
Declaration of Trust (England, Wales and Northern Ireland)

Use this form if the plan is owned:

- **jointly by 2 people; and**
- **they do want the survivor to receive the gifted benefits if one of them dies.**

About this form

At Bright Grey we try to avoid complex language and jargon wherever possible. But trust and tax law is complex. Because of this, and because of the flexibility built into our plans, the words in this form are more complex than other Bright Grey documents. So to help you complete this form, we've added instructions next to each section. If you have any questions, just let us know and we'll do our best to answer them as simply as we can.

Disclaimer

The notes on page 2 and the notes in the Definitions and Signature sections are for general guidance only and are based on Bright Grey's understanding of the law and HM Revenue & Customs practice. We have made every effort to make sure they are accurate but can accept no responsibility for our interpretation of the law, or future changes in the law or practice. Tax liabilities depend on the circumstances of the individual, so we cannot give any assurance that the Trust is suitable for your own circumstances.

We strongly recommend that you seek independent professional advice before completing the Trust.

Use of the Trust

- 1 This Declaration of Trust (the Trust) is for use in England, Wales and Northern Ireland. It may be used in the Channel Islands and Isle of Man, but the law of England and Wales will apply.
- 2 This Trust is for your protection plan and allows you to keep some benefits under the plan for yourself and to give others away, either immediately or in the future.
- 3 This Trust is designed for use with jointly owned plans where:
 - you want to give away benefits to your chosen beneficiaries if both of you die within 30 days of each other; but
 - you want to allow the survivor of you to benefit if they survive the other by more than 30 days.
- 4 This Trust can be used to allow you to receive any benefit paid on diagnosis of a critical illness or Total Permanent Disability if you survive the diagnosis by 30 days, but to give the benefit away if you die within this time.
- 5 The benefits you give away will no longer be an asset in your estate and would not normally be liable for Inheritance Tax (IHT) unless one of you survives the other by more than 30 days. Any IHT liability on the benefit paid will fall on the survivor. A liability to IHT may also arise if any benefit paid following a claim remains in the trust past the next 10-year anniversary of when the trust was created. For more information on this please speak to your financial adviser.
- 6 You should not use this Trust with plans that are jointly owned and you want to give away benefits to your chosen beneficiaries if you both die and you do not want to allow the survivor to benefit. If you want to do this, please use the Bright Grey Split Trust (England, Wales and Northern Ireland).
- 7 You should not use this Trust in a business protection arrangement. If you need a Trust for business protection you should use the Bright Grey Business Trust (England, Wales and Northern Ireland).

Types of Trust

- 1 The Retained Benefits are any benefits you choose to keep for yourself. They will be held on a Bare Trust which means that they remain your property.
- 2 The Gifted Benefits are the benefits of the plan you choose to give away. Under this type of trust, the Trustees are able to direct the Gifted Benefits to any of the beneficiaries you refer to in the Trust. You should give the Trustees a Letter of Wishes outlining the circumstances in which they might use the powers they are given in Clause B2.

Trust administrative provisions

- 1 We recommend that you appoint at least two Additional Trustees. They will be responsible for making sure that the Trust Fund is paid to the beneficiaries you select, or for selecting alternative beneficiaries from the Discretionary Beneficiaries listed in section F, Definitions.
- 2 By signing this form, you give the Trustees wide powers over how the Trust is administered and the Trust Fund invested, including the power to delegate the investment of the Trust Fund to an independent Fund Manager.
- 3 You can appoint a new Trustee or Trustees and can also remove one or more of the existing Trustees. However, there must always be at least two Trustees acting, unless a corporate body is named as Trustee.

Declaration of Trust

Section A – Introduction

- A1** The Settlor is the beneficial owner of the Plan and wishes to declare Trusts on which the Plan is held and for that purpose appoints himself and the Additional Trustees as the initial Trustees of this Trust Deed.
- A2** The Definitions in Part F shall have the meanings set out in that Part.

Section B – Trust provisions

- B1** The Trustees shall hold the Retained Benefits upon trust for the absolute benefit of the Settlor.
- B2** The Trustees shall, subject to the provisions of Clause B3, hold the Gifted Benefits upon trust for the benefit of such one or more of the Discretionary Beneficiaries in such proportions, on such terms and conditions and subject to such new or other trust purposes, powers and provisions as to both income and capital (including power to accumulate during such period permissible by law) as the Trustees may during the Trust Period revocably or irrevocably appoint in writing.
- B3 i** Where the Gifted Benefits include either or both of 'Critical Illness Cover' or 'Life or Critical Illness Cover' (both as defined in the Plan) then, where the Settlor is two people, in the event of the Person Covered being diagnosed as suffering from a critical illness or Total Permanent Disability, as provided for and defined in the Plan, and the Settlor or either of them surviving such diagnosis by 30 days, the Trustees shall hold the 'Critical Illness Cover' or the 'Life or Critical Illness Cover' or both as the case may be for the absolute benefit of the Settlor or the survivor of them.
- B3 ii** Where the Gifted Benefits include either or both of 'Life Cover' or 'Life or Critical Illness Cover' (as defined in the Plan) then, where the Settlor is two people, in the event of the death of the Person Covered or if there are two the death of either of them, either within 30 days of the diagnosis of a critical illness or otherwise and one of the Settlers surviving such death by 30 days, the Life Cover or Life or Critical Illness Cover or both as the case may be shall be held for the absolute benefit of the surviving Settlor.
- B4** Subject to the provisions of Clause B1 and B3, the Trustees may not pay or apply the Trust Fund or any part of it to or on behalf of the Excluded Person.
- B5** In the event of the failure of the above Trusts, the capital and income of the Trust Fund or such part of it with respect to which such failure has occurred shall be held upon Trust absolutely for the intestate heir of the last of the Discretionary Beneficiaries to die provided that in ascertaining such heir the Excluded Person shall be deemed to have predeceased the last beneficiary so to die.

Section C – Administrative provisions

The Trustees shall, in addition and without prejudice to all statutory powers, have the powers and immunities set out below. No power conferred on the Trustees shall be exercised so as to conflict with the beneficial provisions of this Deed.

C1 General

The Trustees shall have all the powers of investment, sale, alienation, exchange, partition, mortgage, charging, pledging, leasing, insurance, protection, improvement, equipment, dealing, disposition and management (and all other powers) of an absolute beneficial owner of the Trust Fund. Such powers shall not be restricted by any principle of construction but shall operate according to the widest generality of which the foregoing words are capable, notwithstanding that certain powers are more particularly set out in the following clauses.

C2 Power of investment

Any money to be invested may be applied in the purchase or acquisition (either alone or jointly with other persons) of such shares, stock, funds, securities, land, buildings, chattels or other property of whatever nature and wherever situate, and whether involving liabilities or producing income or not, or in making such loans, with or without security, as the Trustees think fit.

C3 No requirement to diversify investments

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, or in the shares or obligations of, a single business, company or firm, or in one asset or one type of asset.

C4 No requirement to invest in income-producing investments

No person beneficially interested in the Trust Fund shall be entitled:

C4 i to compel the sale or other realisation of any assets which do not produce income;

C4 ii to require the distribution of any dividend by any company the shares, stock, securities, debenture stock or loan capital of which are comprised in the Trust Fund;

C4 iii to require the Trustees to exercise any powers they may have of compelling such distribution;

C4 iv to insist on the investment of any part of the Trust Fund in assets which produce income.

C5 Power to lend

The Trustees may lend money or assets comprised in the Trust Fund to any person beneficially interested in the Trust Fund, on such terms (whether or not including provision for the payment of interest) and generally as the Trustees think fit.

Section C – Administrative provisions continued

C6 Power to borrow

C6 i The Trustees may borrow and raise money either without security or on the security of the Trust Fund, any part of it or any assets comprised in it, for any purpose (including the investment of the money so raised as part of the Trust Fund) and may mortgage, charge or pledge the Trust Fund, any part of it or any assets comprised in it, as security for any money so raised.

C6 ii The Trustees may enter into borrowing arrangements jointly with other persons, whether involving joint or several liability.

C7 Powers in relation to real property and chattels

C7 i The Trustees shall have all the powers of an absolute beneficial owner in relation to the disposition, development and improvement of any land comprised in the Trust Fund.

C7 ii The Trustees shall not be bound to maintain any building or other structure on land comprised in the Trust Fund or to preserve or repair any chattels comprised in the Trust Fund.

C8 Power to permit occupation of property and enjoyment of chattels

The Trustees shall have power to permit any person beneficially interested in the Trust Fund or any part of it to occupy, or reside in or upon, any real or immovable property, or to have the enjoyment and use of chattels or other movable property for the time being comprised in the Trust Fund, on such terms as to payment of rent, rates, taxes and other expenses and outgoings and as to insurance, repair and decoration, and generally upon such terms as the Trustees think fit.

C9 Exclusion of apportionment

The statutory and equitable rules of apportionment shall not apply to this Trust or to any interest created under this Trust and the Trustees may treat all dividends and other payments in the nature of income received by them as income at the date of receipt, irrespective of the period for which the dividend or other income is payable.

C10 Power of appropriation

The Trustees may 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 appear to them to be just and reasonable. For the above purpose, the Trustees may from time to time place such value on any or all investments or other property as they think fit.

C11 Powers in relation to minors

C11 i The Trustees may pay or transfer any assets comprised in, or any income of, the Trust Fund to the parent or guardian of any minor who is beneficially entitled to such assets or income, and the receipt of such parent or guardian, or of the minor, shall be a full discharge to the Trustees.

C11 ii The parent or guardian of a minor shall in respect of any assets or income received in accordance with this clause have the powers conferred on the Trustees by Part C of this Deed.

Section C – Administrative provisions continued

C12 Power to appoint agents

The Trustees may, instead of acting personally, employ and pay at the expense of the capital or income of the Trust Fund any agents in any part of the world, whether accountants, solicitors, brokers, banks, trust companies or other agents (without being responsible for the default of any agent, if employed in good faith) to transact any business or do any act in the execution of these trusts, including (without prejudice to the generality of this clause) the receipt and payment of money, the execution of documents and the holding of any securities, property or documents.

C13 Powers to delegate

C13 i The Trustees may engage any person or partnership as investment adviser to advise them on the investment of all or any part of the Trust Fund and they may, without being liable for any consequent loss, delegate to such investment adviser discretion to manage investments on such terms as the Trustees think fit.

C13 ii The Trustees may without being liable for any consequent loss, delegate to any person the operation of any bank, building society or other account.

C14 Trustee charging

C14 i A Trustee which is a trust corporation or company authorised to undertake trust business shall be entitled to remuneration in accordance with its published terms for trust business in force from time to time and, in the absence of published terms, in accordance with such terms as may from time to time be agreed between the Trustee and the Settlor or, if the Settlor is unfit, unable or unwilling to act, the person or persons by whom the power of appointing new trustees is exercisable.

C14 ii The Trustee, whether acting as a person engaged in a professional business or in a personal capacity, shall be entitled to all normal professional or other fees for business done, services rendered or time spent by such Trustee personally or by such Trustee's firm or company in the administration of these trusts, including acts which a Trustee not engaged in any professional business could have done personally.

Section D – Power of appointment of Trustees

D1 During the lifetime of the Settlor, the power of appointing new trustees shall be vested in the Settlor so long as he has full legal capacity (and where two persons are the Settlor this power shall be exercisable by them jointly during their joint lifetimes and thereafter by the survivor during his lifetime).

D2 There shall at all times be at least two Trustees unless a corporate body is a Trustee.

D3 The Settlor may remove one or more of the Trustees by sending a Notice of Removal in writing to the Trustee in question at his last known address. The sending of the Notice by recorded delivery post will be deemed due service of the Removal Notice. The removed Trustee shall co-operate (without any expense to him) in executing any documents or consents required in order to terminate effectively his Trusteeship and to vest the Trust Fund in the continuing Trustees.

Section E – Ancillary provisions

E1 Extended power of maintenance

The statutory provisions for maintenance and education shall apply, but so that the power of maintenance shall be exercisable in the discretion of the Trustees and free from the obligation to apply part only of the income for maintenance where other income is available.

E2 Extended power of advancement

The statutory provisions for advancement shall apply, but so that the power of advancement shall extend to the whole, rather than one half, of the share or interest of the person for whose benefit the advancement is made.

E3 Power to receive additional property

The Trustees may, at any time during the Trust Period, accept additional money, investments or other property, of whatever nature and wherever situate, paid or transferred to them by the Settlor or any other person. Such additional money, investments or other property shall, subject to any contrary direction, be held upon the trusts and with and subject to the powers and provisions of this Deed.

E4 Proper law, forum and place of administration

This Trust Deed shall be irrevocable and shall be governed by and construed according to (1) the law of England and Wales if the address of the Settlor is in England, Wales, the Channel Islands or the Isle of Man or (2) the law of Northern Ireland if the address of the Settlor is in Northern Ireland but the Plan shall be governed and construed according to the law stated in the Plan.

E5 No requirement to consult with beneficiaries

Any duty to consult with beneficiaries implied by law shall not apply to the trusts contained in this Deed.

E6 Protection of the Trustees generally

No Trustee shall be liable for any loss to the Trust Fund except as a result of the fraud of such Trustee. Any liability of a Trustee shall be restricted to the liability arising from his own actions or omissions only.

E7 Power to exercise powers except where personal interest

A Trustee may either exercise, or concur in exercising, all powers and discretions conferred on him by this Deed or by law, unless he has a personal interest in the mode or result of any such exercise, in which event he shall allow the remaining Trustees (if any) to act alone in relation to such exercise.

E8 Duration of powers

Every power, authority or discretion conferred on the Trustees, or on any other person, by this Deed shall (notwithstanding anything to the contrary expressed or implied in this Deed) only be exercisable during such period (whether definite or indefinite) as in the case of the particular power, authority or discretion the law may allow.

E9 Trustees' powers, authorities and discretions exercisable without liability

Every power, authority or discretion conferred on the Trustees by this Deed, or by law shall be an absolute and uncontrolled power, authority or discretion, and no Trustee shall be liable for any loss or damage occurring as a result of his agreement, or refusal or failure to agree, to any exercise of such power, authority or discretion.

E10 Stamp Duty exemption

This instrument falls within Category N in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987 as amended by the Stamp Duty (Exempt Instruments) (Amendment) Regulations 1999.

Section F – Definitions

F1 The Settlor

Note: The Settlor is the person who is creating the trust. As the plan owner you will be the Settlor. You should put your full name, including middle names, and address.

If 2 people are named, the term 'Settlor' includes both of them.

Settlor 1

title

first name

middle name

last name

address

postcode

Settlor 2

title

first name

middle name

last name

address

postcode

F2 Additional Trustees

Note: Complete the full names, including middle names, of the Additional Trustees. You must appoint at least one Additional Trustee.

Additional Trustee 1

title

first name

middle name

last name

address

postcode

Additional Trustee 2

title

first name

middle name

last name

address

postcode

Additional Trustee 3

title

first name

middle name

last name

address

postcode

Additional Trustee 4

title

first name

middle name

last name

address

postcode

Section F – Definitions continued

F3 The Trustees

The Trustees means the Settlor and the Additional Trustees for the time being acting under this Trust Deed and any other person or persons who may be appointed or assumed as a Trustee or Trustees of this Trust Deed.

F4 The Plan

Note: Please insert the number of each plan that is to be subject to this trust

The Plan means the Plan or Plans numbered below effected by the Settlor with the Company.

F5 The Company

The Company means Bright Grey.

F6 The Excluded Person

The Excluded Person means the Settlor.

F7 The Trust Fund

The Trust Fund means:

- i the Plan;
- ii all money, investments or other property paid or transferred by any person to or so as to be under the control of and, in either case, accepted by the Trustees as additions;
- iii all accumulations (if any) of income added to the Trust Fund; and
- iv the money, investments and property from time to time representing the above.

F8 The Trust Period

The Trust Period means the period ending on the earlier of:

- i the last day of the period of (A) 80 years from the date of this Deed if the Trust is governed by and construed according to the law of Northern Ireland or (B) 125 years from the date of this Deed if the Trust is governed by and construed according to the law of England and Wales, which period, and no other, shall be the applicable perpetuity period; and
- ii such date as the Trustees shall at any time specify by deed, not being a date earlier than the date of execution of such deed or later than a date previously specified.

F9 Children, grandchildren and issue of any person

Reference to the children, grandchildren and issue of any person shall include his children, grandchildren and remoter issue, whether legitimate, legitimated, illegitimate or adopted.

F10 The Retained Benefits

Note: These are the benefits of the Plan that you wish to keep for yourself.

The Retained Benefits shall mean any of the following benefits included in the Plan:

- i Income Cover for Sickness
- ii Income Cover for Unemployment
- iii Carer Cover
- iv Children's Critical Illness Cover
- v Additional Conditions Cover

Section F – Definitions continued

F11 The Gifted Benefits

Note: These are the benefits of the Plan that you wish to give away.

The Gifted Benefits shall mean any one of the following benefits included in the Plan:

- i Life Cover
- ii Critical Illness Cover
- iii Life or Critical Illness Cover

F12 The Discretionary Beneficiaries

Note: This is the list of beneficiaries the Trustees may appoint all, or any part of, the Gifted Benefits to, using the powers in Clause B2.

You can add to this list at any time by giving the Trustees the full names of any beneficiaries you think should benefit from the Trust Fund or by writing the full names of the beneficiaries at vi and vii below.

This Discretionary Beneficiaries shall mean:

- i the children and remoter issue of the Settlor (whenever born) including children and remoter issue by adoption.
- ii any spouse or civil partner or former spouse or civil partner of anyone within (i) above.
- iii any person at any time the spouse or civil partner of the Settlor or the widow or widower or surviving civil partner of the Settlor.
- iv any person who may at any time be a spouse, civil partner or widow or widower or surviving civil partner of either of the Settlers.
- v any person nominated in writing to the Trustees by the Settlor provided that the Settlor may not be the subject of such nomination.

vi

vii

F13 Words and expressions defined in the Plan

Words and expressions defined in the Plan shall unless the context otherwise requires have the same meanings in this Trust Deed as are specified in the Plan.

F14 Gender

Unless the context otherwise requires the masculine gender shall include the feminine and the neuter and vice versa, and the singular shall include the plural.

Section F – Definitions continued

F15 Clause headings

The clause headings are included for reference only and shall not affect the interpretation of this Deed.

Section G – Signatures

In witness whereof these presents consisting of this and the 8 preceding pages are executed by the Settlor on the date shown before the witnesses hereto subscribing.

Settlor signatures

Note: When you have completed all the information asked for in Section F, Definitions, please sign before an independent witness, who should complete his full name, including middle names, and address where shown.

Settlor 1

name

signature

date

Settlor 2

name

signature

date

Witness

title

first name

middle name

last name

address

postcode

signature

Witness

title

first name

middle name

last name

address

postcode

signature

The Additional Trustee by their execution hereof accept office as Trustees of this Trust Deed.

Additional Trustee signatures

Note: Each Additional Trustee should sign here to show they have agreed to take on the role of Trustee.

* If the Additional Trustee is a corporate body, please complete the name of the authorised signatory and the capacity in which they are signing – for example, Director.

Additional Trustee 1

name

signature

date

*authorised signatory name

*authorised signatory capacity

Additional Trustee 2

name

signature

date

*authorised signatory name

*authorised signatory capacity

Additional Trustee 3

name

signature

date

*authorised signatory name

*authorised signatory capacity

Additional Trustee 4

name

signature

date

*authorised signatory name

*authorised signatory capacity

Verification of identity

I/We	Trustee 1	Trustee 2
	name	name
	address	address
	postcode	postcode
	date of birth	date of birth
	Trustee 3	Trustee 4
	name	name
	address	address
	postcode	postcode
	date of birth	date of birth
	agree to Bright Grey carrying out an identity authentication search to verify my/our identity.	
I/We understand	<ul style="list-style-type: none">• this involves checking the details I/we supply against those held on any databases which may be accessed by the reputable third party company which carries out our checks. This includes information from the Electoral Register and fraud prevention agencies.• Bright Grey will use scoring methods to verify my/our identity.• a record of this search will be kept and may be used to help other companies to help verify my/our identity.• Bright Grey may also pass information to financial and other organisations involved in money laundering and fraud prevention to protect themselves and their customers from theft and fraud.• if I/we give Bright Grey false or inaccurate information and Bright Grey suspects fraud, Bright Grey will record this and share this information with other organisations.	
	Trustee 1	Trustee 2
	signature	signature
	Trustee 3	Trustee 4
	signature	signature

Help us to process this form quickly.

Check you have:

- Read this list carefully
- Completed the name and address of the plan owner and each additional trustee.
- Completed the plan number, if it is known.
- Included all the people that you might want to benefit.
- Had the form signed by the plan owner and had their signature witnessed by an independent person.
- Had the form signed by the additional trustee.
- Asked the additional trustees to complete the 'Verification of identity'.

Once complete you should post **a copy** of this form to us at

Customer Care Team, Bright Grey, 2 Queen Street, Edinburgh, EH2 1BG. We only need to see the original form if there is a claim on the plan. Please keep the original form with your plan documents.

You will need your cover summary or quote to complete this form.

If you are completing this form at the same time as your application form, please leave the plan number blank and we will complete this when it is known.

You can only use this form with a Bright Grey protection plan, you should not use it with a plan from any other company.

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