

Norwich Union Flexible (Gift) Trust



How to complete this trust form

Please note that creating a trust can have legal and taxation consequences. You should consult your own professional advisers before continuing.

Page 1 of the trust deed

1. Insert the date when the last person (Settlor or Trustee) signs the trust document.
2. The first or only Settlor should insert their full name(s) alongside (your full name(s)) (Settlor 1), and their full address alongside (your address) (Settlor1).
3. If there are two Settlers then the second Settlor should insert their name(s) and address alongside the appropriate (Settlor 2) sections.
4. Insert the full names and addresses of any additional Trustee(s) you wish to appoint. Each Settlor is automatically a Trustee, so there is no need to include their name(s) again. The Trustees are responsible for administering the trust, and we recommend that at least one Trustee is appointed in addition to the Settlor(s).

Page 2 of the trust deed

1. If the life policy to be written under trust has not been issued yet, insert the date of the application and the type of policy (e.g. Term Assurance) at the top of the page alongside (i).
2. If the trust is for an existing policy, insert the policy number alongside (ii).
3. The wording in Section A (i) should be kept unless you do **not** want to benefit from any critical illness, terminal illness or mortgage payment protection benefit.
4. You must decide who you would want to benefit from the policy in the event of a claim, and insert a suitable beneficiary clause in the box in Section A. You should consult your own professional advisers regarding the beneficiary clause. The beneficiaries may be changed in the future.
5. Section B sets out the potential beneficiaries i.e. if you choose to change whom should benefit under the trust from those initially chosen. A number of potential beneficiaries are already listed under (1) and (2). You can add the names of other people or charities that you might want to benefit at (3). The potential beneficiaries will not benefit under the trust unless they are actually appointed by deed.

Page 3 of the trust deed

This page contains the powers, provisions and definitions under trust. You should not alter these without taking advice from your own professional advisers. Any changes must be made before the trust is signed, and you should initial those changes.

Page 4 of the trust deed

1. You should insert your full name(s) alongside (Settlor 1) and (Settlor 2) as appropriate, and sign the trust deed.
2. Your signature(s) should be witnessed by an independent witness who is not party to the trust (i.e. not a Settlor or a Trustee). That witness' name and address should also be inserted.
3. The name of each additional Trustee should also be inserted alongside (Trustee name) and the Trustee must sign the deed.
4. Each Trustee signature must also be witnessed as outlined above.

Important notes

1. Anyone thinking of using the Flexible (Gift) Trust, or doing anything under the provisions of that trust, must rely on the advice of their own legal or financial advisers. We would urge you to seek appropriate professional advice before proceeding. This is important because:
 - creating a trust can have taxation as well as legal consequences;
 - once a trust has been created it cannot be revoked; and
 - the Trustees have a special duty to the beneficiaries, and the misuse of a trust power by a Trustee can make him/her personally liable for any resulting loss to the beneficiary.
2. References to tax treatment in the Flexible (Gift) Trust booklet are based on Norwich Union's understanding of legislation and Inland Revenue practice at the time of publication. Both of these are likely to change. Every care has been taken as to its accuracy, but it must be appreciated that neither Norwich Union nor its representatives can accept responsibility for loss, however caused, suffered by any person who has acted or refrained from acting as a result of material published in or in conjunction with this document.

Flexible (Gift) Trust

Deed

This declaration of trust is made the
(insert the date when the trust is signed)

day of

20

by *(your full name(s)) (Settlor 1)*

of *(your address) (Settlor 1)*

Post Code

by *(your full name(s)) (Settlor 2)*

of *(your address) (Settlor 2)*

Post Code

(hereinafter called 'the Settlor') of the one part

And the Settlor

and *(full name of additional Trustee)*

of *(address of additional Trustee)*

Post Code

and *(full name of additional Trustee)*

of *(address of additional Trustee)*

Post Code

and *(full name of additional Trustee)*

of *(address of additional Trustee)*

Post Code

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

Complete either (i) - for a new application - or (ii) - for an existing policy

(i) The date of the Settlor's proposal or application to the Company is/was [] 20 []
and the type of policy is/was [] ('the Application')

(ii) The policy number(s) of the Settlor's Policy/Policies with the Company is/are/will be [] ('the Policy')

THEREFORE I/we make whichever of the following alternative statements designated as (1) or (2) below is appropriate in the circumstances. (Do not delete either 1 or 2)

1. Where the Policy has not yet been completed

I/We declare that in submitting the Proposal or Application I am/we are effecting the Policy(ies) proposed or applied for on behalf of and with the intention of constituting myself/ourselves and any additional Trustee(s) named above as the Trustees for the beneficiaries described below and in the trust **Powers provisions and definitions** and I/we declare that the policy will vest in the Trustees immediately on being effected.

2. Where the Policy is complete

I/We intend to hold the Policy as Trustee(s) for the beneficiaries described below, subject to the trust **Powers provisions and definitions** below, and wish to appoint myself/ourselves and the above named additional Trustee(s), if any, as the Trustees of the Policy. I/We declare that I/we hold the policy in trust as described above, and (where relevant) in exercise of the statutory power of appointing Trustees and of every other enabling power I/we appoint the additional Trustee(s), if any, to be Trustees of the Policy jointly with me/us and I/we assign the Policy to the Trustee(s).

Section A: Initial beneficiaries

- (i) As to any critical illness benefit, terminal illness benefit and/or mortgage payment protection benefit under the policy for the Settlor absolutely
(Delete the above sentence if you do not want to receive any critical illness/terminal illness or mortgage payment protection benefit yourself)
- (ii) As to all other proceeds or all proceeds where Section A (i) above has been deleted for

Section B: Potential beneficiaries

- 1. Any parent, brother, sister, child or remoter issue of the Settlor or of the Settlor's spouse born before the vesting day;
- 2. Any spouse of the Settlor and any widow or widower of the Settlor (but not if the spouse is a Settlor);
- 3. Any person (other than the Settlor) or charity named below

Powers provisions and definitions

1. In this deed (and any other deeds executed in connection with this trust):
 - a. 'Trustees' means the Trustee or Trustees inclusive of the Settlor where applicable for the time being of these trusts, whether original, additional or substituted
 - b. 'Potential Beneficiaries' means the persons referred to in Section B and any person or persons (other than the Settlor) whom the Settlor may nominate in writing to the Trustees before the Vesting Day'
 - c. 'Trust Fund' means the Policy together with the full benefit thereof and any moneys insured thereby or to become payable thereunder, all moneys investments and property at any time accepted and held by the Trustees upon and subject to the trusts herein declared whether by way of further settlement, accumulation of income, capital accretion or otherwise and all moneys investments and property for the time being representing the same or any parts thereof
 - d. 'Company' means any life insurance company at anytime within the AVIVA plc group of companies.
 - e. 'Vesting Day' means the day on which a period of 80 years expires from the commencement of these trusts
 - f. 'Policy' means the policy or policies described in this declaration of trust or any substituted policy or policies
 - g. 'Spouse' includes a widow or widower, whether or not for the time being remarried, where the context so admits
 - h. 'Payment Day' means the day when all the proceeds of the Policy have been paid or have become payable if earlier but, in the case of any benefit which may be payable by more than one sum, means the day when the first such sum has been paid or has become payable
 - i. 'Settlor' means the person declaring these trusts or the persons jointly declaring these trusts and the survivor(s) of them
 2. a. The Trustees hold the Trust Fund upon these trusts and subject to the powers and provisions set out below:
 - i. For the benefit of one or more of the Potential Beneficiaries and in such shares and for such interests as the appointor (as defined in Clause 2 b) in his absolute discretion shall appoint provided that no appointment shall be made after the Vesting Day.
 - ii. In default of and subject to and until any and every such appointment the Trustees shall hold the Trust Fund for the benefit of the beneficiaries referred to in Section A and in such shares as are set out in Section A.
 - iii. The income accruing in the hands of the Trustees whether before or after the death of the Settlor is to be paid and held in trust for the absolute benefit of the beneficiaries then entitled at the time the income so accrues whether pursuant to a valid exercise of a power of appointment or in default thereof in such shares as are set out in Section A.
 - b. The power of appointment in favour of beneficiaries is only exercisable by all the Trustees (being at least two in number or a trust corporation) acting together, except in the case where the Settlor has herein made a declaration to the effect that the power is vested solely in the Settlor provided that:
 - i. where the power of appointment has been released by the Settlor, or
 - ii. after the death of the Settlor (or after the death of the last survivor if the Settlor is more than one person); then the power is only exercisable by all the Trustees (being at least two in number or a trust corporation) acting together.
3. Appointments shall be made by deed or deeds and may be revocable or irrevocable (but so that the power of revocation shall not be capable of being exercised after the Vesting Day)
4. The Trustees are to have power in addition to any powers conferred upon them by law:
 - a. to invest any money requiring to be invested in the purchase of or the effecting or keeping up of any policy or policies of insurance on the life or lives of any person or persons or in the purchase of or at interest on the security of any property, real or personal, at their discretion in all respects as if they were beneficially entitled thereto absolutely;
 - b. i. to exercise any option contained in any life insurance policy comprised in the fund
 - ii. to borrow money with or without security and on such terms and subject to such conditions as the trustees think fit and invest it as if it formed part of the fund
 - iii. to sell, surrender or otherwise deal with any life insurance policy comprising in the fund in such manner as they shall think fit
 - iv. to lend with or without security to any Beneficiary the whole or any part or parts 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 repayable before the Vesting Day;
5. a. The provisions of the Trustee Act 1925 shall apply in relation to any income as if:
 - i. the words 'as the Trustees think fit' were substituted in section 31(1)(i) for the words 'as may, in all circumstances, be reasonable'
 - ii. the proviso at the end of section 31(1) were omitted and
 - iii. in section 31(2) the words 'as follows:' and paragraphs (i) and (ii) were replaced by the words 'upon trust for that person absolutely';
- b. Furthermore the provisions of the Trustee Act 1925 shall apply hereto as if the words 'one half of' were omitted from proviso (a) to section 32(1);
- c. The trusts contained in this document shall carry the intermediate income.
6. The power of appointment of new or additional Trustees shall be vested in the Settlor during his/her lifetime and thereafter in the Trustees.
7. a. Any Trustee hereof (other than the Settlor and any person at any time the Settlor's spouse) being a person engaged in any profession or business is to be entitled to charge and be paid the usual professional or proper charges for business transacted, time expended and acts done by such Trustee or any partners of such Trustee in connection with the aforesaid trusts including acts which a Trustee not being in a profession or business could have done personally. Any Trustee being a trust corporation shall be entitled to remuneration and expenses in accordance with the provisions of its trustee prospectus in force at the date of its appointment;
- b. Any Trustee hereof (other than the Settlor and any person at any time the Settlor's spouse) shall be entitled to retain any brokerage or commission which may be received personally or by such Trustee's firm in respect of any transaction carried out in connection with these trusts for which such Trustee or Trustee's firm is in the normal course of business allowed such brokerage or commission notwithstanding that the receipt of such brokerage or commission was procured by an exercise by such Trustee or Trustees of his/her statutory or non-statutory powers.
8. The Settlor will have the power to dismiss any trustee by deed giving 30 days notice to such Trustee. The dismissal will not take effect unless and until there is at least one corporate or two individual trustees to act as continuing trustees.
9. Excluding any direction contained in Section A no discretion or power shall be exercised and no provision of this declaration of trust shall operate directly or indirectly so as to cause or permit any part of a Trust Fund or the income thereof to become lent to or in any way paid or applied or applicable for the benefit of the Settlor.
10. This declaration of trust is irrevocable and shall be governed in accordance with the law of England.
11. No lien or charge shall be created on the Policy as a result of the payment of a premium by the Settlor or any other person.
12. The Company is not to be accountable for the exercise of all or any of the powers set out in this trust or the uses of money derived therefrom.
13. The perpetuity period applicable to this trust shall be 80 years from the date of its commencement.

I/We declare that the powers of appointment are vested in the Settlor while living.
(delete this sentence if appointments are always to be made by all of the trustees)

Signed and delivered as a deed	
by the said (Settlor name(s)) (Settlor 1)	
(Settlor 2)	
Signed (Signature(s) of Settlor(s)) (Settlor 1)	
(Settlor 2)	
in the presence of (Signature of Witness)	
Name (of Witness)	
Address (of Witness)	
	Post Code
Signed and delivered as a deed	
by the said (Trustee name)	
Signed (Signature of Trustee)	
in the presence of (Signature of Witness)	
Name (of Witness)	
Address (of Witness)	
	Post Code
Signed and delivered as a deed	
by the said (Trustee name)	
Signed (Signature of Trustee)	
in the presence of (Signature of Witness)	
Name (of Witness)	
Address (of Witness)	
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Name (of Witness)	
Address (of Witness)	
	Post Code