

# TRUSTS

AND

# COMPANIES



## RESOLUTIONS!

### WHO ?

**TRUSTEES** - they will sign the resolution

**BENEFICIARIES** - you will need to FICA them together with the trustees

### WHAT DOCUMENTS?

- Letter of Authority
- Trust deed

### PROBLEMS/DELAYS

- **a Trustee still listed on the Letter of Authority has resigned or passed away** - grey area on what needs to be done as there is various conflicting case law however the legal position is that the LOA must be amended so that all trustees listed can participate in the decision to sell/buy.
- **proceeds of the sale must be paid into a trust bank account** - not one of the trustees bank account

### WHO?

**DIRECTORS** - they will sign the resolution

**SHAREHOLDERS** - you will need to FICA them together with the Directors

### WHAT DOCUMENTS?

- Company Registration documents / CIPC company search

### PROBLEMS/DELAYS

- **Deregistered companies** - accountant to reinstate company ASAP with the CIPC
- **Proceeds of the sale must be paid into the company bank account** - not the directors personal bank account
- **Does the sale of the property constitute a disposal of the whole or greater part of its assets?** - if yes, special resolution signed by the shareholders
- **is the selling company a VAT Vendor** - if yes, the transfer may be subject to VAT and not transfer duty.