

*This form allows you to put your Individual Buy-Out Plan (IBOP)/Transfer Plan policy under trust by means of a Trust Deed which sets out the trust provisions and allows you to appoint trustees. The purpose of putting your IBOP/Transfer Plan policy under trust is to prevent the benefits payable in the event of your death before retirement from forming part of your estate. This may reduce the Inheritance Tax bill on your estate.*

*The date should be the date on which the last witness has signed the Deed.*

THIS TRUST DEED is made the

day of

Year

BETWEEN

*Enter your own name after 'Between' and your address after 'of'.*

of

(hereinafter called "the Settlor")  
of the one part and the Settlor and

of

and

*This Deed is drafted on the basis that you will be one of the Trustees. Please enter the full name(s) and address(es) of the additional Trustee(s).*

of

(hereinafter called 'the Original Trustees') of the other part

WITNESSES as follows:

*By appointing additional Trustees, the payment of the lump sum benefit in the event of your death can be made quickly without having to wait for a Grant of Probate. Satisfactory proof of death and the production of the policy and trust documents should enable the insurer to pay the death benefits to the surviving Trustees.*

1. THE SETTLOR HEREBY ASSIGNS unto the Original Trustees, who by their execution hereof accept the position of trustees, the policy(ies) particulars whereof are set out in the Schedule hereto, all monies payable thereunder and the full benefit thereof (hereinafter referred to as "the Policy(ies)") to hold the same unto the Original Trustees upon the irrevocable trusts hereinafter declared concerning the same.
2. Where the context so admits the following expressions shall have the following meanings:
  - (a) "the Fund" means the Death Benefit and all investments of property representing the Death Benefit.
  - (b) "the Trustees" means the Original Trustees or the trustee or trustees for the time being of these trusts.
  - (c) "the Death Benefit" means any benefit payable under the Policy(ies) on the Settlor's death prior to the date on which the Policy(ies) vest.
  - (d) "the Assurance Company" means the assurance company or companies or other insurer which have issued the Policy(ies) under which the Death Benefit is payable.
  - (e) "the Beneficiaries" means the following classes of person:-
    - (1) anyone who is or has been the spouse or civil partner of the Settlor,
    - (2) the grandparents of the Settlor or the grandparents of the spouse or civil partner of the Settlor,
    - (3) any person descended from the said grandparents other than the Settlor,
    - (4) any individual who in the opinion of the Trustees was immediately prior to the death of the Settlor either in receipt of any regular weekly or monthly voluntary payment from the Settlor or wholly or partly dependent on him for the ordinary necessities of life,

(5) any person beneficially entitled to any interest in the capital or income of any property or any share thereof (whether absolutely or contingently and whether in possession or in remainder or reversion and whether or not subject to defeasance) under or by virtue of the testamentary dispositions or the rules of intestate succession taking effect on the death of the Settlor, and

(6) any persons (including any one or more of the Trustees but always excluding the Settlor) whose names the Settlor has notified to the Trustees in writing prior to his death,

and for the purposes of this definition a relationship acquired by the process of legal adoption shall be as valid as a blood relationship.

*The name(s) of the Beneficiary(ies) who you would like to receive the Death Benefit if the Trustees fail to make a decision within the specified time MUST be included in additional provision 3(a) otherwise the Death Benefit could be deemed to form part of your estate after your death in which case the Inheritance Tax advantages of putting your IBOP/Transfer Plan under trust may be lost.*

3. The Policy(ies) shall be held irrevocably on the following trusts:-

(a) The Trustees shall hold the Fund, subject to the requirements contained in any or all of the provisions of the Policy(ies), for the benefit of the Beneficiaries or all or any one or more of them in such shares as the Trustees (being at least two in number or a trust corporation) may in their absolute discretion at any time not later than the expiration of two years after the death of the Settlor in writing appoint and in default of or insofar as any such appointment shall not extend the Fund shall be held upon trust for the benefit of

--

absolutely.

(b) All other benefits and monies shall be held upon trust for the absolute benefit of the Settlor subject always to the requirements of the provisions of the Policy(ies).

4. Notwithstanding anything to the contrary herein expressed or implied no part of the Fund or any income deriving therefrom shall be paid to or lent to or applied for the benefit of the estate of the Settlor.

5. The Settlor shall at no time by the payment of any premium or otherwise acquire any lien or charge in or over any of the Policy(ies).

6. The exercise by the Settlor of any rights or options contained in the Policy(ies) which would, apart from this deed, be exercisable solely by the Settlor, shall be deemed to be an exercise of those rights or options by the Trustees insofar as that is necessary to give effect to any right or option so exercised, and insofar as complying with such an exercise would otherwise discharge the liability of the Assurance Company to the Settlor under the Policy(ies), so shall it similarly discharge any liability of the Assurance Company to the Trustees.

7. All monies to become payable under each of the Policy(ies) shall, unless otherwise agreed in writing with the Trustees, be paid by the Assurance Company to the Trustees whose receipt of those monies shall be a complete discharge to the Assurance Company.

*The use of this Trust Deed is acceptable to HM Revenue & Customs. If for whatever reason there is a need to amend the text, it should not be altered without first contacting Standard Life.*

8. The Trustees may invest the Fund in the purchase or acquisition of any investments or property of whatsoever nature and wheresoever situated and whether or not authorised by law for the investment of trust monies provided that no investment shall be made so as to confer any direct or indirect benefit upon the Settlor.
9. The Trustees shall have power to appropriate any investment in their hands in its actual state of investment in or towards the satisfaction of the beneficial interest of any person in the Fund without the necessity of obtaining the consent of any person not being one of the Trustees.
10. The provisions of section 31 of the Trustee Act 1925 shall not apply to the trusts hereby created and any income accruing in the hands of the Trustees at any time from the Fund, or from any property for the time being represented the same, shall be paid or applied as it accrues to or for the benefit of the person or persons enjoying an interest in possession in the Fund. The provisions of section 32 of the Trustee Act 1925 shall not apply.
11. During his or her lifetime the power of appointment of a new trustee or trustees hereof shall be vested in the Settlor.
12. No Trustee hereof shall by reason of the fact that he or she is or may become a beneficiary hereunder be precluded from joining in the exercise of any power relating to these trusts.
13. Any Trustee for the time being hereof (other than the Settlor or anyone who is or has been the spouse or civil partner of the Settlor) being a solicitor or other person engaged in any profession or business shall be entitled to charge and to be paid all usual professional or other charges for business done by them or their firm in relation to these trusts and any powers exercised hereunder whether in the ordinary course of his profession or business or not including acts not of a nature requiring the employment of a solicitor or other professional person.
14. The Trustees shall have all the powers and indemnities conferred upon trustees by law and shall not be responsible for acting *bona fide* on advice of any actuary, auditor, solicitor or other professional adviser nor shall any of them be liable for any acts or omissions not due to his or her own wilful act, neglect or default.
15. The trusts hereby established shall be governed by the law of England.

THE SCHEDULE HEREINBEFORE REFERRED TO

The Policy No. and Date of Policy (date of signing) will be shown on the Schedule to your IBOP/Transfer Plan policy.

Policy No.	Company	Date of Policy
	STANDARD LIFE ASSURANCE LIMITED	

IN WITNESS WHEREOF the parties hereto have executed this deed on the day and year first above written.

SIGNED and DELIVERED as a DEED by the said (insert full name of Settlor)

in the presence of (insert full name)

 Signature of Settlor/Trustee

 Signature of Witness

 Name and Address

 Occupation

Your signature and that of the other Trustees must be witnessed by an independent person.

SIGNED and DELIVERED as a DEED by the said (insert full name of trustee)

in the presence of (insert full name)

 Signature of Trustee

 Signature of Witness

 Name and Address

 Occupation

The full names and addresses of Witnesses should be added in the spaces provided.

This Trust Deed has been drafted by Standard Life Assurance Limited with the intention of it being used with your IBOP/Transfer Plan policy. While Standard Life Assurance Limited has drafted this form with due care and attention, it cannot perform the function of a legal or tax adviser, and in particular cannot guarantee that it will meet all your specific requirements. You are strongly recommended to consult your own legal or tax adviser.

SIGNED and DELIVERED as a DEED by the said (insert full name of Trustee)

in the presence of (insert full name)

 Signature of Trustee

 Signature of Witness

 Name and Address

 Occupation

SIGNED and DELIVERED as a DEED by the said (insert full name of Trustee)

in the presence of (insert full name)

 Signature of Trustee

 Signature of Witness

 Name and Address

 Occupation

# IBOP/Transfer Plan/ Individual Policy Trust Deed Information Notes



## TRUST DEED INFORMATION NOTES

### For use with Transfer Plans, Individual Buy-Out Plans (IBOP) and Individual Policies

This Trust Deed has been drafted by Standard Life Assurance Limited ('Standard Life') for use with your Transfer Plan, Individual Buy-Out Plan (IBOP) or Individual Policy. While we have drafted this deed with due care and attention, we cannot perform the function of your legal or tax adviser and, in particular, we cannot guarantee that this Trust Deed will meet all your specific requirements. We strongly recommend that you consult your own legal and tax adviser.

You may find these notes helpful when completing the enclosed Trust Deed. Tax and legislation are likely to change. The information given here is based on Standard Life's understanding of law and HM Revenue & Customs practice at the date of publication.

If you make a mistake when completing the Trust Deed, put a single score through the mistake, write the correct wording above it, and then have all the parties to the Trust Deed initial the correction.

For example:     John Smyth AB, CD, EF  
                      ~~John Smith~~

**Please note that correction fluid should not be used on a legal document. We cannot accept any document where correction fluid has been used.**

### Writing a Policy in Trust

There are many different types of trust. The type of trust deed which Standard Life provides is called an 'interest in possession' trust. Under the trust, the trustees' discretion is limited because they must decide within two years of the policyholder's death who should receive the policy proceeds.

If the trustees don't make a decision within two years, the "interest possession" is triggered and the default beneficiary becomes automatically entitled to receive the policy proceeds. This is different from a discretionary trust where the discretion is not limited and the trust has different tax consequences. If you want this type of trust you should speak to your legal adviser.

Writing a pension policy in trust does not affect your retirement benefits and you can make decisions regarding your pension policy, eg transferring to another scheme, without the agreement of the trustees. The terms of the trust take effect only if you die before taking your benefits. When you take your benefits the trust will no longer apply.

Benefits on death after retirement and GMP benefits may not be written in trust.

### The Trust Deed

The Standard Life Trust Deed has been drafted to comply with the law of the policyholder's country of residence.

### Date of signing

The policy must be in force before it can be placed in trust. This means that the date of signing of the Trust Deed must therefore be a date later than the date the policy was signed by Standard Life. (Your policy schedule will show the date of signing of the policy.)

The date of the Trust Deed should reflect the date when the last person (usually the last witness) has signed the deed.

## Appointing Trustees

In our Trust Deed the policyholder is always a trustee. The policyholder ('Settlor' in England, Wales & Northern Ireland and 'Trustor' in Scotland) can appoint two other people to act as trustees. You should consider carefully the people you wish to appoint as trustees as they will be responsible for dealing with the trust fund if you die before taking your benefits.

It is possible for a potential beneficiary or the default beneficiary (providing they are 18 years or over) to also be one of the trustees.

## Choosing beneficiaries

On page 2, you will see a white box. This is where the name or names of the default beneficiaries should be inserted. Please note: it will not be possible to change the default beneficiaries. You should therefore give serious consideration to this appointment. The Trust Deed provides that when the policyholder dies, provided there are at least two trustees remaining, the trustees will have a discretion as to whom to pay the death benefits. This means that the trustees can look at the policyholder's family circumstances and make the best decision. They can select any one or more of the people from the list of potential beneficiaries listed in the deed. If the trustees have not made a decision within two years of the date of the policyholder's death, the person named as the default beneficiary or beneficiaries will automatically become entitled to receive the proceeds.

If the 'default beneficiary' box is left blank, you are changing the nature of the trust from an interest in possession trust to a discretionary trust. There may be adverse tax consequences as a result.

Please note: we will not accept a Trust Deed where the default beneficiary box is blank.

## Signing the deed

The policyholder and all other trustees must sign the deed on page 4.

The signatures must be witnessed by an independent witness. An independent witness is someone who is not 'a party' to the deed, ie they are not one of the other trustees or the default beneficiary of the trust.

The policy number must be inserted in the deed at the top of page 4. This should be the full policy number, eg H4800000123 and will be on the policy schedule.

The date of the signing of the policy is also found on the policy schedule.

## What to do next

Once you and the other trustees have completed the Trust Deed, you should send the original deed to us for recording. The Trust Deed will then be returned to you for safekeeping.

## Changing your mind

Once a Trust has been set up it is possible at a later date to change the trustees or for the trustees to appoint or remove a potential beneficiary. Please note: it is not possible to change the default beneficiary. As a Trust Deed is a legal document it is not enough to notify us of changes in a letter. Standard Life can provide deeds of amendment which can be used in such circumstances. You should write to us telling us what sort of change is to be made and we will prepare a draft deed.

Please be aware that should any change be required to the trust in the future, both the policyholder and all the other trustees must sign the relevant papers at that time.