



**PROBATE AND  
ADMINISTRATION**

**A**s soon as a Grant of Probate or Administration issues, the personal representatives are absolutely entitled to receive the proceeds of any funds in any bank, building society or post office.

A solicitor acting for such personal representatives should however, be extremely cautious in giving any undertaking concerning such funds.

Any undertaking should only be given after the solicitor ensures with the bank that the funds can only be paid through his office. This should be done by getting the usual irrevocable authority to act for each of the personal representatives and relevant beneficiaries and forwarding this to the bank with the appropriate undertaking.

**Solicitors Undertakings**

Certain Investment Companies have approached members of the profession seeking undertakings to support considerable borrowings from Lending Institutions where the Solicitors Undertaking indicates adequate collateral and security (which is stated to be unencumbered) to back such undertakings and borrowings, which it is indicated are under the control and supervision of the solicitor concerned.

Inducements for giving such Undertakings are very often considerably large and very tempting to the unwary.

Solicitors should not give such Undertakings unless they are absolutely certain that such collateral is evidently available, clearly unencumbered and is and will remain under the personal control and supervision of the solicitor concerned.

The letter of Undertaking drafted by such companies requires the solicitor to certify membership of the Solicitors Mutual Defence Fund. Practitioners will be aware that the SMDF indemnity is limited to £250,000 in respect of each claim by a member.