



For customers | Personal Protection

# Bare Trust – for use where all benefits under a policy are gifted to named beneficiaries

Choice of governing law

## Completion notes

1. Please complete all relevant sections of the Trust document in BLOCK CAPITALS and in ballpoint pen.
2. If you make a mistake, just draw a line through it. Don't use correction fluid. You and all the Trustees must initial the change.
3. The margin notes throughout the document will help you complete it.
4. Please make sure you fill in all the relevant boxes. In this Trust, only Part 7.4a is optional, depending on how the Trust is being established. Complete the boxes on pages 3, 4, 5, 10 and 11 (if required). If you leave any of these blank the Trust could be invalid.
5. The Beneficiaries named in Part 4.1 will receive the benefits. Once the Trust is established, the Beneficiaries cannot be changed nor can their percentage share of entitlement.
6. If you want the Law of Scotland to apply to this Trust you must initial the box on page 8.
7. The signatures of the Settlor and all Trustees must be witnessed.

**Trusts establish legal entitlements and have material financial and taxation implications.**

This draft trust has been drawn up based on our understanding of current law and HM Revenue & Customs practice. The trust is presented as a draft only and anyone intending to make a policy subject to a trust is strongly advised to consult their own legal advisers to make sure that the draft trust meets their requirements. Trusts are not regulated by the Financial Conduct Authority. Aegon cannot accept any responsibility for the consequences arising from the use of this draft.

## Contents

Part 1	Declaration	03
Part 2	Definitions	04
Part 3	Delivery of policy	05
Part 4	Principal trust terms	05
Part 5	Administrative powers	06
Part 6	Retirement, removal, appointment and remuneration of trustees	07
Part 7	General trust provisions	08
Part 8	Attestation	10

# 1. Declaration

---

You are the Settlor(s).  
Write your name(s) and  
address(es) in 'A'.

Between

A.  (name)

of  (address)

and  (name)

of  (address)

of the first part and

Write the names and  
addresses of the Trustees  
in 'B'. If you want to be a  
Trustee(s), you must put  
your name(s) here too.

B.  (name)

of  (address)

and  (name)

of  (address)

and  (name)

of  (address)

and  (name)

of  (address)

of the second part.

## 2. Definitions

This part defines the terms used in the Trust.

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.

- 2.1 **Beneficiary(ies)** means the one or more persons named in Part 4.1 below provided that no person who is a Settlor shall be a beneficiary in any capacity whatsoever under this Trust.
- 2.2. **Civil Partner** means an individual who is in a Civil Partnership with the Settlor (or either of them) at the date of the event which gives rise to the relevant claim under the policy.
- 2.3 **Civil Partnership** means a partnership which exists or has existed under or by virtue of the Civil Partnership Act 2004.
- 2.4 **Original Trustee(s)** means the person or persons named in B of Part 1 of this Trust.
- 2.5 **Policy** means the existing and/or new policy(ies) specified in the following table:

Complete the details of the policies you wish to place in trust.

Existing policy	Policy number

New policy	Application date (dd/mm/yyyy)

- 2.6 **Settlor** means the person named in A of Part 1 of this Trust and where the Settlor is more than one person means both such persons and the survivor of them.
- 2.7 **Spouse** means an individual's wife or husband and includes a wife or husband of the same sex as the individual, and related expressions have a corresponding meaning.
- 2.8 **this Trust** means the declaration of trust, the terms of which are contained in this document.
- 2.9 **the Trustees** means the Original Trustees or the trustees for the time being hereof.
- 2.10 **the Trust Fund** means the Policy, 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.
- 2.11 **the Trust Period** means the period beginning with the date of this Trust and ending on the Vesting Date.
- 2.12 **the Vesting Date** means the day on which shall expire the period of 125 years from the date of this Trust which period (where the Trust is subject to the Law of England and Wales) shall be the perpetuity period.
- 2.13 In this Trust **child, children** and **descendant** of any person includes any step, adopted or legitimated (whether adopted or legitimated before or after the date hereof) child, children or descendant and an adopted or legitimated child shall be treated as the child of his adoptive parents and no other persons.

### 3. Delivery of policy

---

This states that you're transferring the assets making up the Trust Fund to the Trustees.

If you are taking out a new policy, this Trust should be executed before the Policy comes into force.

- 3.1 The Settlor is the beneficial owner of the Policy.
- 3.2 Where the Policy consists of an existing policy the Settlor hereby assigns or transfers (as appropriate) the Policy to the Trustees upon trust to hold from the date hereof as Trustees subject to the terms of this Trust.
- 3.3 Where the Policy consists of a new policy the Settlor irrevocably declares that the application referred to in Part 2.5 above (which forms an integral part of, and is treated as incorporated into this Deed) is made with the intention that the Policy should, from inception, be held in trust by the Trustees for the Beneficiaries.

### 4. Principal trust terms

---

This section explains how the Trust will work. You, as the Settlor, can't benefit from the Trust.

Write the name of the person you want to benefit from the Trust. If you want more than one person to benefit, write their names and their share of the Trust. If no such shares are specified, and there is more than one beneficiary, the Trust will be held in equal shares.

- 4.1 The Trustees shall hold the Trust Fund and the income thereof on trust for:

Print full name	Share %
<b>Total: 100%</b>	

absolutely. If no such shares are specified, and there is more than one Beneficiary, the Trust Fund will be held for the Beneficiaries in equal shares.

Once the Trust is established, the Beneficiaries can't be changed nor can their percentage share of entitlement.

Trustees must administer the Trust Fund for the Beneficiaries in the way you've specified.

The Trustees have the power to lend all or part of the Trust property to a Beneficiary.

- 4.2 During the Trust Period the Trustees shall have the following dispositive powers, which they may exercise without regard to any need to balance the conflicting interests of persons interested in the Trust property:
  - a power to pay, transfer or apply the whole or any part of the Trust Fund to or for the benefit of the Beneficiary so entitled;
  - b power to lend with or without security to any Beneficiary the whole or any part of the Trust Fund upon such conditions as to interest (if any) and repayment and generally upon such terms as the Trustees in their absolute discretion think fit Provided Always that any such loan must be repaid before the end of the Trust Period

and provided that no exercise of the foregoing powers shall affect the entitlement of any person to any payment made or asset transferred previously to him.

## 5. Administrative powers

---

This section explains the Trustees' wide powers to manage and deal with the Trust's investments.

This makes sure that the Trustees can set aside particular assets for a Beneficiary.

The Trustees have the power to change the administrative provisions of this Trust.

The Trustees can release the powers conferred on them.

When a Beneficiary is a minor the benefits are paid to the parents or guardians. Benefits must be used or held for the Beneficiary's benefit.

- 5.1** The Trustees may administer this Trust for the benefit of the Beneficiaries in whatever manner they may determine and to that end shall have the widest possible administrative 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 and of carrying out any transaction in connection therewith 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 during the Trust Period have the following powers:
- a** to invest any money requiring to be invested in any investment or property of whatsoever nature (including any policies of assurance) and wheresoever situated whether producing income or not and upon such security (if any) as the Trustees shall in their absolute discretion think fit;
  - b** to borrow money on such terms (including terms as to security) as the Trustees shall in their absolute discretion think fit and to use the monies so borrowed for any purpose for which capital monies forming part of the Trust Fund may from time to time be used;
  - c** to deal with any policy of insurance or assurance or annuity comprised in the Trust Fund in all respects as if they were the absolute owners of it and in particular may surrender, convert or exchange the same in whole or in part and exercise any power election or option under a policy and borrow on its security and the receipt by the Trustees for any money payable under the said policy shall be a full and sufficient discharge;
  - d** to appropriate any asset, or any part of any asset, comprised in the Trust Fund in or towards satisfaction of any interest or share in the Trust Fund as may in all the circumstances be reasonable, and for this purpose, the Trustees may from time to time place such value on any or all investments or property as they think fit;
  - e** to create by deed or deeds revocable or irrevocable such additional administrative powers exercisable by the Trustees as the Trustees may from time to time determine to be in the interests of the Beneficiaries or any of them; and/or
  - f** by deed (and so as to bind successive trustees of this Trust) to release or restrict the future exercise of all or any of the powers conferred on them (whether by this deed or by law) either wholly or to the extent specified in the relevant deed, notwithstanding the fiduciary nature of any such power.
- 5.2** The Trustees shall not be required to diversify the investment of the Trust Fund, nor be liable for the consequences of investing, or keeping the Trust Fund invested, in the shares or obligations of, a single business, company or firm, or in one asset or one type of asset.
- 5.3** The Trustees may pay or transfer any assets comprised in, or any income of, the Trust Fund to which any minor Beneficiary is beneficially entitled, to any parent or guardian of that minor and the receipt of that parent or guardian shall be a full discharge to the Trustees.
- 5.4** The receipt of the Trustees of any money payable under (or deriving from) any dealing with the Policy shall be a full and sufficient discharge to the company who shall not be concerned to see the application of any such money.

## 6. Retirement, removal, appointment and remuneration of trustees

---

- You, as the Settlor, have the power to appoint new Trustees. After you die, this power passes to the Trustees.
- Trustees can resign.
- Trustees other than you, as the Settlor, and your Spouse or Civil Partner can make reasonable charges for their work on behalf of the Trust, if you agree.
- 6.1** The Settlor shall have power:
- a** to appoint by deed new or additional Trustees; and
  - b** to dismiss by deed any Trustee.
- Provided that if there are two Settlers, they must exercise these powers jointly and the survivor of them shall continue to have the power if one of them dies, and provided also that the said power of dismissal shall be exercisable only if the Trustees remaining as Trustees after the dismissal include a corporate body or two individuals at least one of whom is not either of the Settlers. After the Settlor's death (or the death of the surviving Settlor if there are two) the power of appointing new or additional trustees by deed shall vest in the Trustees.
- 6.2** Any Trustee may retire at any time provided he gives 30 days' written notice to the person who for the time being has the power to appoint new trustees Provided Always that no retirement of any Trustee shall take effect unless and until there are at least two individual Trustees (at least one of whom is not either of the Settlers) or a corporate body to act as the continuing Trustees or the continuing Trustee as the case may be.
- 6.3** Any corporate body which is empowered to act as a Trustee may at any time be appointed either as a general trustee or as a custodian trustee hereof 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.
- 6.4** Every Trustee (including for the avoidance of doubt any corporate body for the time being a Trustee) shall be entitled to remuneration upon such terms as may be agreed by the person or persons who for the time being has or have power to appoint a new trustee and in the absence of such agreement every Trustee shall be entitled to remuneration in accordance with its normal scale of charges (if applicable) at that time Provided Always that the Settlor and the Spouse or Civil Partner of the Settlor shall not be entitled to remuneration as a Trustee in any way.
- 6.5** Any Trustee (including for the avoidance of doubt any body corporate for the time being a Trustee) other than the Settlor and any Spouse or Civil Partner of the Settlor:
- a** who 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 be employed and reasonably remunerated as a director or other officer or employee or an agent or adviser of any company body or firm in any way connected with the Trust Fund and to keep as his property (and without being liable to account therefore) any reasonable remuneration fees or profits received by him in any such capacity notwithstanding that his situation or office may have been obtained or may be held or retained by means or by reason of his position as one of the Trustees or of any shares, stock, property, rights or powers whatever belonging to or connected with the Trust Fund;

## 6. Retirement, removal, appointment and remuneration of trustees – continued

---

- c may transact on behalf of or with this Trust or any Beneficiary any business which he or it is authorised to undertake upon the same terms as would for the time being be made with an ordinary customer, and without accounting for any profit thereby made, and in particular and without prejudice to the generality of the foregoing, such Trustee may retain on current account or deposit account or advance at interest all monies necessary or convenient to be retained or advanced in connection with this Trust and may retain any commission or remuneration paid or allowed by stockbrokers, insurance companies, banks or other institutions without being liable to account for any profit thereby made; and/or
- d 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.

## 7. General trust provisions

---

- 7.1. This Trust shall be irrevocable.
- 7.2 Where applicable any statutory duty of care shall not apply to the Trustees.
- 7.3 No Trustee shall be liable for any loss to the Trust Fund arising by reason of any investment made in good faith or by reason of any mistake or omission made in good faith by any Trustee hereof or by reason of any other matter or thing except wilful and individual fraud or wrongdoing on the part of the Trustee who is sought to be made liable.
- 7.4 a 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 and construed according to the Law of England and Wales unless the box incorporated in this subparagraph is initialled by the Settlor (or where there are two Settlers both Settlers) in which case the proper law of this Trust shall be the Law of Scotland.

The Law of England and Wales governs this Trust. However, if you want the Law of Scotland to apply, you must initial the box(es).

**Initials of Settlor(s) – (if the Law of Scotland to apply)**

--	--

- b The courts of England and Wales (or if the Settlor has indicated in subparagraph 4a above that the Law of Scotland shall apply to the Trust, the courts of Scotland) shall be the forum for the administration of this Trust.
- c Notwithstanding the provisions of subparagraph 4a and 4b of this Part 7:
  - i the Trustees shall have the power (subject, where the Trust is governed by the Laws of England and Wales, to the application (if any) of the rule against perpetuities) to carry on the general administration of these Trusts in any jurisdiction in the world whether or not such jurisdiction

The law of the Trust and the location of the administration can be changed in the future.



## 7. General trust provisions – continued

---

- is for the time being the forum for the administration of these trusts and whether or not the Trustees or any of them are for the time being resident or domiciled in, or otherwise connected with such jurisdiction;
- ii the Trustees may at any time declare by instrument that from the date of such declaration the proper law of this Trust shall be that of any specified jurisdiction (not being a jurisdiction under the law of which this Trust would be capable of revocation) and that all rights under this Trust and its construction and effect shall be subject to and construed according to the laws of that jurisdiction; and
  - iii the Trustees may at any time declare by instrument that from the date of such declaration the forum for the administration of these Trusts shall be the courts of any specified jurisdiction.
- 7.5 The statutory equitable and common law rules of apportionment shall not apply to this Trust and (without prejudice to the generality of the foregoing) references herein to the income of the Trust Fund shall (without any allocation or apportionment in favour of the Settlor or where the Settlor is two persons either of them) extend to any income now accrued or accruing but not yet actually payable in respect of any property transferred by the Settlor to the Trustees.

## 7. General trust provisions – continued

---

- 7.6 Notwithstanding any of the foregoing provisions hereof none of the Trust 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 for the benefit of the Settlor (and where two persons are the Settlor this paragraph shall operate with like effect in relation to each of those persons).

## 8. Attestation

---

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

You must sign here. Without your signature(s) the Trust is invalid.

Your signature(s) must be witnessed. A witness should be someone over 18 and not a party to this Trust.

**In witness** whereof the parties hereto have executed this Deed on:

Date (dd/mm/yyyy)

Place

at

Signed and delivered as a Deed by the Settlor (and as Trustee if so appointed under A of Part 1 of this Trust)

Signed and delivered as a Deed by the Settlor (and as Trustee if so appointed under A of Part 1 of this Trust)



Name of Settlor

Name of Settlor



Signature of Witness

Signature of Witness



Name of Witness

Name of Witness



Address

Address

  
  
  

  
  
  


Postcode

Postcode

Occupation

Occupation

## 8. Attestation – continued

Each of the Trustees must sign here, and each signature must be witnessed. A witness should be someone over 18.

If you (the Settlor) are also a Trustee, there's no need for you to fill in your details or sign in this section.

Signed and delivered  
as a Deed by the Trustee

X	X
---	---

Name of Trustee

Signature of Witness

X	X
---	---

Name of Witness

Address

Postcode

Occupation

Signed and delivered  
as a Deed by the Trustee

X	X
---	---

Name of Trustee

Signature of Witness

X	X
---	---

Name of Witness

Address

Postcode

Occupation

## 8. Attestation – continued

---

Signed and delivered  
as a Deed by the Trustee

X	X
---	---

Name of Trustee

Signature of Witness

X	X
---	---

Name of Witness

Address

Postcode

Occupation

Signed and delivered  
as a Deed by the Trustee

X	X
---	---

Name of Trustee

Signature of Witness

X	X
---	---

Name of Witness

Address

Postcode

Occupation

This trust is presented as a draft only and anyone intending to make a policy subject to a trust is strongly advised to consult their own legal advisers to make sure that the draft trust meets their requirements. Aegon cannot accept any responsibility for the consequences arising from the use of this draft.