

Absolute gift trust

Trust deed

How to complete the Trust

This Sanlam Absolute Gift Trust deed is provided as a specimen only. If, after seeking independent legal advice, the Sanlam Absolute Gift Trust deed is to be completed unamended and in the same format the following parts of the document need to be completed as follows:

Section 1. Declaration

- The date the deed is made must be inserted.
- The name and address of the Donor must be inserted. Where there are two Donors, both names and addresses must be inserted.

Section 2. Policy Subject to Trust

- The trust is only suitable for use with Single Premium Life Assurance Bond policies.
- Where the trust is being used with a new policy then the policy type and life (lives) assured must be included, and the date of proposal should be inserted in Section 2A.
- Where the trust is used with an existing policy then the policy type and the life/lives assured must be included, and the policy number(s) should be inserted in Section 2B.

Section 3. Definitions

Para (b) 'Beneficiaries'

In paragraph (b) the Donor should insert the name(s) of the Beneficiary(ies) under the trust.

If there is to be more than one Beneficiary then the percentage shares in which they are to benefit should be inserted. Please ensure that the shares add up to 100%. At least one name must be included in this paragraph.

The Donor's spouse should not be a Beneficiary.

Section 8. Proper Law

If the Donor is domiciled in Scotland or Northern Ireland (both Donors in joint Donor cases) he, she or they should initial one of the boxes if he, she or they want the law of Scotland or Northern Ireland to apply to the Trust. If the Donor(s) is domiciled in England or Wales he, she or they should leave the boxes blank. If there are joint Donors, both must initial the same box, if any.

If neither box is initialled, the law of England and Wales will apply.

Section 9. Signatures

The Donor (both Donors in joint cases) should sign the document and each signature should be witnessed. In Scotland, the location and date of each signature must also be stated. The last date of signing should be inserted in the first three boxes on the first page of the Trust.

Additional Trustees

The Donor is automatically a trustee. Additional trustees should be appointed by using the separate form 'Deed of Appointment of Trustees'. It is recommended that there are at least two trustees (including the Donor(s)) at all times.

When the trust is subject to the law of Scotland it is absolutely essential that additional trustees are appointed as soon as possible. Failure to appoint additional trustees or otherwise intimate the existence of the trust may affect the valid creation of the trust in Scotland.

This trust document is provided on the strict understanding that it is presented as a draft to be considered by the Donor and his/her legal advisers. Ultimately its appropriateness and its legal and tax effects will depend on the circumstances of each particular case. Accordingly, neither Sanlam Life & Pensions UK Limited, Sanlam Financial Services UK Limited nor any of their representatives, officials or employees can accept any responsibility for any loss occasioned as a result of its use in any circumstances whatsoever.

Section 1. Declaration

This Trust Deed of is made the day of in the year

by

of

and

of

(hereinafter called '**the Donor**' which expression shall, where two persons are named above, include both of them)

As follows:

A. Where new policy applied for (Section 2A Completed)

The Donor having submitted to 'the Company' (as defined in Section 3) a proposal for the Policy (as defined in Section 2) hereby requests and directs that the Policy be issued by the Company in such manner as to constitute the Donor as the Trustees (as hereinafter defined) thereof to hold the same irrevocably on the trusts and subject to the powers and provisions hereof.

or

B. Where policy in force (Section 2B Completed)

The Donor as the legal and beneficial owner of the Policy issued by 'the Company' hereby declares that from the date hereof the Donor holds the Policy as the Trustees (as hereinafter defined) thereof irrevocably on the trusts and subject to the powers and provisions hereof.

Section 2. Policy subject to Trust

The policy subject to this Trust (the **'Policy'**) means the one or more contracts of life assurance the details of which, including the date of proposal or the policy number(s) (as appropriate), are specified below.

Name of company issuing policy (Sanlam Life & Pensions UK Limited, Royal London 360°, Other)

On the life/lives of

A. Date of application (if A in Section 1 above applies)

or

B. Policy number(s) (if B in Section 1 above applies)

Section 3. Definitions

In this Trust the following expressions shall have the following meanings and unless the context does not permit the singular shall include the plural and vice versa and words denoting any gender shall include all genders.

- a. **'Appointor'** means the Donor during his life or if two persons are the Donor both of them jointly during their joint lives and thereafter the survivor of them and subject thereto the Trustees.
- b. **'Beneficiaries'** means the one or more persons named in the boxes below:

Name

% share if more than one

- c. **'Company'** means the insurance company specified in Section 2.
- d. **'Trustees'** means the trustee or trustees as appropriate for the time being of this Trust.
- e. **'Trust Fund'** means the Policy the full benefit thereof, any assets at any time added thereto by way of further settlement, capital accretion, accumulation of income or otherwise and all assets from time to time representing the same and includes where the context so admits any part or parts thereof.
- f. In this Trust **'child'** **'children'** and **'issue'** includes any illegitimate, step, adopted or legitimated (whether adopted or legitimated before or after the date hereof) child, children or issue.
- g. **'Spouse'** includes any civil partner registered under the Civil Partnership Act 2004 and widow(er) includes any surviving civil partner so registered. Any references to marriage include registered civil partnership.

Section 4. Principal Trust terms

4.1 Beneficial Entitlement

- i) The Trustees shall hold the Trust Fund and the income thereof for the absolute benefit of the Beneficiary(ies) and if more than one in the Shares shown in paragraph (b) of Section 3 and if no Shares are specified and there is more than one Beneficiary then in equal shares absolutely.
- ii) Where this Trust is subject to the law of England and Wales Section 31 of the Trustee Act 1925 shall not apply to this Trust and where this Trust is subject to the law of Northern Ireland Section 32 of the Trustee Act (Northern Ireland) 1958 shall not apply but regardless of the law to which this Trust is subject any income arising to the Trustees at any time from the Trust Fund shall be paid or applied as it arises to or for the benefit of the Beneficiary.
- iii) So long as any Beneficiary is under the age of legal capacity the Trustees shall have power to pay or otherwise apply for or towards his maintenance, education or benefit so much of the income from his share in the Trust Fund as the Trustees may in their absolute discretion think fit and the Trustees shall retain the balance of any such income on trust for that Beneficiary absolutely and until he shall attain the age of legal capacity the Trustees shall invest the same and the resulting income thereof in investments hereby or by law authorised and shall hold the same as an accretion to the Trust Fund or part to which the Beneficiary is entitled Provided Always that so long as the said Beneficiary is under the age of legal capacity or otherwise under a legal disability the Trustees may pay or apply as aforesaid any such balance or accretion as if it were income arising in the then current year.

4.2 Trust Capital

The Trustees shall in place of any other power to pay or apply capital for the benefit of a Beneficiary have the power, subject to the consent of an adult Beneficiary having legal capacity but otherwise in their absolute discretion, to pay, transfer or apply the whole or any part or parts of any of the Trust Fund to which any Beneficiary is entitled to or for the outright benefit only of such Beneficiary.

4.3 Exclusion of the donor and spouse

None of the trusts powers or provisions hereof shall operate or be exercised so as to allow any part of the Trust Fund or the income thereof to be paid transferred or applied to or for the benefit of the Donor or of any Spouse of the Donor.

Section 5. Administrative powers

1. Subject to paragraph 2 of this Section 5, the Trustees shall in the management and administration of the Trust Fund have the widest possible powers (which they may exercise or omit to exercise from time to time at their absolute discretion) of managing and dealing with the Trust Fund in all respects as if the Trustees were the absolute beneficial owners thereof and without prejudice to the generality of the foregoing the Trustees shall have the following powers:
 - a. Power to retain the Trust Fund in its present state.
 - b. Power to sell or otherwise liquidate and deal with any asset whatsoever comprised in the Trust Fund and to invest in any property of whatsoever nature and wheresoever situate and whether producing income or not, including investment in any policies of assurance as the Trustees may in their absolute discretion think fit and to hold any such asset or property in certified or uncertified form.
 - c. With regard to the Policy and any other policy of assurance or capital redemption policy:
 - i) to pay premiums on any such policy and to borrow from any person (including any of themselves) the moneys required for any such premium upon such terms as to repayment interest and otherwise as they may think fit;
 - ii) to exercise any of the elections, powers, options and privileges conferred by any such policy and to alter the amount of any periodic premiums payable thereunder or the period during which such premiums are payable and to alter the terms of any such policy in any manner by agreement with the insurers and to do any of the foregoing notwithstanding that the sum assured may thereby be reduced or increased;
 - iii) to convert any such policy into a fully paid up policy free from payment of future premiums;
 - iv) to surrender wholly or partially any such policy;
 - v) to appoint in writing such person or persons as the Trustees think fit to act as agent of the Trustees for the purpose of receiving moneys from any person and to apply the said moneys as premiums under any such policy already in force or under any such policy which is about to come into force and to become comprised in the Trust Fund;

- vi) to recover, receive or give valid receipts for all moneys due or to become due under any such policy so that the receipt by the Trustees of any moneys payable under or deriving from any dealing with any such policy shall be a full and sufficient discharge to the insurance company making the payment who shall not be concerned to see to the application of any such moneys.
 - d. Power to borrow money on such terms as to interest repayment and otherwise as they may think fit and whether upon the security of the whole or any part or parts of the Trust Fund or upon personal security only and to use such money in purchasing or subscribing for investments or property to be held as part of the Trust Fund or otherwise for any purpose for which capital moneys forming part of the Trust Fund may be used.
 - e. Power to pay or transfer any capital or income to be paid, transferred to or applied for the maintenance, education or benefit of a Beneficiary who is under the age of legal capacity or otherwise, under a legal disability to any parent or guardian of that Beneficiary or to such other person on behalf of such Beneficiary as the Trustees shall think fit and the receipt of such person shall be a complete discharge to the Trustees who shall be under no obligation to see to the proper application thereof.
 - f. Power revocably or irrevocably to delegate any power or powers in making, managing, realising or otherwise dealing with any property comprised in the Trust Fund to any person or persons (including nominees) upon such terms as to remuneration or otherwise as the Trustees may think fit and no Trustee shall be responsible for the default of any such agent if the Trustee in question employed or incurred expense in employing him in good faith.
 - g. Power at any time or times by deed or deeds to confer on themselves any administrative power not conferred on them by this Deed or the general law which the Trustees may consider necessary or expedient.
2. The exercise by the Trustees of the powers conferred by paragraph 1 of this Section 5 shall require the consent of the Beneficiary or Beneficiaries affected thereby except in relation to any part of the Trust Fund held for a Beneficiary or Beneficiaries under the age of legal capacity or otherwise under a legal disability.

Section 6. Appointment, removal, retirement and remuneration of Trustees

1. The Appointor shall have power to appoint by deed new or additional Trustees.
2. The Donor shall have power to remove by deed any Trustee and where the Donor is two persons this power shall be exercisable by them jointly during their joint lives and thereafter by the survivor of them during his lifetime and the said power shall be exercisable notwithstanding that as a result of its exercise the sole Trustee is a corporation which is not a Trust Corporation for the purpose of section 37 of the Trustee Act 1925 where relevant or a single individual but not so as to result in the Donor or the Donor's Spouse for the time being becoming the sole Trustee.
3. Any Trustee may retire at any time provided he gives 30 days written notice to the Appointor Provided Always that no retirement of any Trustee shall take effect so as to result in the Donor or the Donor's Spouse for the time being becoming the sole Trustee.
4. Any corporate body which is empowered to act as a trustee may at any time be appointed as a Trustee and may act by its proper officers in the discharge of its duties as such Trustee and in the exercise of the powers and discretions conferred hereby or by law.
5. Every corporate Trustee shall be entitled to remuneration upon such terms as may be agreed by the Appointor at the time of its appointment and in the absence of such agreement every corporate Trustee shall be entitled to remuneration in accordance with its normal scale of charges (if applicable) at the time of its appointment Provided Always that the Donor and the Spouse for the time being of the Donor shall not in any capacity or in any way be entitled to remuneration as a Trustee.
6. Any Trustee other than the Donor:
 - a. who, not being a body corporate, is engaged in any profession business or trade may be employed by the Trustees and any Trustee so engaged and employed may charge and be paid all reasonable professional business or trade costs and charges for business transactions and time expended and acts done by him (or any partner or employee of his) in connection with this Trust including acts which a Trustee not being engaged in any profession, business or trade could have done personally and whether or not in the usual scope of his profession business or trade;
 - b. may exercise or concur in exercising all powers and discretions given to him by this Trust or by law notwithstanding that he has a direct or other personal interest in the mode or result of any such exercise but any of the Trustees may nevertheless abstain from acting except as a merely formal party in any matter in which he may be so directly or personally interested and may allow his co-trustees to act alone in relation thereto.

Section 7. Further Trust provisions

1. Where this trust is subject to the law of England and Wales the duty of care set out in Section 1 Trustee Act 2000 shall apply to all the functions of the Trustees.
2. No Trustee who is an individual shall be liable for any loss to the Trust Fund or the income arising from it by reason either of (i) any investment made in good faith by him or any other Trustee or (ii) any mistake or omission made in good faith by him or any other Trustee except in the case of negligence by a paid Trustee or (iii) the negligence or fraud of any delegate or agent employed in good faith by him or any other Trustee although the delegation to or employment of such agent was not strictly necessary or expedient or (iv) any other matter or thing except individual fraud on the part of the Trustee whom it is sought to make liable or, in the case of a paid Trustee, negligence.
3. The Trustees shall have power by deed or deeds revocable (whether by the person making such deed or some other person) during the Trust Period or irrevocable wholly or partially to release or restrict the future exercise of any power hereby conferred on them (including this power) whether or not of a fiduciary nature and whether dispositive or administrative and so as to bind their successors.

Section 8. Proper law

The proper law of this Trust shall be that of England and Wales and all rights under this Trust and its construction and effect shall be subject to the jurisdiction of the courts and construed according to the law of England and Wales unless the Donor (and where two persons are the Donor both of them) has/have initialled the box or boxes below in which case references in this Section 8 to England and Wales shall be read as if they referred to the proper law and jurisdiction indicated by the initials.

Initials (1st Donor)	Initials (2nd Donor)	Proper Law
<input type="text"/>	<input type="text"/>	Scotland
<input type="text"/>	<input type="text"/>	Northern Ireland

Section 9. Signatures

1. In England, Wales and Northern Ireland

In witness whereof the Donor executed this deed the day and year stated above.

2. In Scotland

In witness whereof these presents are subscribed as follows:

At the location stated below on the day and year stated above by the Donor:

Signed as a deed and delivered by:

Name of Donor

Signature of Donor

Location (only relevant in Scotland)

In the presence of:

Name of Witness

Address

Postcode

Signature of Witness

Date (in Scotland)

Name of second Donor

Signature of second Donor

Location (only relevant in Scotland)

In the presence of:

Name of Witness

Address

Postcode

Signature of Witness

Date (in Scotland)

Sanlam & Sanlam Investments and Pensions are trading names of Sanlam Life & Pensions UK Limited (SLP (Registered in England and Wales 980142)) and Sanlam Financial Services UK Limited (SFS (Registered in England and Wales 2354894)). SLP is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. SFS is authorised and regulated by the Financial Conduct Authority.
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