencies about unclaimed entitlements, stating there is a holding worth X amount. These letters are usually genuine but should be checked out, and you should never have to pay upfront to sort out the matter. However, these companies often charge very steep fees – up to 25% of the recovered asset's value. It's possible to do the job for far less, if you can identify the asset.

The agency probably won't help you before you agree to pay its fees. However, by sifting through old share certificates, identification may be possible.

I've recently been working on just such a case. After seeing a letter from an asset-recovery company, I identified a holding of 241 Grattan Plc shares. Grattan Plc was taken over in July 1986 by Next Plc, with 21 Next shares for every 10 Grattan shares. So there was an unclaimed holding of 506 Next shares. The shareholder died in May 2001. There was no English Grant of Probate. The holding's current value is just over Stg£18,000.

I phoned the shareholder dissenters team in Equiniti, identified the shareholding and agreed the exchange of Grattan Plc for Next Plc and the current quantity of Next Plc. The next stage was to officially note the death and claim the entitlement. As the Next shares were worth just over Stg£5,000 at death, the holding was eligible for Equiniti's small estate procedure and the Irish Grant of Representation could be used in conjunction with it. I also prepared a letter for the legal personal representatives to sign, accepting the takeover terms.

The estate gained 506 Next Plc shares, which can be sold or transferred as the Will or the legal personal representatives require. What's more, 26 years' worth of uncashed dividends for Next Plc also need to be collected for the estate